REPORT AND ACCOUNTS

1ST HALF 2025

BPI

Grupo CaixaBank

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This document is a translation from the Portuguese original "Relatório e Contas Banco BPI - 1º Semestre 2025".

In the event of any inconsistency the Portuguese version shall prevail.

MANAGEMENT REPORT

OVERVIEW OF THE FIRST HALF OF 2025

- Business growth: loans increased 7% yoy and total customer resources increased 6% yoy.
- Credit quality at historic highs: NPE of 1.3%, covered at 147%.
- Capital ratios with comfortable buffers: CET1 ratio of 14.0% and total ratio of 17.4%.
- Net profit from activity in Portugal of 241 M.€ in the 1st half of 2025, down 10% yoy reflecting the repricing of loans with lower indexing.
- Banco BPI's net profit of 274 M.€ in 1st half 2025 (-16% yoy).
- Strong investment in talent and the youth segment.

Interest rates and inflation fall, external risks emerge

In the first half of 2025, the inflation rate in Europe was close to 2% (in June) and the ECB's key interest rates fell over the six-month period to 2% (depo rate).

However, the imposition of generalised tariffs by the USA administration and the negotiation process itself, generating high uncertainty, as well as the intensification of geopolitical factors, make the risks to inflation two-way, justifying the ECB maintaining a cautious monetary policy in the near future.

The adverse external context also contributed to the fall in activity in Portugal in 1Q2025, with a 0.5% quarter-on-quarter drop.

Although GDP growth predicts for 2025 have been adjusted downwards, the Bank of Portugal still expects growth of 1.6% this year and above the Eurozone average. From 2026 onwards, the economy should return to more robust rates, close to 2%, continuing to grow more than the Eurozone.

BPI, Growth, Strength, Future

BPI maintained robust business growth, based on its commitment to quality customer service and preserving the high financial strength of its balance sheet.

The loan portfolio increased by 7% year-on-year and we strengthened our position in key segments.

BPI granted 1.9 Bn.€ in new mortgage loans, of which 0.5 Bn.€ were loans to young people with a public guarantee, achieved a 17.4% share of new loans contracted (up to May) and grew 10% yoy in the mortgage loan book. Companies also saw significant growth, +5% yoy in the loan portfolio, especially in the SME segment, which increased by 8% yoy.

The Bank continued its strong performance in attracting savings, with an increase of 6% yoy in total customer resources, with investment funds and capitalisation insurance standing out, which grew by 12% yoy.

Aimed at the Young segment, to which BPI pays special attention, it announced a new positioning of the AGE offer, a simplified banking gateway for young adults, with a competitive offer.

This growth took place with the lowest credit risk ever and a comfortable capital position. At the end of June 2025, the non-performing exposures (NPE) ratio was 1.3% and the respective coverage by impairments and collateral totalled 147%. The capital ratios - CET1 of 14.0% and total capital of 17.4% - were well above the regulatory requirements.

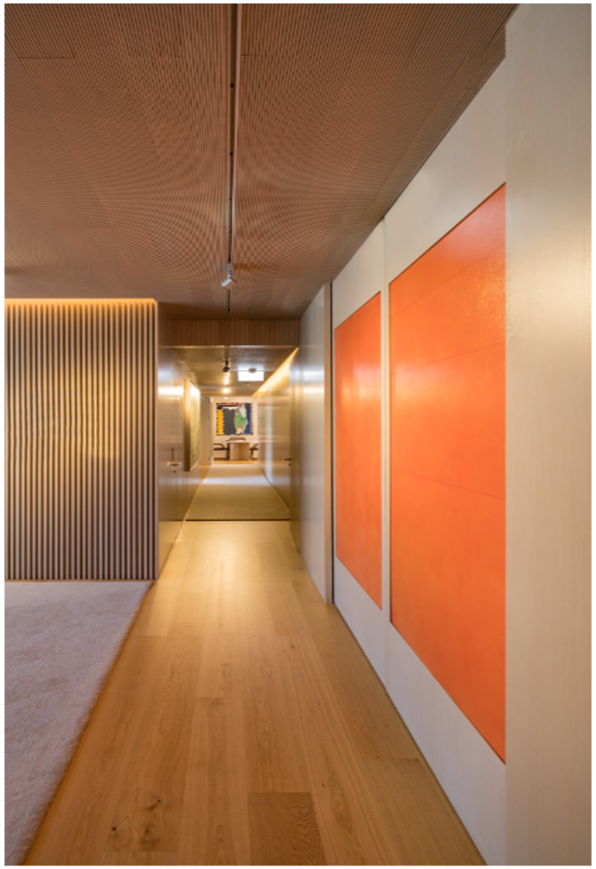
However, the increase in turnover was not enough to compensate for the reduction in gross income from adjusting the price of loans to lower interest rates. This explains the 10% decrease in the contribution of the activity in Portugal to BPI's results, which totalled 241 M.€ in the half year. The return on recurring tangible equity in Portugal stood at 16.6%.

The participations in BFA and BCI made a total contribution of 33 M.€ in the first half. BPI's net income totalled 274 M.€ in the first half of 2025 (-16% yoy).

BPI continued to be honoured by several independent national and international entities. BPI was voted Trusted Brand in Banking for the 12th consecutive year and was distinguished as "Best Digital Bank in Portugal", "Best Bank for Large Companies in Portugal" and "Best Bank for ESG in Portugal" by the British magazine Euromoney, "Best Private Bank in Portugal" in the Euromoney Private Banking awards and won the Five Star Award in "Mortgage Loans", among others.

Looking to the future, and with the ultimate aim of improving the customer experience, BPI has made a significant investment in hiring and retaining young talent. The Bank has hired more than 450 young employees since 2022 (168 in the 1st half of 2025). The "BPI Academies" Trainee Programme has also been a success, welcoming 156 young people in three editions, 75% of whom joined Banco BPI in several areas. The fourth edition is currently being prepared and is proving very popular.

The customer experience is also driven by investment in innovation and digital transformation. Digital Banking at BPI continues to grow, reaching around 1 million users in June 2025, with significant uptake of the mobile channel, adding over 61,000 users in the last 12 months, and new developments and features.



Commitment to sustainability

During the first half of 2025, Banco BPI continued its commitment to sustainability, in line with the guidelines of the Sustainable Banking Plan 2025-2027 - Promoting a More Sustainable Economy and Supporting Economic and Social Development -, which aims to mobilise 4.4 billion euros in sustainable financing by 2027.

In the first six months of the year, 632 M.€ were mobilised. In the Corporate, Institutional and Businesses segment, sustainable financing totalled 406 M.€, covering environmental, transition and social initiatives. In the Retail segment, with a particular focus on energy efficiency in housing, 226 M.€ were granted.

Banco BPI also promoted different communication and awareness-raising initiatives on sustainability, including the 2nd edition of the BPI Forum - The Future of Water, the Business Meeting on Governance held in Ílhavo, and the event "Women's Leadership: Inspiring Careers", dedicated to promoting gender equality and valuing female talent in leadership positions.

As part of its commitment to society, the BPI | "la Caixa" Foundation joint action has a budget of 50 M.€ for 2025, and the four BPI "la Caixa" Foundation Awards and the Decentralised Social Initiative have once again been launched.

Also worth mentioning is BPI Volunteering, one of the main corporate volunteering programmes in Portugal, launched in 2021 and which to date has directly benefited more than 100,000 people. In May, BPI organised Volunteering Month, in which 1,900 volunteers took part to support more than 16,400 direct beneficiaries.

MAIN INDICATORS JUNE 2025

41.9 Bn. €	32.4 Bn. €	41.9 Bn. €	1.8 Millions	4 354	303
Total assets	**Credit**	**Resources** (Customers)	**Customers**	**Employees**	**Commercial Units**

Commercial Dynamism and Profitability

6.5 %	**Customer resources** (yoy)
6.7 %	**Loan portfolio** (yoy)
14.8 %	**Market share** Mortgage loans, May 25 (+0.4 p.p. yoy)
12.4 %	**Market share** Loans to companies, includes debt securities, may.25 (0.1 p.p. yoy)
241.2	**Net profit** in Portugal
274.5	**Net profit** Banco BPI (M.€)
16.6 %	**Recurring ROTE** in Portugal (12 months)

Low Risk Profile and High Capitalisation

1.3 %	**NPE ratio**
147 %	**NPE coverage** (by impairments and collaterals)
17.4 %	**Total capital**
14.0 %	**CET1**
26.8 %	**MREL ratio** (in % RWA)

Commitment to Sustainability

631.6	**Sustainable business (M.€)**
406.0	Sustainable business (M.€) in the **Companies** segment
225.6	Sustainable business (M.€) in the **Retail** segment

(Amounts in M.€, unless otherwise stated)

	2021	2022[1]	2023	2024	Jun.25
Net profit	306.8	368.9	524.0	588.2	274.5
Activity in Portugal	178.6	238.5	443.7	511.2	241.2
Equity holdings in BFA and BCI	128.2	130.4	80.3	77.1	33.2
Return on tangible equity, ROTE[2]	9.2 %	10.1 %	14.6 %	16.4 %	15.1 %
Recurring ROTE in the activity in Portugal[2]	6.8 %	8.1 %	16.0 %	18.2 %	16.6 %
Cost to income in the activity in Portugal[3]	56.9 %	51.7 %	39.9 %	36.6 %	38.4 %
Return on assets, ROA	0.8 %	0.9 %	1.3 %	1.5 %	1.3 %
Total assets (net)	41 378	38 914	38 628	41 072	41 913
Loans to Customers (gross)	27 529	29 161	30 073	31 074	32 366
Total Customer resources	40 305	40 045	37 905	39 984	41 897
Loan to deposit ratio	91 %	92 %	99 %	97 %	97 %
NPE ratio (*Non performing exposures*; EBA criteria)	1.6 %	1.6 %	1.5 %	1.4 %	1.3 %
NPE coverage by impairments and collaterals	149 %	155 %	154 %	151 %	147 %
Cost of credit risk[4]	0.17 %	0.20 %	0.16 %	0.09 %	0.16 %
Shareholders' equity attributable to BPI shareholders[5]	3 393	3 599	3 700	3 736	3 573
Common Equity Tier 1 ratio [6]	14.2 %	14.8 %	14.1 %	14.3 %	14.0 %
Total capital ratio [6]	17.4 %	18.9 %	17.9 %	17.9 %	17.4 %
Leverage ratio [6]	6.8 %	7.1 %	7.4 %	7.4 %	7.3 %
Distribution network (number)[7]	349	325	316	303	303
BPI Group employees (number)	4 478	4 404	4 263	4 234	4 354

Note: consolidated accounts until 2023. In 2024, Banco BPI will no longer present consolidated accounts as it has no subsidiaries that are consolidated using the full integration method. In accordance with IAS 28 and IAS 27, associated companies in which Banco BPI has significant influence (Allianz and BCI) are recognised using the equity accounted method in Banco BPI's accounts from and including 2024 (previously, in Banco BPI's separate accounts these holdings were recorded at acquisition value).

[1] 2022 restated for the impact on holdings in insurance companies of the adoption of IFRS17, which came into force in 2023.
[2] The average shareholders' equity considered in the ROTE calculation is reduced by the average balance of AT1 instruments, intangible assets and goodwill on shareholdings.
[3] Operating expenses as a % of gross income. Excludes non-recurring.
[4] Impairments and provisions for loans and guarantees net of recoveries of loans previously written off / Average value of gross loan portfolio and guarantees.
[5] Excludes AT1 capital instruments (275 M.€).
[6] Phasing-in capital ratios of the impact of implementing IFRS9 by 2024. In 2023, adoption of IRB (mortgage loan).
[7] Retail branches, mobile branches, Premier centres, Private Banking and Corporate and Institutional centres.

Recognition

Best Bank for Large Corporates Portugal

Best Digital Bank Portugal

Best Bank for ESG Portugal

Trusted Brand 12 years in-a-row

Sanctions Team of the Year

Mortgage Loan and Prestige Products

Best Fixed Rate Mortgage Loan 2025

Best Forecast GDP Portugal

Best Private Banking Portugal

Best Private Banking for Digital Solutions Portugal

Best Private Banking for Next-Gen Portugal

Best Private Banking for Succession Planning Portugal

Best CRM Initiative

Best Private Bank for Digitally Empowering Relationship Employees

WHO WE ARE

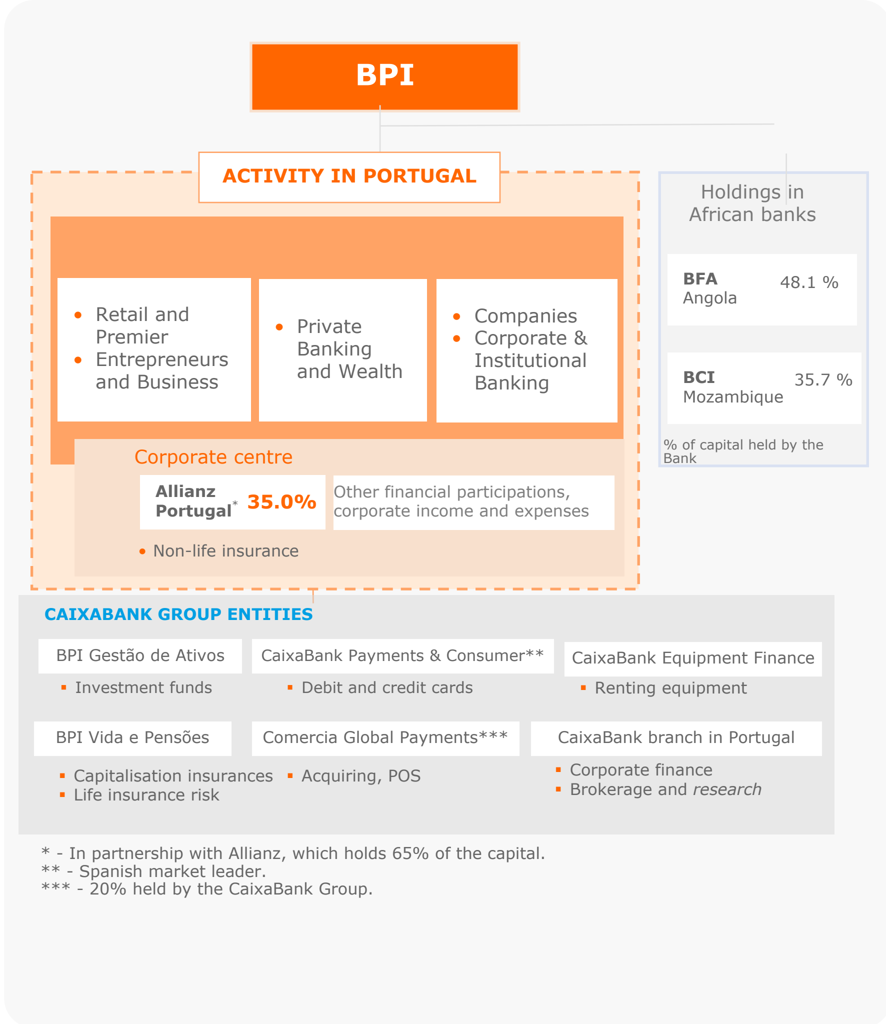
BUSINESS MODEL

BPI, 100% held by CaixaBank, centres its activity on commercial banking in Portugal and is the fourth largest financial institution in terms of business volume (loans, guarantees and total customer funds). At the end of May 2025, BPI had market shares[8] of 12.0 % in loans, with shares of 14.8% in mortgage loans and 12.4% in company loans, and 11.1 % in customer resources.

The business model is based on a complete range of financial products and services, structured to meet the specific needs of each segment and made available through a specialised, omnichannel and integrated distribution network.

Part of this offer is based on products and services provided by subsidiaries in Portugal and CaixaBank Group companies.

BPI structure and business model



[8] Sources: BPI, Banco de Portugal, Associação Portuguesa de Fundos de Investimento, Pensões e Patrimónios (APFIPP), Associação Portuguesa de Seguradores (APS) and BPI Vida e Pensões. Market shares in loans include company debt securities.

BPI Customer Segmentation

Personal, Business, Premier and InContact Banking

This area is aimed at Private Customers, Entrepreneurs and Businesses. Its multichannel distribution network includes:

- Traditional counters (mass customers and entrepreneurs and businesses);
- Premier Centres (high net worth customers or those with financial accumulation potential);
- InTouch Centres (individual customers with access to a dedicated manager via telephone or digital channels, during extended hours);
- AGE Centre (Young customers, aged 18 to 30, served remotely);
- Connect Centre (Customers with low commercial potential and involvement, served remotely).

Companies and Institutional Banking

In its close relationship with companies, BPI has a network adapted to its customers' needs:

- 6 Corporate and Institutional Banking Centres that meet the needs of the country's largest corporate groups and Institutional Customers
- 22 Corporate Centres and 2 commercial business development areas for medium-sized companies
- 1 Centre for Real Estate Business Companies.

Company and Institutional Banking also includes teams specialised in structuring operations and contracting more complex products, and responds to sector specificities with teams dedicated to the agricultural, tourism and real estate sectors, accompanying customers throughout the country.

Private Banking and Wealth

Private Banking provides discretionary management and financial counselling services to high net worth individuals. This area continues to be a benchmark in Portugal, based on teams of specialised professionals with vast experience, continuous innovation, the offer of products and services tailored to the needs of Customers and a commitment to the Customer experience.

With a differentiated value proposition and independent financial advice, the BPI Wealth service serves customers with greater business potential and greater financial sophistication.

Distribution network and Customer segmentation

To make products and services available to all its Customers, BPI has a varied network that includes commercial units in the physical network and remote commercial team centres/areas and a transversal Digital Banking service (BPI Net, BPI Net Empresas, BPIApp, BPI AGE App, BPI Empresas App, BPI Broker and BPI Direto).

In addition to these channels, BPI continues to innovate by exploring new ways of relating to customers.

New channels for customer relations

Quatru

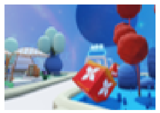
The home ecosystem, with a 100% digital mortgage process.

Pulsoo APP

Ecosystem for small businesses, brings a financial and regulatory vision.

BPI VR in the Metaverse

1st virtual information desk in Portugal.

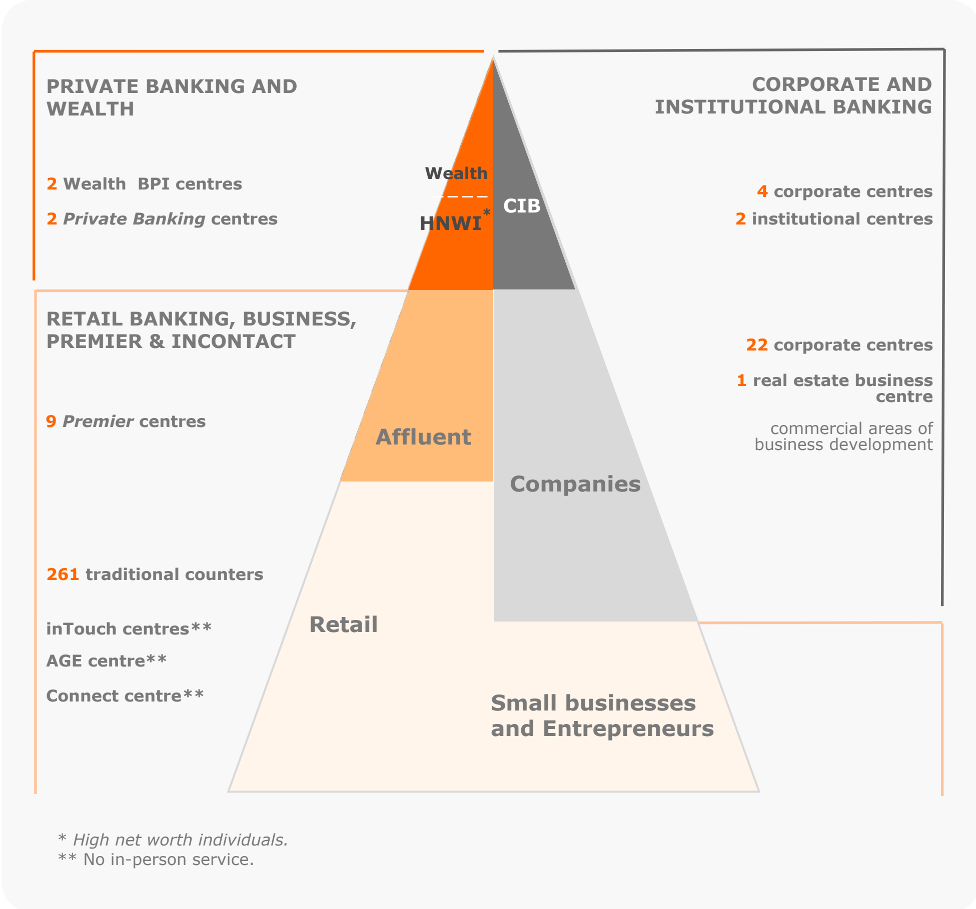


Planet AGE Craft Tycoon

The first bank on Roblox to promote financial education.

1.8 M **Customers** **303** **Commercial units in the physical network** **980 thousand** Regular users of **Digital Banking**

BPI Distribution network per offer segments



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STRATEGIC PLAN 2025-2027

BPI's Strategic Plan for the period 2025-27 reflects the Bank's intention to maintain its focus on customers, Employees and Society, to be bold in transforming the Bank and persistent on the path to growth.

With this Strategic Plan, BPI wants to continue to anticipate the future, combining technological advances and human relationship in an increasingly better and distinctive customer service experience.

The three new strategic lines are:

Get closer

- to customers - always focusing on the Customer
- to Employees - strengthen the attraction and development of talent
- to Society - intervene with the capacity and experience of the "la Caixa" Foundation

Transform

- Establish the technological foundations of the future (data architecture and *API-fication*)
- Evolve processes towards "Operations 0"
- Continue (r)evolution in IT, operations and processes on the way to a "cognitive bank"

Grow

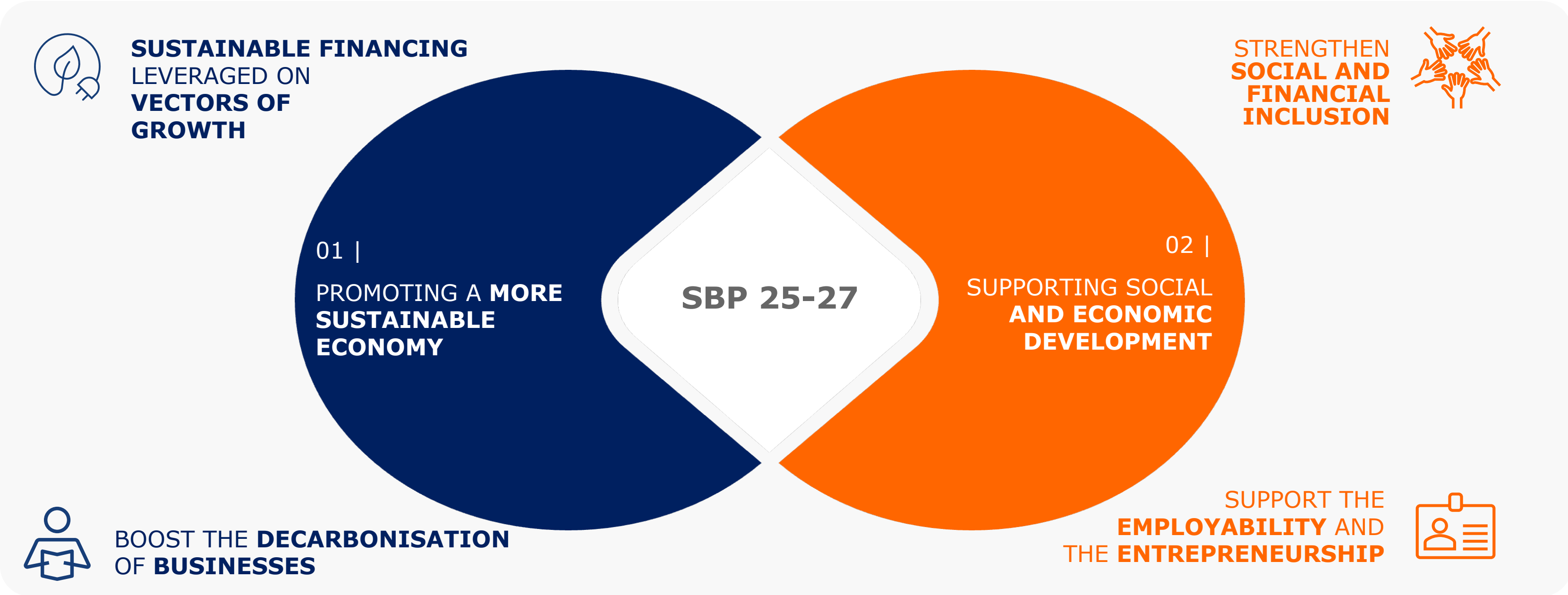
- Be even stronger in Mortgage Loans, Private Banking and Large Corporates
- Grow in SME and Retail's Businesses
- Finance the transition to sustainability

SUSTAINABLE BANKING PLAN

The Sustainable Banking Plan 2025-27 (SBP 25-27) materialises the Bank's firm commitment and responsibilities towards sustainable development, with a particular focus on the energy transition, continuing the efforts made in the implementation of the Sustainability Master Plan 2022-24.

SBP 25-27 is intended to reflect the Bank's ambition to have a transformative impact and, for this reason, it focuses on areas where there is the greatest potential for transformative impact: promoting a more sustainable economy and supporting social and economic development.

The Plan is structured around two ambitions and four lines of work:



MAIN SUSTAINABILITY HIGHLIGHTS

631.6 M.€

Sustainable Business

1st Half of 2025

- CaixaBank and BPI **finance R.Power with €38.6 million for photovoltaic projects in Portugal**.

  More details at Company and Institutional Customers.

- Partnership between BPI and CBRE to **support real estate investors in the sustainable transition.**

  More details at Company and Institutional Customers.

- 2nd edition of the **"BPI Forum: The Future of Water".**

  More details at Company and Institutional Customers.

- Launch of the **"Green Talks"** initiative, a series of *webinars* for Commercial Networks on sustainable financing.

  More details at Company and Institutional Customers.

- **100 thousand customers** with all documentation in **digital format.**

  More details at Decarbonisation of Own Operations.

- **82 M. €** in financing with conditions linked to the **reduction of greenhouse gases (GHG)** and the **pursuit of social objectives** by companies.

  More details at Share Capital.

- BPI organised a **Business Meeting on *Governance*** in Ílhavo.

- **"Women's leadership: inspiring careers"** event to **promote gender equality** and female talent in leadership positions.

- BPI extended its usual volunteer week to a **volunteer month**, which took place in May.

  More details at BPI Volunteering.

- BPI was awarded the prize for **Best Bank for ESG in Portugal** by *Euromoney* magazine.

BPI representatives at the Euromoney awards reception in London.

OUR PERFORMANCE

BPI Grupo CaixaBank

ECONOMIC FRAMEWORK

Global and European Economy

After enduring a series of prolonged and unprecedented shocks, the world economy was registering stable but unexciting growth rates. However, the picture has changed as governments around the world reprioritise and geopolitical and trade uncertainties reach new highs.

In this context, projections for global growth have been revised downwards, reflecting tariffs at levels unseen for a century and a highly unpredictable environment. The IMF predicts that global growth will be 2.8% in 2025, lower than in 2024 (3.3%) but which should still prevent a recession or deeper cooling.

In the field of prices, global inflation tended to fall in 2024, although in developed economies it remained above its pre-pandemic level. The fall in energy prices (especially Brent) contributed to the easing of inflation in the first half of this year, although the progress of disinflation is delayed by the strength of prices in the services categories. For 2025, the IMF estimates that global inflation will be 4.3%, 2.5% in developed countries, just -0.1 p.p. compared to the figure for 2024.

IMF projections for 2024 - 2026[9]

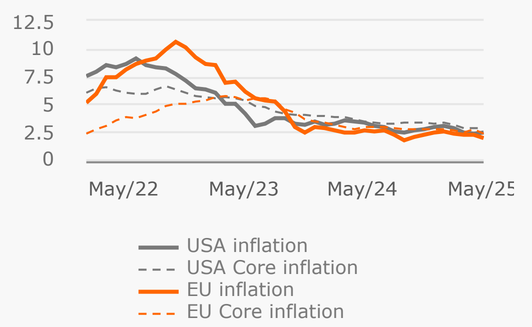
Real GDP (%)

	2024	2025P	2026P
World	3.3	2.8	3.0
Advanced economies	1.8	1.4	1.5
USA	2.8	1.8	1.7
Eurozone	0.9	0.8	1.2
Emerging and developing economies	4.3	3.7	3.9
China	5.0	4.0	4.0

The first half of 2025 was also marked by the process of monetary easing in the eurozone and a more cautious stance from the Fed. In fact, the ECB closed the first half of the year with the *depo* rate at 2.0% and the *refi* at 2.15%, after eight cuts since June 2024. The Federal Reserve hasn't cut rates since the December 2024 meeting, leaving rates unchanged in June for the fourth consecutive meeting, with the *fed-funds* range at 4.25%-4.50%.

Despite these downgrades by the ECB, the tone of the European bank's officials remained cautious. The ECB characterised the situation as "an end of the monetary cycle", having already achieved normalisation of inflation after the disruptions of COVID-19 and the war in Ukraine, but that the level of uncertainty is "exceptional" and therefore reiterates that it will take decisions in the remainder of the year "meeting by meeting" and "as the data dictate".

Year-on-year inflation in the USA and EU



Thus, towards the beginning of the summer, we find a context of tariffs on American imports at levels compatible with an orderly slowdown in global activity. The USA economy appears to be the most negatively affected in the short term by its own trade policies, with a combination of growth and inflation in 2025 much worse than expected before the tariff increases were announced and dangerously close to stagflation.

This divergence in dynamics on both sides of the Atlantic, favourable to Europe for the first time in a long time, continues to be reflected in the behaviour of the financial markets, savings flows and the evolution of the exchange rate. After a four-month period in which the global economy

[9] Source: IMF - World Economic Outlook update, April 2025. 2024 column corresponds to the value actually recorded.

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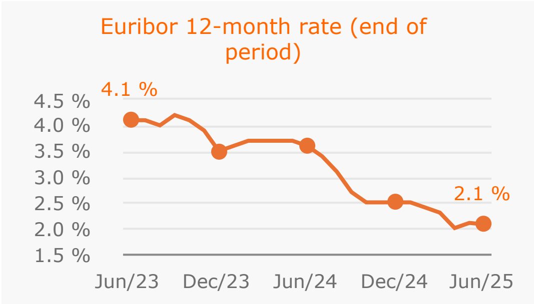
benefited from the boost provided by the anticipation of purchasing decisions, the pattern of global activity could change significantly in the remaining months of the year.

Financial Markets

June culminated in a "practically unanimous" decision to cut rates at the ECB meeting. Considering that the normalisation of inflation is essentially complete, the institution said that rates are well positioned to navigate the uncertainties of the remainder of the year. Thus, during the first six months of the year, the trend of the index rates continued and the 12-month Euribor was very close to 2% at the end of the period.



In the fixed-rate market, the slope of the sovereign curves tended to get steeper in the developed markets and at long maturities. In the USA, this movement was fuelled by the *"Liberation Day"*, Moody's downgrading of the rating (the rating fell from "Aaa" to "Aa1", the second highest on the agency's scale), and also by the fact that the budget plan *"The one big beautiful Bill Act"* reactivated the debate about fiscal sustainability. In the Eurozone, this movement also occurred following the announcements of budgetary expansion and defence spending, but it was more contained and tended to flatten out towards the end of the semester for longer maturities.

As a result, the 10-year Bund closed the first half of 2025 at 2.60% (2.36% at the end of 2024) and the 10-year US Treasury at 4.22% (4.56% at the end of 2024).

Portugal's risk premium against the Bund remained relatively stable, having closed the first half of the year at 45 basis points, lower than Italy's (87 bps) and Spain's (64 bps). In February, Standard & Poor's decided to raise Portugal's rating from "A-" to "A". Moody's ("A3" rating) and Fitch ("A-" rating) kept it unchanged.

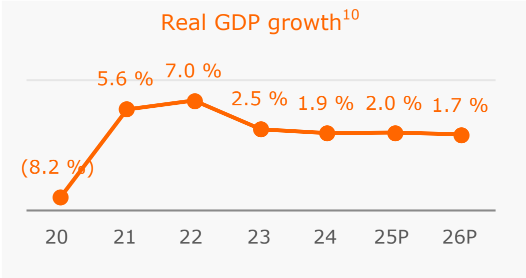
The announcement of aggressive tariffs by the USA, especially at the beginning of April with the "*Liberation Day*", caused the stock markets to trade in a context of volatility and led to strong corrections in the main indices (the S&P500 fell more than 10% in the space of two days), which subsequently recovered. The PSI20 has been outperforming the main indices and has accumulated gains of around 17% in the first half of the year.

Portuguese Economy

There was some political instability in the first half of the year, given the early elections held on 18 May. The electoral act led to the strengthening of the parliamentary position of the coalition that was already in power, maintaining a government with a very similar composition.

In this context, the Portuguese economy is expected to maintain a moderate growth rate this year, but higher than that of the Euro Zone, with the Bank of Portugal projecting a GDP growth of 1.6%. This growth projection was revised downwards following the 0.5% drop in activity in Q1 2025 after high growth in Q4 2024 (+1.4%, the result of one-off factors associated with the significant increase in household income due to the reduction in income tax with retroactive effect to the beginning of 2024). The Bank of Portugal predicts that quarterly GDP growth in the second half of the year should stand at 0.6%, reflecting greater dynamism in private consumption supported by the increase in real disposable household income, which is estimated at 2.2% in 2025.

The labour market continues to perform well, which can be seen in the number of people in employment, at near record levels, above 5.2 million in May.

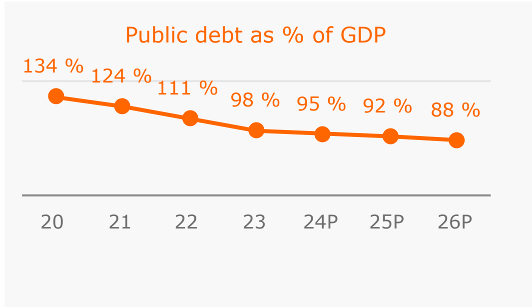


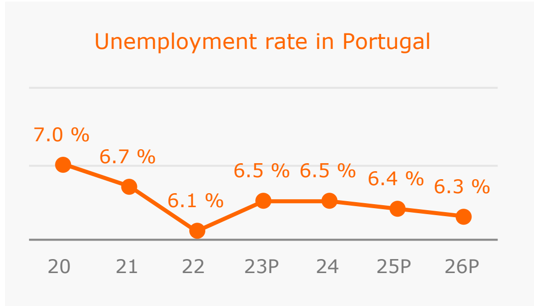
The European Commission has been warning that in a scenario of unilateral tariff increases by the USA, growth in the EU, and therefore in Portugal, will be affected in the three-year period 2025-2027. But in addition to this negative factor, there are others that will tend to favour the expansion of activity in 2025. These include the impact of the reduction in financing costs associated with the relaxation of monetary policy, but also the downward revision of energy prices (reflecting the increase in supply from producer countries and the negotiation of futures at lower prices in anticipation of lower demand), and the expected acceleration in the application of European funds.

The RRP should continue to boost growth. To date, Portugal has received 11.4 billion euros, which is equivalent to 51% of the total amount. Projects already approved amount to 21 billion euros (96% of the total amount) and payments have reached 7.2 billion (64% of the total amount received). Since the end of 2024, the payment rate has improved by 3 p.p. to 34% of the total amount approved. In addition, the government announced a 10 billion euro programme to combat the impact of tariff issues.

In the public accounts, the consolidated budget turnout figures up to May, from a cash perspective, point to a budget surplus of 0.5% of GDP (597 million euros), which compares with a deficit of 2.1% in the same period last year (-2.498 million euros).

This improvement in the budget balance reflects the increase in revenue above that of expenditure. Specifically, revenue increased by 12.3% year-on-year in the first five months of the year, almost mainly due to the behaviour of tax and contributory revenue. In the case of personal income tax and VAT, there was a favourable effect due to the reduction in refunds compared to last year (-643 and -91 million euros). In turn, expenditure rose by 4.5% year-on-year (+1 948 million euros), with emphasis on personnel costs (salary updates for civil servants in line with the 2025 State Budget) and career development.





In the external accounts, the Current Account recorded a surplus of 165 million euros up to April. The deterioration in the trade deficit was the main factor behind this performance and is the result, on the one hand, of a decrease in exports of goods (-332 million euros) and an acceleration in imports (+1 502 million euros), especially consumer goods. The surplus in the balance of services increased by 715 million euros year-on-year, due to travel and tourism.

Portuguese financial system

In May, the credit portfolio of the non-financial private sector grew by 4.5%

[10] Source: IMF, World Economics Outlook, October 2024.

year-on-year (+1.4% in the corporate segment and +6.1% in private individuals).

Up to May, new contracts rose by 26.0% yoy, as a result of the 29.2% increase in the loans to individuals segment (with increases of 39.8% in mortgage loans and 9.9% in consumer and other loans) and 22.1% in loans to companies.

In May, the non-financial private sector's deposit portfolio increased by 5.9% year-on-year (5.3% for individuals and 7.5% for companies). Particularly noteworthy were term deposits with an overall increase of 8.0% (14.6% in the company segment).

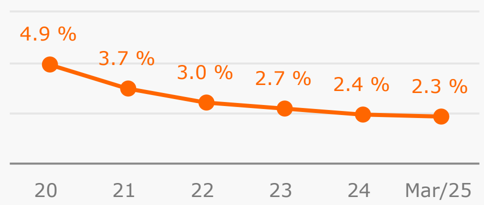
Credit and deposit growth (yoy %) - private sector

	2024	**May.25**
Credit	2.1	4.5
Individuals	**3.6**	**6.1**
Housing	3.2	6.3
Other	4.7	5.5
Non-financial companies	**(0.6)**	**1.4**
Total credit	**2.0**	**4.3**
Deposits	**7.5**	**5.9**

In Q1 2025 the transformation ratio (loans/deposits) stood at 74.9%, the same as at the end of 2024. In terms of solvency, the position improved at the end of 2024, with a CET 1 capital ratio of 18.0%, 0.9 p.p. more than at the end of 2023[11].

The *non-performing loans* (NPL) ratio[12] fell to 2.3% (down 0.1 p.p. compared to the end of 2024), highlighting the quality of the loan book.

Non-performing loans (NPL) ratio



In the Financial Stability Report published in May, the Bank of Portugal emphasises that the risks to financial stability have increased in recent months as a result of the unpredictability of USA economic policies and the reactions of different geopolitical and commercial partners, which could have adverse effects on global economic activity.

With regard to the Portuguese property market, which is associated with around 25% of banks' assets, the central bank believes that the realisation of an adverse situation should have a limited impact. The increase in prices in the residential segment has been sustained by the growth of the foreign resident population, the increase in household disposable income and the recent cycle of falling interest rates. Banks' exposure, in the form of mortgage loans, is mitigated by the low percentage of the property's value financed by the loan and by the containment of the effort rate.

[11] CET1 for Q1 2025 will be updated later, once the BoP document Portuguese Banking System - Q1 2025 (June 2025) has been released
[12] Source: Bank of Portugal (Portuguese Banking System - 1st Quarter 2025, June 2025).

FINANCIAL CAPITAL

Banco BPI results

Banco BPI made a **net profit** of 274.5 M.€ in the 1st half of 2025, down 16% yoy. Banco BPI's return on tangible equity (ROTE) totalled 15.1 %.

274.5 M.€
Banco BPI's net profit

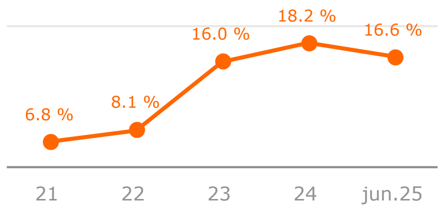
In its **activity in Portugal**, Banco BPI recorded business growth, with increases of 7% in loans and 6% in customer resources.

Net profit totalled 241.2 M.€, which corresponds to a year-on-year reduction of 10%, and reflects this:

- Gross income fell by 8%, reflecting the *repricing* of loans with lower index rates, which more than offset the effect of the growth in volumes;
- Stable recurring operating expenses. The efficiency indicator(*cost to income*) stood at 38.4% in June 2025 (last 12 months);
- Maintaining the cost of credit risk at low levels (0.16 % of the average credit portfolio and guarantees over the last 12 months).

The recurring ROTE in the activity in Portugal totalled 16.6 % in June 2025 (last 12 months).

Recurring ROTE in the activity in Portugal



Note: 2022 restated due to the impact on holdings in insurance companies of the adoption of IFRS17, which came into force in 2023.

The **contribution of the holdings of 48.1 % in BFA and 35.7 % in BCI** to Banco BPI's result was 33.2 M.€ in the 1st half of 2025:

- the participation in BFA contributed 43.4 M.€, reflecting the 2024 dividend and the impact of the devaluation of the kwanza;
- of the participation in BCI, BPI recognised in its results 19 M.€ (by equity method), corresponding to the appropriation of 35.7% of BCI's result for the semester, and impairments were recorded for the participation, following the downgrade of Mozambique's rating, and other corrections with an impact of -29 M.€, which explains BCI's negative contribution of -10.2 M.€.

Net profit (M.€)

	Jun.24	Jun.25	△%
Activity in Portugal	**267.8**	**241.2**	**(10 %)**
BFA Contribution	41.2	43.4	5 %
BCI Contribution	17.9	(10.2)	
Banco BPI net profit	**326.8**	**274.5**	**(16 %)**

Activity in Portugal

Profit & Loss Account

Net income from activity in Portugal totalled 241.2 M.€, -26.6 M.€ year-on-year (-9.9 % yoy). This decrease is explained by:

- Decrease in net interest income of 49 M.€ (-10.1 %), reflecting the *repricing* of loans with lower indexes;
- One-off effect of 18 M.€ in income (other operating income and expenses) in the 1st half of 2025, with the reversal of the cost of the Additional Solidarity Contributions on the Banking Sector, which neutralises the 16 M.€ *one-off* in commissions in the previous year (commissions decrease by 1% excluding this one-off).
- Stable recurring operating expenses;
- Reduction of costs with early retirements and voluntary redundancies (non-recurring) from 22.9 M.€ in the 1st half of 2024 to a residual value in the 1st half of 2025;
- Net loan impairments increased from 4.4 M.€ in the 1st half of 2024 to 27.9 M.€ in the 1st half of 2025, but the cost of credit risk remains low: 0.16% (versus 0.06 % in the 1st half of 2024).

	jun.24	jun.25
Recurring ROTE[13]	**19.0 %**	**16.6 %**

Profit and loss account for activity in Portugal (M.€)

	Jun.24	Jun.25	△%
Net interest income	490.6	441.3	(10.1 %)
Dividend income	8.3	7.1	(14.3 %)
Equity accounted income	10.3	9.5	(7.4 %)
Net fee and commission income	167.9	149.9	(10.7 %)
Gains / (losses) on financial assets and liabilities and other	15.4	10.5	(31.7 %)
Other operating income and expenses	(23.9)	(4.6)	80.8 %
Gross income	**668.6**	**613.7**	**(8.2 %)**
Recurring staff expenses	(124.8)	(126.4)	1.3 %
Other administrative expenses	(94.1)	(93.5)	(0.7 %)
Depreciation and amortisation	(31.4)	(33.4)	6.1 %
Recurring operating expenses	**(250.4)**	**(253.2)**	**1.1 %**
Non-recurring expenses	(22.9)	(0.2)	(99.1 %)
Operating expenses	**(273.2)**	**(253.5)**	**(7.2 %)**
Net operating income	**395.4**	**360.3**	**(8.9 %)**
Impairment losses on financial assets	(4.4)	(27.9)	
Other impairments and provisions	0.0	0.0	
Gains and losses in other assets	2.0	0.4	(81.7 %)
Net income before income tax	**393.0**	**332.7**	**(15.3 %)**
Income tax	(125.3)	(91.5)	(27.0 %)
Net income	**267.8**	**241.2**	**(9.9 %)**
[Recurring net income][14]	283.5	241.4	(14.9 %)

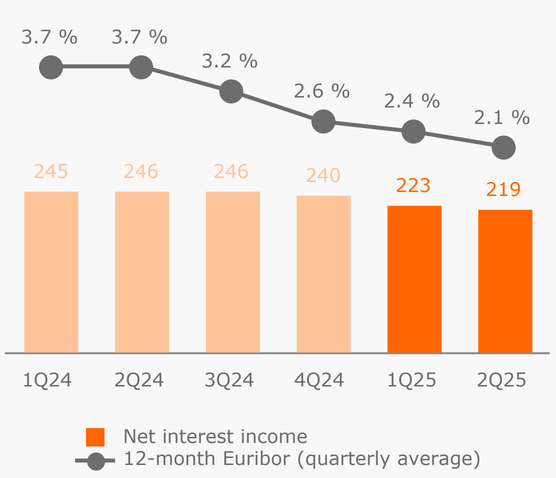
[13] Recurring ROTE (16.6 % in Jun25, last 12 months) = Recurring net profit in Portugal in the last 12 months (495 M.€), after deducting the AT1 interest cost (10 M.€) recorded directly in shareholders' equity / Average shareholders' equity allocated in the last 12 months (2 976 M.€).
[14] Excluding costs with early retirement and voluntary redundancies.

Revenues

Net interest income

The net interest income fell by 49 M.€ compared to the same period last year, mainly due to:

- 100 M.€ reduction in interest on loans (-14% yoy) due to the *repricing* of operations with lower indexes, despite the growth in the loan book;
- reduction of 29 M.€ in the cost of term deposits (-17%), only partially offset the reduction in interest income on loans.



The unit intermediation margin fell 0.6 p.p. year-on-year to 2.9 % in the 1st half of 2025, mainly reflecting the contraction in the average margin on sight deposits (which account for around half of total deposits), a direct consequence of the fall in market interest rates.

Net interest income (M.€)

	Jun.24			Jun.25			△ interest (%)
	Avg. balance	Avg. rate	Interest	Avg. balance	Avg. rate	Interest	
Loans to Customers[15]	29 212	4.7 %	688.7	30 759	3.8 %	589.0	(14.5 %)
Customer deposits in euros	28 324	1.2 %	168.7	30 151	0.9 %	139.6	(17.3 %)
Intermediation margin[16]		**3.5 %**	**520.0**		**2.9 %**	**449.4**	**(13.6 %)**
Other revenues and costs			-29.3			-8.0	72.6 %
Net interest income			**490.6**			**441.3**	**(10.1 %)**

Avg. - average.

[15] Excludes loans to employees, commissions at amortised cost and interest on overdue loans.
[16] Defined as the margin between interest income on loans (excluding loans to employees) and the cost of customer deposits in euros. Does not include interest rate hedging.

Net fee and commission income

The reduction in commissions -10.7 % yoy is explained by the fact that in the first half of 2024 there was a one-off gain of 16.1 M.€ from the early settlement of profit-sharing on insurance policies marketed in previous years.

Net commissions, excluding that impact, fell 1.3% YoY.

Evolution of commissions by nature of service:

- banking commissions fell by 1.5 M.€ (-1.6 %), due to lower placement of company debt issues and costs associated with commercial campaigns. On the bright side, commissions associated with loans and guarantees increased by +3.4 M.€;
- commissions from investment funds and capitalisation insurance increased by +4.3%, reflecting the placement of investment funds and *unit linked* products;
- insurance brokerage commissions fell by 5.4%, excluding the one-off impact mentioned above.

Net fee and commission income (M.€)

	Jun.24	Jun.25	△%
Banking commissions	94.2	92.7	(1.6 %)
Investment funds and capitalisation insurance	27.7	28.9	4.3 %
Insurance Brokerage	46.0	28.3	(38.5 %)
Total	**167.9**	**149.9**	**(10.7 %)**

Equity accounted income

The results of associated companies, totalling 9.5 M.€ at 1st half 2025, correspond to the appropriation of the results of the holding in Allianz (equity method).

Gains / (losses) on financial assets and liabilities

Gains / (losses) on financial assets and liabilities totalled 10.5 M.€ in the 1st half of 2025 and include gains of 6.4 M.€ on foreign exchange transactions with customers and 2.1 M.€ on interest rate hedging transactions.

Other operating income and expenses

Other operating income and expenses increased from -23.9 M.€ in the 1st half of 2024 to -4.6 M.€ in the 1st half of 2025. This positive development is essentially due to the reversal in 1st half 2025 of the cost of the "Additional Solidarity Tax on the Banking Sector" paid in previous years (18.2 M.€) following the Constitutional Court judgements declaring this tax unconstitutional, giving right to its refund.

This item includes regulatory costs of 26.5 M.€ in the 1st half of 2025 (National Resolution Fund 7.1 M.€ and Contribution on the Banking Sector 19.4 M.€).

Operating expenses

Recurring operating expenses remained relatively stable compared to the 1st half of 2024:

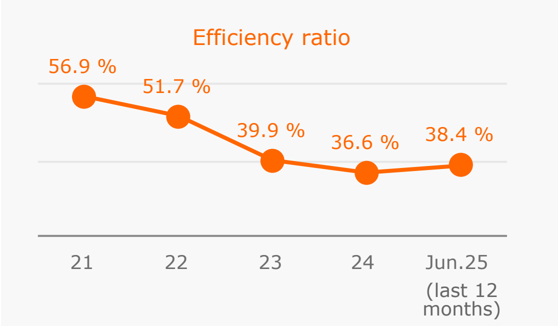
- Recurring staff expenses increased by 1% yoy with a 0.8% increase in the average number of staff;
- Other administrative expenses (-0.7% yoy) reflect the maintenance of the digitalisation and technological innovation effort;
- Depreciation and amortisation increased 6 %.

In the 1st half of 2024, costs with early retirements and voluntary redundancies (non-recurring) totalled 22.9 M.€, compared to close to zero in the 1st half of 2025.

Values in M.€

	Jun.24	Jun.25	△%
Staff expenses	124.8	126.4	1.3 %
Other administrative expenses	94.1	93.5	(0.7 %)
Depreciation and amortisation	31.4	33.4	6.1 %
Operating expenses, excluding non-recurring	**250.4**	**253.2**	**1.1 %**
Non-recurring expenses	22.9	0.2	
Operating expenses, as reported	**273.2**	**253.5**	**(7.2 %)**

The efficiency ratio ratio totalled 38.4 % in the 1st half of 2025[17]:



Pension liabilities

Employee pension fund assets (1 684 M.€) covered pension liabilities by 101% at the end of June 2025.

%

101% Coverage of pension liabilities
(30 June 2025)

Values in M.€

	Dec.24	Jun.25
Total past service pension liabilities	1 763	1 669
Net assets of the pension fund	1 758	1 684
Coverage ratio	100 %	101 %
Pension funds return	3,4%	(1.7 %)
Discount rate	3,4%	3,8%

Note: return on pension funds since the beginning of the year; not annualised.

[17] Operating expenses as a % of gross income. Excludes non-recurring impacts. 2022 restated by the adoption of IRFS 17.

Impairments and provisions for loans and guarantees

Impairments for loans and guarantees net of recoveries totalled 27.9 M.€ in the 1st half of 2025, to which they contributed:

- Net allocations of 33.9 M.€ (versus 17.0 M.€ at 1st half 2024, which includes a 6 M.€ increase in unallocated impairments);
- Gains of 6.0 M.€ from the sale of a portfolio of 82 M.€ (gross value) of non-performing loans[18] (versus gains of 12.5 M.€ in the 1st half of 2024).

The cost of credit risk[19] totalled 0.16 % in June 2025 (last 12 months).

0.16 %
Cost of credit risk
(last 12 months)

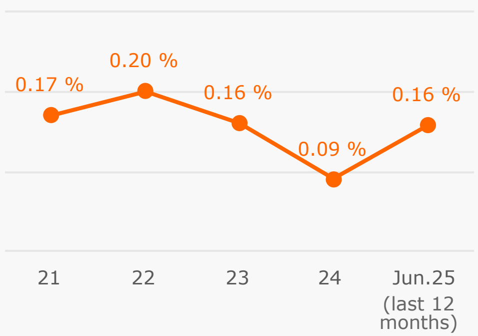
At the end of June 2025 the balance of unallocated impairments totalled 70 M.€.

Impairments and provisions for loans and guarantees (M.€)

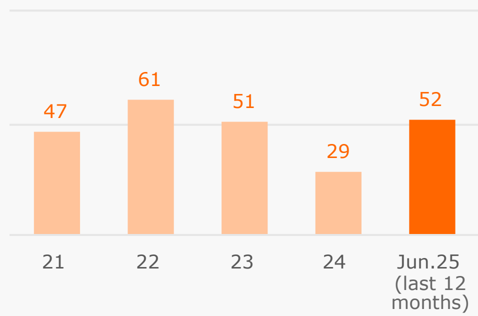
	Jun.24	Jun.25
Impairments	18.3	34.9
Recovery of loans written off from assets	(1.4)	(1.0)
Subtotal (excluding credit sales)	**17.0**	**33.9**
(-) Gains on credit sales	12.5	6.0
Total	**4.4**	**27.9**

Banco BPI is in the process of selling a set of *non-performing* loans to companies, the gross value of which amounts to 83 million euros. Completion of this operation (and recognition of the reversal of impairments) is scheduled for the third quarter of 2025.

Cost of credit risk (% of loan portfolio and guarantees)



Impairments for loans and guarantees net of recoveries (M.€)



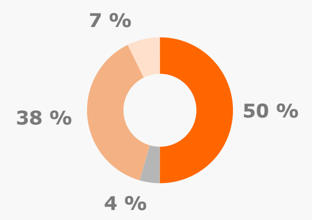
[18] Of which 73 M.€ of NPE and 9 M.€ of credits previously written off against assets and other off-balance sheet balances.
[19] Impairments net of recoveries as a percentage of the average balance of gross loans and guarantees.

Loans to Customer

The portfolio of loans and advances to Customers (gross)[20] increased 6.7 % yoy (+2.0 Bn. €). The following segments stand out:

- mortgage loans, with year-on-year growth in the portfolio of 10.2 % (+1.5 Bn. €) and a gain in market share of +0.4 p.p. (yoy), to 14.8 %[21](share in May 2025, in terms of portfolio). New mortgages taken out in the 1st half of 2025 increased by 54% compared to the same half of the previous year, giving BPI a market share of 17.4 % (Jan.-May.25);
- Loans to companies, whose portfolio increased 5.3 % (+0.6 Bn €). Market share totalled to 12.4 %[21], +0.1 p.p. (yoy).

Loan portfolio (Jun.25)



Values in M.€

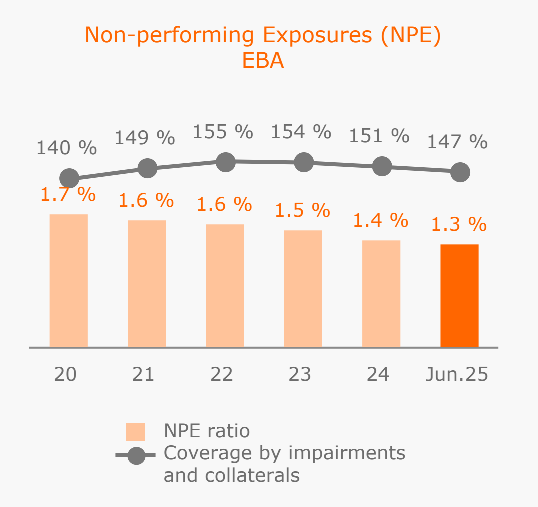
	Jun.24	Dec.24	Jun.25	△% yoy	△% ytd
Loans to individuals	16 295	16 775	17 638	8.2 %	5.1 %
Mortgage loans	14 688	15 232	16 193	10.2 %	6.3 %
Other loans to individuals	1 607	1 543	1 445	(10.1 %)	(6.3 %)
Companies	11 750	11 995	12 372	5.3 %	3.1 %
Public sector	2 300	2 304	2 355	2.4 %	2.2 %
Total	**30 345**	**31 074**	**32 366**	**6.7 %**	**4.2 %**
Note:					
Net loan portfolio	29 843	30 571	31 890	6.9 %	4.3 %

[20] (Gross) loans and advances to customers correspond to loans and advances to customers (27,826 M.€ in June 2025), excluding escrow accounts, *reverse repos* and other assets (56 M.€ in June 2025), plus customer debt securities (4,596 M.€ in June 2025, excluding credit institutions), recorded under financial assets at amortised cost.
[21] Sources: BPI and Bank of Portugal.

Asset quality

BPI maintains a low risk profile, reflected in high asset quality and prudent coverage levels.

In June 2025, the NPE (EBA) ratio[22] was 1.3%, impairment cover totalled 93% and coverage by impairments and collaterals associated with NPE was 147%.



Non-performing Loans (NPL) EBA

The NPL ratio stood at 1.7% at the end of June 2025, well below the high risk threshold for non-performing assets defined by the EBA (5%).

NPL coverage by impairments is 94% and 148% considering coverage by impairments and associated collaterals.

For the main credit segments:

- **Loans to Companies:** NPL ratio of 3% (2.6% in December 2024) and NPL coverage of 101% by impairments and collateral;
- **Mortgage loans:** NPL ratio of 1.1% (1.3% in December 2024). In this segment, collaterals (real guarantees) have a very significant effect on reducing the risk of loss. NPL coverage by impairments and collaterals is 132% (impairment coverage of 33%).

	2024	Jun.25
***Non-performing exposures (NPE)*[1]**		
Credit risk exposure (M.€)	39 843	40 958
Non-performing exposures (M.€)	540	531
NPE ratio	1.4%	1.3 %
Loan impairments[2] (M.€)	514	492
Coverage by impairments	95 %	93 %
Coverage by impairments and collaterals	151 %	147 %
***Non-performing loans (NPL)*[1]**		
Credit risk exposure (M.€)	30 817	30 791
Non-performing Loans (M.€)	530	521
NPL ratio	1.7 %	1.7 %
Loan impairments[2] (M.€)	514	492
Coverage by impairments	97 %	94 %
Coverage by impairments and collaterals	152 %	148 %
"Crédito duvidoso"[1]		
Gross portfolio and guarantees (M.€)	33 738	34 982
"Crédito duvidoso" (M.€)	573	555
"Crédito duvidoso" ratio	1.7%	1.6 %
Loan impairments[2] (M.€)	514	492
Coverage by impairments	90 %	89 %
Coverage by impairments and collaterals	145 %	142 %

[1] NPL and NPE according to EBA criteria; "crédito duvidoso" according to Bank of Spain criteria.
[2] Impairments for loans and guarantees.

[22] In addition to the credit exposure considered in the NPL (EBA), it also includes shareholder loans and debt securities from the loan book.

Restructured credit

The amount of restructured credit ("forborne", according to the EBA criteria) totalled 562 M.€ in June 2025. Compared to December 2024, there was a decrease in restructured credit resulting from the exit from Stage 2 of the contracts that benefited from the application of the DL80-A/2022 support measures.

Around 60% were performing exposures and the remaining 40% were included in the NPE balance. The "forborne" ratio was 1.2 % (1.5 % as at Dec.24).

Credit restructured by segment:

- Loans to companies, 194 M.€ of restructured loans and a "forborne" ratio of 2.2%. Around 30% is performing loans and the remaining 70% is included in NPE;
- Housing loans, 325 M.€ of restructured loans and a forborne ratio of 2%. Around 82% is performing loans and the remaining 18% is included in NPE.

Restructured credit (*"forborne"*), EBA criteria (M.€)

	Dec.24		Jun.25	
	M.€	Ratio	M.€	Ratio
Performing loans	463	1.0 %	339	0.7 %
Included in NPE	217	0.5 %	223	0.5 %
Total	**680**	**1.5 %**	**562**	**1.2 %**

Recovery funds

BPI has little exposure to specialised credit recovery funds, subscribed in return for the assignment of credits (Recovery Fund, FCR).

At the end of June 2025, the net balance sheet value was 3.8 M.€.

Properties received through loan repossession

BPI's properties portfolio received through loan repossessions is negligible. At the end of June 2025 it totalled:

1.8 M.€
Gross book value

0.2 M.€
Net book value

The appraised value of these properties is 17.9 times higher than their net book value.

Financial assets portfolio

In June 2025, BPI held a sovereign debt portfolio of 5 069 M.€[23]. This portfolio corresponds to debt from Portugal (30%, including Treasury Bills), Spain (20%), Italy (16%), the European Union (16%), France (10%) and the USA (8%).

The average residual maturity of the portfolio is 2.3 years.

The Bank uses this portfolio to manage balance sheet liquidity and generate a positive contribution to the income.

Sovereign debt securities portfolio (M.€)

	Dec.24	Jun.25
Short term (Portugal)	147	347
Medium to long term		
Portugal	1 188	1 191
Spain	993	999
Italy	663	815
France		508
European Union	648	787
USA	620	423
Total	**4 260**	**5 069**

[23]Sovereign debt securities in the portfolios of financial assets at fair value through other comprehensive income (note 11) and financial assets at amortised cost (note 12.1). It does not include the portfolio of financial assets held for trading.

Customer resources

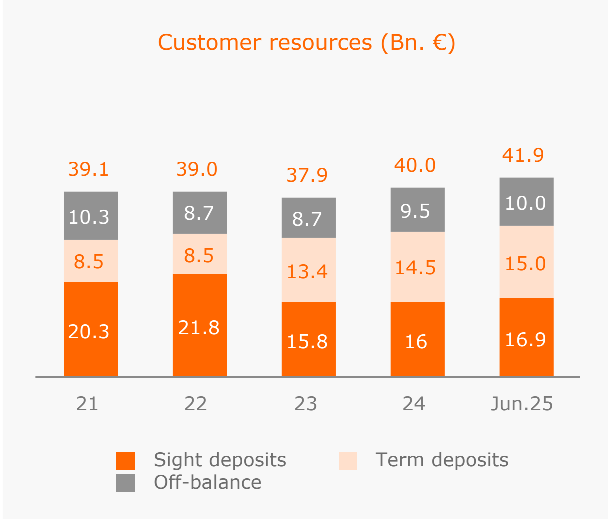
Customer deposits grew 4.8 % yoy (+1.5 Bn €), with close growth in term and sight deposits. The weight of term deposits in total deposits remained stable (47%).

Off-balance sheet resources grew 12.1 % (+1.1 Bn €), due to strong net savings inflow, and also include the positive effect of the market valuation of the respective financial asset portfolios.

Total customer funds totalled 41 897 M.€ at the end of June 2025 (6.5 % yoy).

Customer resources (M.€)

	Jun.24	Dec.24	Jun.25	△% yoy	△% ytd
Customer deposits	**30 408**	**30 501**	**31 880**	**4.8 %**	**4.5 %**
Sight deposits	16 108	16 027	16 864	4.7 %	5.2 %
Term deposits	14 300	14 474	15 015	5.0 %	3.7 %
Off-balance sheet resources	**8 936**	**9 483**	**10 018**	**12.1 %**	**5.6 %**
Investment funds	4 435	4 722	5 013	13.0 %	6.2 %
Capitalisation insurances	4 422	4 685	4 932	11.5 %	5.3 %
Others	79	76	72	—	—
Total	**39 343**	**39 984**	**41 897**	**6.5 %**	**4.8 %**



Liquidity and *Funding*

BPI has a balanced financing structure and a strong liquidity position.

At the end of June 2025:

97 % **Transformation ratio**

of deposits into loans (customer deposits are the main source of financing)

141 % **NSFR ratio**

Net stable funding ratio

210 % **LCR ratio**

Liquidity coverage ratio (12-month average)

10.3 Bn. € **Eligible assets**

for financing from the ECB

Equity holdings in BFA and BCI

Banco BPI holds minority financial participations in two African commercial banks:

- 48.1 % of the capital of Banco de Fomento Angola (BFA). At the end of May 2025, BFA had total assets of 3.8 Bn.€, around 3.3 million customers, and market shares of 16.3% in deposits and 14.2% in credit[24].
- 35.7 % of the capital of Banco Comercial e de Investimentos (BCI) in Mozambique. BCI is the leader in the Mozambican banking system with total assets of 3.3 Bn.€, 2.4 million customers, and market shares of 23% in total assets, 27% in loans, and 26% in deposits.[25].

The participations in BFA and BCI contributed 33.2 M.€ to Banco BPI's net profit in the 1st half of 2025.

Contribution to Banco BPI's net profit

Values in M.€	Jun.24	Jun.25
BFA contribution	41.2	43.4
BCI Contribution	17.9	-10.2
Total	**59.1**	**33.2**

Banco de Fomento Angola (BFA)

BFA's contribution to Banco BPI's result of 43.4 M.€ in the 1st half of 2025 reflects the dividend attributed for the 2024 financial year.

At the end of June 2025, the 48.1 % stake in BFA was valued at 307 M.€[26].

The preparation of a Public Offer for Sale of 30% of BFA's share capital on the Angolan Stock Exchange is underway. BPI has decided to accompany the privatisation operation and intends to sell up to 15% of BFA's capital. The operation is in the final stages of preparation and is expected to be finalised in the second half of 2025.

Banco Comercial e de Investimentos (BCI)

BCI's contribution to Banco BPI's result was -10.2 M.€ in the 1st half of 2025 and is explained by:

- 19 M.€ of results recognised through the equity accounted income, corresponding to the appropriation of 35.7% of the results generated by BCI in the first half;
- -29 M.€[27] impairments for the value of the participation (following the downgrade of Mozambique's rating) and other corrections.

The balance sheet value of the participation in BCI (recognised by Equity accounted method, net of impairments) amounted to 146 M.€ in June 2025.

Banco BPI - profitability and efficiency indicators

Indicators in accordance with Bank of Portugal Instruction 16/2004, as amended by subsequent Instructions

	Jun.24	Jun.25
Gross income/ATA	3,7%	3,2%
Net income before income tax and minority interests/ATA	2,3%	1,7%
Net income before income tax and minority interests / Avg. shareholders' equity and minority interests	23,7%	18,8%
Staff expenses/Gross income[28]	17 %	19 %
Operating expenses/ Gross income[28]	34 %	38 %
Loan to deposit ratio[29]	99 %	100 %

ATA = average total assets.

[24] Source: BFA.
[25] Source: BCI. Number of customers and market shares with reference to May 2025.
[26] Since 2018, the participation in BFA has been classified as a financial investment and recorded under "shares at fair value through other comprehensive income".
[27] Includes -22 M.€ in impairment tests on the value of the investment and -9 M.€ (recorded under "Equity accounted income") relating to impairments on BCI's public debt portfolio, following the revision of Mozambique's ratings.
[28] Excluding early retirement costs.
[29] Net customer loans/customer deposits.

Prudential Capital

At the end of June 2025, Banco BPI's capital ratios totalled CET1 of 14.0 %, *Tier* 1 of 15.3 % and total capital of 17.4 %, meeting the minimum requirements of the European Central Bank (ECB) by a significant margin[30].

Banco BPI has a capital buffer of 3.7 p.p. against the minimum requirements (Buffer MDA - Maximum Distributable Amount).

The MREL ratios at the end of June 2025 were:

- 26.8 % as a percentage of RWA (vs. a requirement of 25.19%);
- 12.7 % as a percentage of the LRE (vs. a requirement of 5.91%).

Capital ratios (M.€)

	Dec.24	Jun.25
Common Equity Tier 1	2 864	2 903
Tier 1	3 145	3 180
Tier 2	446	443
Total own funds	3 590	3 623
Risk-weighted assets	20 029	20 794
CET1 ratio	14.3 %	14.0 %
T1 ratio	15.7 %	15.3 %
Total ratio	17.9 %	17.4 %
MDA buffer	4.3 %	3.7 %
Leverage ratio[31]	7.4 %	7.3 %
MREL (in % RWA)	27.7 %	26.8 %
MREL (in % LRE)	13.0 %	12.7 %

[30] The minimum BAS III capital requirements for Banco BPI at the end of June 2025: CET1 of 9.39%, T1 of 11.27%, total ratio of 13.77% and leverage ratio of 3.0%.The capital requirements include the reserve requirement for systemic risk in the residential property market in Portugal and the countercyclical reserve, which are calculated quarterly

[31] Ratio calculated between Tier 1 capital and the value of balance sheet assets and off-balance sheet items, not subject to risk weightings.

Rating

Banco BPI has investment grade ratings from three international agencies, Fitch Ratings, Moody's and S&P Global Ratings.

Fitch Rating	**A-** Stable
Moody's	**A2** Stable
S&P	**A-** Stable

The mortgage covered bonds issued by Banco BPI are rated AA (high) by DBRS and Aaa by Moody's and qualify as level 1 assets in the calculation of the LCR ratio.

In the 1st half of 2025, S&P Global Ratings (in March) and Fitch Ratings (in May) reaffirmed Banco BPI's rating, both with a stable outlook. Fitch Ratings also upgraded Banco BPI's standalone rating by 1 notch to bbb.

On Jun.25, DBRS raised the rating of Banco BPI's Covered Bonds (mortgages) by 1 notch to AA (high).

Moody's took no action on Banco BPI's rating in the 1st half of 2025.

On 30 June 2025	DBRS Morningstar	Fitch Rating	Moody's	S&P Global Ratings
Banco BPI’s credit rating				
Issuer Rating / Outlook		A- / Stable	A2 / Stable	A- / Stable
Long-term deposits / Outlook		A	A1 / Stable	-
Long-term debt / Outlook		A	A2	A- / Stable
Short-Term Deposits		F1	Prime-1	-
Short-Term Debt		F1	Prime-1	A-2
Individual rating		bbb (Viability rating)	baa1 (Baseline Credit Assessment)	bbb+ (Stand-alone credit profile, SACP)
Covered bonds - Mortgage	AA (high)		Aaa	
Covered Bonds - Public Sector			Aa2	
Senior non-preferred debt			A3	BBB
Subordinated debt			Baa2	BBB-
“Junior” subordinated debt			Baa3	
Portugal's rating [32]				
Long term / Outlook	A (high) / Stable	A- / Positive	A3 / Stable	A / Positive
Short term	R-1 (middle)	F1	Prime-2	A-1

[32] The *ratings* assigned by S&P Global Ratings to the Portuguese Republic are unsolicited ("u" - *unsolicited*).

INTELLECTUAL CAPITAL

In a context of rapid transformation of the sector, BPI remains committed to providing a service of excellence, reinforcing its commitment to Quality as a pillar of the BPI culture.

In the first half of 2025, the "Clientelógico" campaign helped to align our People with the "Getting closer (to Customers)" priority defined in the 2025-27 Strategic Plan. At the same time, the Bank has been improving its customer consultation tools, which are used to prepare concrete improvements to the customer experience, training initiatives for our employees and continuous innovation and optimisation projects.

Main indicators 2025

980 thousand (+4% yoy)	Regular users of **digital channels**
799 thousand (+8% yoy)	Regular users of the **BPI App**
Honoured projects	By Global Finance: Pulsoo, Quatru, D-Verse, and FX Now

Customer Experience

In 2025, several projects are underway to improve the quality of service in physical networks and the digital transformation of self-service channels continues, with more than 1,000 customer compliments recorded in the Compliments Book in around 9 months.

Digital transformation

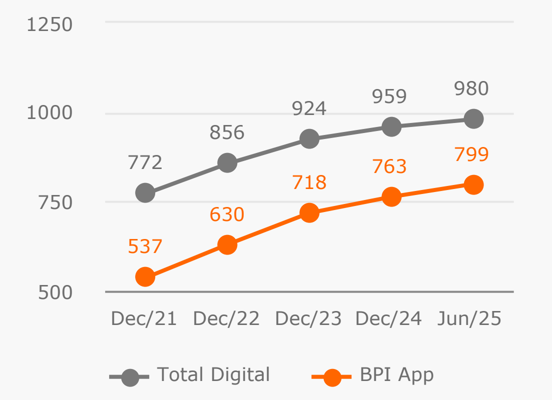
BPI continues to invest in optimising the Customer experience, leveraging the digital transformation of the products and services it offers. Considering the current high level of digitalisation, BPI has focused on simplifying the use of digital channels and integrating new services, which has been positively reflected in the number of Customers who regularly use digital channels, with more than 980 thousand users[33] at the end of the first half (+4% yoy).

62 % **+2p.p.** (△yoy)

Digital Customers
(1st holders) as a % of total Customers

The number of regular users of the BPI App was 799 thousand at the end of June(+8% year-on-year). In the case of Private Customers, 93% of those who regularly use digital channels opt for the BPI App.

Regular users of Digital Banking (in thousands)



Developments in Digital Channels

In the first half of 2025, new developments were made to improve the experience of both Individual and Business Customers.

Evolution of the BPI App, centred on the Customer, simpler and more intuitive:

- Simplification of the data update/ validation process using the Digital Mobile Key;

[33] Active first-time customers Individuals and Companies.

- Benefits programme with *real-timepush notification*;
  - Evolution of online account opening with Digital Mobile Key and selfie video;
  - Launch of the new Saving and Investing experience;
  - Launch of the new "security area" functionality;
  - Launch of the EuroPA transfer functionality (SIBS, BIZUM, Bancomat);
  - Across-the-board improvements to the app experience;

Transformation of company and business customer relationship channels, namely:

- New BPI Net Empresas functionalities for updating data, simplifying the process and significantly improving the customer experience;
- Pilot of the new BPI Net Empresas for a renewed, simple and intuitive experience;
- New card offer with revamped online membership process;
- Evolution and simplification of the bank guarantee process.
- Pilot of the new process for opening company accounts.

Artificial Intelligence

The first half of 2025 was marked by a significant acceleration in the adoption of Artificial Intelligence (AI) at the Bank, consolidating its position as a strategic pillar for operational efficiency and for personalising the Customer experience. In line with the strategic plan, important milestones were reached on several fronts.

Among the various implementations, the following stand out:

- Strengthening Predictive Sales Models: The commercial lead generation platform, supported by AI, was strengthened and its coverage extended, optimising the targeting of the Commercial Network's activity towards Customers with a greater propensity for business;
- Expansion of Document AI Technology: The scale-up of automatic document processing continued, with emphasis on Mortgage Loans, whose coverage in the branch network was expanded with high efficiency. It was also extended to the Bank's other core processes;
- Acceleration of Generative Artificial Intelligence (GenAI): The first GenAI prototypes were successfully developed to optimise internal processes and customer communication, particularly in the Helpdesk, Complaints Management and Hyper-personalisation of digital content;
- Dissemination of Productivity Tools with AI: A programme was launched to train and experiment with Copilot technology with teams from various areas of the Bank, fostering a culture of innovation and increasing individual productivity.

HUMAN CAPITAL

Throughout the Bank's history, a solid relationship with society, customers and employees, was built based on its values: Quality, Trust and Social Commitment.

At the centre of this vision are BPI's Employees, the Bank's true driving force. It is through their talent, determination, dedication and alignment with BPI values that we are able to offer solutions of excellence, strengthen the trust of our partners and contribute to social progress.

It is essential to take care of Employees through talent development, safety, health and well-being and the promotion of diversity and inclusion.

Employees (June 2025)

4354 Employees

57 % Women

43 % Men

Developing and attracting talent

The acquisition and development of skills continues to be a priority at BPI .

About 83 600 hours of training

Average rating of 4.3/5 of 472 catalogue courses

In line with the strategic plan, employee training continued in the following areas:

- Sustainability: "Human Rights" course and various initiatives on Sustainable Financing;
- Digital/Data Analytics: 4 Digital Customer videos with more than 3 000 participations and training for Employees in data analysis tools (SQL, Excel, Python and PowerBI);
- Collaboration: Highlight goes to *"The Way We Work - Waymakers*" project (adoption of the Bank's communication/productivity tools and *"ways of working*").

In Compulsory training is included:

- Launch of 100% of the contents of the 3 compulsory certifications in the first 2 months of the year for eligible employees (MiFID II, Insurance and Mortgage Credit - around 2,200 employees), as well as the "Euro Note" training for around 1 600 employees.
- Two courses for all employees (with an impact on variable remuneration): "Ethical Values and Conflicts of Interest" and "Prevention of Money Laundering and Terrorist Financing"

The focus on Power Skills continued, with the following initiatives standing out:

- Navigation Programme: as part of the new commercial system, with the aim of increasing commercial results and guaranteeing a logical customer experience. Around 1200 employees took part in this programme.
- Boost Programme: *blended* training programme made up of 4 courses, with the aim of boosting behavioural skills in the areas of Communication, Personal Development, Decision Making and Change Management.

Five editions of "Conversations with Quality" (putting the customer at the centre of everything the Bank does) were held under the "ClienteLógico" theme, with a total of more than 200 participants.

Training in Analysing and Making Credit Decisions for Individuals and Entrepreneurs and Businesses continued, with a total of 70 and 115 participants respectively.

The third annual meeting of new employees was also held - around 200 employees who joined the Bank in 2024.

Also noteworthy was the organisation of 5 "BPI Talks" , with the respective recordings being made available afterwards, on topics in line with the questionnaire sent out to Employees, which were attended by around 450 people.

The Bank continued to focus on informal learning through the BPI Tube Campus, with around 15 000 training videos, 700 online courses from LinkedIn Learning, Coursera and Edx, as well as book summaries, infographics and podcasts. On the language platform, with 12 languages available, Employees were able to carry out self-study and take part in online conversation classes.

Leadership Development

Training was given to leaders, with Constructive Feedback for Teams of Excellence sessions for a total of around 50 participants.
In the first half of 2025, the members of the Board of Directors took part in monthly training sessions on the Bank's products and services, as well as specific sessions on "DORA - Cybersecurity and Technological Risk" and "Ethics and Conduct + AML&TF".

Employer Branding and Recruitment

As part of its Employer Branding strategy, BPI continued to strengthen its position as an employer brand during the first half of 2025, emphasising its commitment to innovation and technology. The Bank attended 42 events - 4 online and 38 on-site - with 12 different formats . We had the support of 25 universities/ partner organisations and had an impact on more than 4 800 students.

This commitment was recognised by Magma Studio's "Most Incredible Companies to Work For in 2025" study, in which BPI came 3rd in the Banking sector for STEM and Management students, and 41st in the overall ranking, out of more than 1 000 companies evaluated.

In terms of its recruitment activity, by 30 June 2025 the Bank had completed 254 external recruitments (average age ≈30 years), with 66% (168) being young people (<30 years), thus reinforcing the Bank's strategy of renewing and rejuvenating its staff.

Between January and June, new employees took part in monthly welcome programmes, promoting their integration and alignment with the organisational culture.

Academies and Internships

In 2025, Banco BPI continued to invest in Youth Talent Programmes, with the 3rd edition of the BPI Trainee Programme, with a total of 71 trainees from 17 universities.

In March 2025, applications opened for the 2025/2026 Commercial Academy, which starts in September. There are a total of 50 internship places, paid and distributed geographically, for finalists/ recent graduates of bachelor's and master's degrees from various academic backgrounds.

After more than 2 000 applications and a challenging recruitment process, the selected Trainees will join the Commercial Academy for 12 months, where they will have the chance to work with teams with in-depth know-how and experience.

This is an **initiative focused on attracting young talent**, which represents an opportunity for continuous growth and development in the Commercial Network.

Other internships

The Bank has promoted different models of personalised internships, in addition to the BPI Trainee Academies, totalling 32 internships to date. Of particular note is the partnership with Business Roundtable Portugal, as part of the *PRO MOV by Reskilling 4 Employment* project, which has boosted professional retraining opportunities, and in which we have participated in terms of carrying out internships in areas such as Digital, BI and Sales.

The 4th Edition of Summer Internships for Employees' Families was also launched in August, with various vacancies in different areas of the Bank's business.

CaixaBank Exchanges

BPI took part in the 2nd edition of Datathon OlympIA, a data analysis competition organised in collaboration with CaixaBank and which began on 9 May with challenges based on real cases in the Group.

Thirteen BPI employees and one from BPI Gestão de Ativos took part. The final presentation of the solutions took place on 28 May at CaixaBank's headquarters in Barcelona.

Talent Management

We have ensured that all employees have their objectives defined and well-structured, reinforcing a culture of greater accountability, more transparency, a focus on execution, a focus on results and a focus on meritocracy.

Communication and internal culture

The development of a culture that reinforces pride in belonging, puts the Customer at the centre and involves Employees in the day-to-day running of the organisation are BPI's priorities in terms of Internal Communication and Culture.

In the first half of the year, the main projects in the spotlight were:

- Reinforcing the importance of focusing on the customer and their needs;
- Communicating the benefits of working at BPI;
- BPI Volunteering, in particular the "BPI Volunteering Month" in May;
- Renewal of the Family Responsible Company certification;
- Sharing of good commercial practices, among others.

An internal communication campaign was also promoted to relaunch the AGE brand, with the aim of involving employees in the brand and its strategic objectives.

SOCIAL CAPITAL

BPI is developing a Sustainable Banking model that promotes support for companies, families and society in general.

Strengthening the role of business with a positive social impact, particularly in supporting companies and IPSSs in pursuing their social objectives.

Consolidation of joint action with the "la Caixa" Foundation and reinforcement of the BPI Volunteering Programme, both of which have a positive impact on the communities in which the Bank operates.

Sustainable Business

Projects with a positive social impact are highlighted, through the lines of financing for the social sector and support for entrepreneurship and other financing operations in which a positive social impact is demonstrated, such as the financing of social housing or projects for the provision of public services or at subsidised prices.

Values in M.€

22.2	Social Financing
20.9	Social Financing for Companies
2.0	Support Line for Entrepreneurship and Self-Employment
0.8	Financing Line for the Social Sector
18.1	Projects with a positive social impact
1.3	Social Financing for Private Individuals

Also noteworthy is funding with conditions linked to the pursuit of social objectives by companies (linked to KPIs such as the weight of women in leadership positions, labour accident metrics, among others).

Value in M.€

82.0	Financing for companies linked to the fulfilment of social KPIs

BPI continues to support families with their education and health expenses.

BPI also offers accounts with special conditions for social economy organisations and minimum banking service accounts.

974	**IPSS accounts**
21 837	**Minimum Banking Services Accounts**

Joint action with"la Caixa" Foundation

It has always been part of BPI's identity to contribute to the progress and well-being of the community in which it operates, by supporting social and cultural projects promoted by institutions of recognised merit.

BPI works in collaboration with the "la Caixa" Foundation, a non-profit organisation which, since the beginning of the 20th century, has worked every day to achieve a more equal society, combating inequalities and promoting the well-being of society in general and, in particular, the most disadvantaged communities.

The "la Caixa" Foundation is one of the largest foundations in the European Union and, globally, one of the most important in terms of social investment.

As part of its work, the "la Caixa" Foundation, in collaboration with BPI, follows a working method based on the creation of networks of specialised intermediary entities, selected by tender, which benefit from in-house training in the intervention areas of each programme. This training is designed with the support of institutions and experts specialising in each topic.

The implementation of the programmes is subject to permanent monitoring and subsequent evaluation. The selection of collaborating organisations and specific projects, depending on the case, is generally subject to the scrutiny of juries. Each programme applies these general methodological principles to its own scope and circumstances.

"Doing with those who do" is, in a nutshell, the principle that guides the intervention of the "la Caixa" Foundation.

There are four ways of action, with 100% territorial coverage:

- Extension or adaptation of the "la Caixa" Foundation's own programmes to the Portuguese reality.
- BPI "la Caixa" Foundation Awards that support projects by social organisations.
- Proximity support for projects selected by BPI for funding by the "la Caixa" Foundation (Committee for Social Responsibility and Decentralised Social Initiative).
- Programmes and initiatives aimed at responding to the country's specific challenges.

BPI | Fundação "la Caixa"

50 M.€ in 2025

Action by the "la Caixa" Foundation in collaboration with BPI

Social programmes

BPI Awards | "la Caixa" Foundation

In 2025, there will be 5 million euros to reward the projects of social sector organisations with the aim of helping those who need it most.

Since 2010, 37.3 million euros have been allocated to 1 168 projects, benefiting more than 231 thousand socially vulnerable people.

There are four prizes to be awarded:

- Children's Award | Supporting children living in poverty;
- Solidarity Award | Supporting social and labour integration and the fight against social exclusion;
- Seniors Award | Supporting active and healthy ageing;
- Capacitar Award | Promoting the autonomy of people with disabilities or mental illness.

Decentralised Social Initiative

In 2025, BPI and the "la Caixa" Foundation launched the 6th edition of the Decentralised Social Initiative (DSI).

The Bank's commercial networks have 2 million euros to support local social projects promoted by non-profit organisations that are BPI Customers.

In the five completed editions of this initiative, financial support totalling 6.8 million euros has been awarded to almost 1 100 projects that have helped more than 254 thousand people.

DSI's main indicators in the 1st half of 2025

858 th.€

148 projects supported

29 thousand beneficiaries supported

Proximity Projects

Support for projects in the areas of culture, science, social, education and scholarships, selected by BPI's Social Responsibility Committee. In the 1st half of the year, support totalled 2.8 M.€, including projects approved by Portugal Social Innovation.

Social Fair

BPI once again organised the Social Fair, which took place on 5 and 6 May at BPI All in One.

BPI Customers and Employees visited this fair of handicraft products made by beneficiaries of winning projects from the BPI "la Caixa" Foundation Awards.

It was another way of boosting social businesses, enhancing their capabilities and providing equal opportunities.

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ADDITIONAL INFORMATION

BPI Volunteering

The BPI Volunteering programme is based on three main pillars:

- Financial Literacy and Entrepreneurship
- Impact on Institutions supported by BPI and "la Caixa" Foundation
- Capacity building for institutions and direct beneficiaries.

In order to expand this programme, BPI has established partnerships, including: Empresários pela Inclusão Social, Junior Achievement Portugal and Food Banks Against Hunger.

In addition to initiatives throughout the semester, this year BPI extended the usual volunteering week to the month of volunteering, which took place in May.

A number of volunteering activities were carried out, of which we highlight the following:

- Tutoring for young people at risk of social exclusion that Empresários pela Inclusão Social supports;
- Financial literacy and entrepreneurship initiatives in schools and universities across the country in partnership with Junior Achievement Portugal;
- Participation in food collection actions and support in warehouses with the Food Banks Against Hunger;
- Support for homeless people;
- Actions in animal support associations;
- Surf lessons for children and young people with disabilities;
- Blood donation at the central services in Lisbon and Porto;
- Actions to support senior citizens.

BPI also organised actions with the environment in mind:

- Cleaning beaches, gardens and the seabed and planting trees.
- The action in the Sintra-Cascais Natural Park, as part of the Act4Nature initiative for the conservation of biodiversity.

BPI Volunteering Month

Key Indicators

160 initiatives	1 900 volunteers
16 400 direct beneficiaries	6 500 volunteer hours

Communication

AGE Campaign

BPI has launched a new communication concept for AGE, its brand aimed at young people up to the age of 30, featuring Ágil, an energetic sloth with empathy and humour, who wants to help make young people's financial lives easier.

Under the motto "Queres, Podes, AGE" (You want, You can, Do it), the brand is committed to a close and uncomplicated approach.

The campaign includes a film starring Kika Nazareth, a player in the National Women's Football Team and a BPI ambassador, anticipating Portugal's presence at the 2025 European Championship in Switzerland.

Sponsorship highlights

BPI, the Official Bank of the National Teams until 2030, is the sponsor of the AA Men's and Women's National Football Teams and the Under-21 Men's National Team.

BPI is *naming* the main women's football competition, the BPI League, and sponsors the Women's League Cup, the Women's Portuguese Cup and the Women's Super Cup.

In the first half of the year, BPI also sponsored the 3rd edition of the BPI Record Champions Gala, which celebrated the talent and determination of female football and futsal players.

BPI AI Innovation Garden Exhibition, Porto

Following its success in Lisbon, the BPI AI Innovation Garden exhibition arrived in Porto, bringing an innovative and immersive experience that demystifies Artificial Intelligence (AI) and its impact on everyday life. This pioneering exhibition in the country has established itself as a milestone in the dissemination of AI in Portugal.

More than 18 thousand visitors in both cities, more than 85 secondary schools and universities, and more than 30 companies and BPI partners visited the exhibition.

BPI AI Innovation Garden was awarded the Gold Award at the TITAN Awards, in the category of innovation in technology - event technology. It also won Double Gold at the LIT Advertising Awards, in the categories of best technology event and best educational event.

NATURAL CAPITAL

As part of its 2025-27 Sustainable Banking Plan (SBP), BPI is strengthening its commitment to environmental sustainability, setting carbon neutrality by 2050 as a strategic goal, in line with the Caixabank Group's membership of the Net-Zero Banking Alliance (NZBA), an initiative of the United Nations Environment Programme – Finance Initiative.

The Bank's natural capital strategy focuses on sustainable business development, with an emphasis on financing initiatives that promote the transition to a low-carbon economy.

Among the main objectives related to ESG business, the ambition to achieve a cumulative volume of €4.4 billion in sustainable financing by 2027 stands out, covering environmental, transition and social financing.

In the first half of 2025, sustainable business amounted to 631.6 million euros, of which 596.8 million euros was related to environmental initiatives.

Environmental Sustainable Business

Values in M.€

596.8	Environmental Sustainable Business
224.3	Retail Customers
372.5	Corporate, Institutional, Business Customers

Sustainable business in the environmental field is mainly based on financing for energy efficiency and renewable energy for housing, renewable energy projects (solar, wind, hydro), green mobility, and transition financing linked to sustainability (Sustainability Linked Loans with GHG reduction KPIs).

Retail Customers

In the first half of 2025, BPI provided €224.3 million in environmental financing in this segment, with the main areas of activity focused on energy efficiency and renewable energy for housing, and sustainable mobility.

Values in M.€

220.8 + 36 % compared to Jun/24	Energy efficiency mortgage loans
53.3	A+ Certificate
108.6	A Certificate
58.9	B Certificate
3.2	Green Mobility

Supporting the sustainable transition of Retail Customers

BPI launched several campaigns with the aim of strengthening its position as a facilitator of the energy transition, particularly in the automotive sector and in prestige products. These initiatives contributed to the adoption of low-carbon solutions by Customers, promoting energy efficiency and the mitigation of greenhouse gas emissions, in line with the Bank's ESG commitments.

BPI car financing campaign in partnership with Volvo	**Launch of a new Sustainability page on the BPI Enjoy Store[34]**
100% electric and hybrid vehicles, with attractive financial terms	Selection of products and solutions such as solar panels, electric bicycles, and efficient appliances

Corporate, Institutional, Business Customers

BPI is committed to supporting companies seeking more sustainable business models on a long-term vision, particularly in sectors affected by climate and transition risks.

To this end, during the 1st Half of 2025, we organised the BPI Forum "The Future of Water" to debate the economic value and sustainable management of water and the associated financial and technological challenges, bringing together experts to share knowledge and promote innovative solutions.

Internally, BPI launched a cycle of training programmes with the aim of providing its employees with solid ESG knowledge, enabling them to effectively advise companies on sustainable financing solutions. These sessions, aimed at employees from different areas, materialise the bank's commitment to integrating ESG criteria into its activity and its relationship with company customers.

Sustainable Business

BPI's total environmental financing to companies, institutions and sole proprietors with environmental criteria as at Jun/25 totalled 372.5 M.€, of which around 250 M.€ was channelled into renewable energy and energy efficiency projects.

Values in M.€

372.5	Environmental Sustainable Business
125.1	Renewable projects
124.5	Energy Efficiency in Real Estate
83.1	Industrial decarbonisation
35.9	Green mobility
3.9	Other financing in the environmental dimension

There has been a significant increase in the Real Estate Energy Efficiency business at 49 % compared to June 2024.

BPI/CBRE partnership

Within the scope of strengthening support for the sustainable transition of Customers, a partnership was established between BPI and CBRE, covering the construction and renovation of properties, with the aim of:

- Supporting investors in decarbonising their assets
- Promoting improved energy performance and reducing GHG emissions

Supporting companies' sustainable transition

In the first half of 2025, we highlight the following operations aligned with ESG criteria, which contributed to the reduction of GHG emissions by the Bank's customers:

[34] More details at Store BPI Enjoy.

39 M.€	BPI and Caixabank finance **R. Power's photovoltaic projects in Portugal.**
28 M.€	Refinancing of the **Fórum Madeira Shopping Centre, with BREEAM Excellent certification.**
24 M.€	**Green loan** to finance the Radisson Red Porto Gaia Hotel.

Boosting Decarbonisation

Banco BPI is committed to carbon neutrality by 2050, by reducing the emissions associated with its financed credit portfolio and its own activity.

Decarbonisation of own operations

BPI has set new targets for 2025-27 and 2030 in line with its Environmental Management Plan. These targets reflect the Bank's commitment to reducing direct emissions associated with its operational activity, promoting greater energy efficiency, less use of resources, improved sustainable mobility and digitalisation processes, as well as more responsible supply chain management.

Environmental Management Plan: strategy and action

Digitisation of processes

Less Use Of Paper. Digital Transformation. More Efficiency.

100 thousand Customers already with all documentation in digital format [35]

Natural Gas Disposal

Energy Transition. Decarbonisation Of Facilities.

The last existing boiler at the BPI premises (Casal Ribeiro building) was decommissioned .

Supply Chain

Fair Transition. Sustainable Practices.

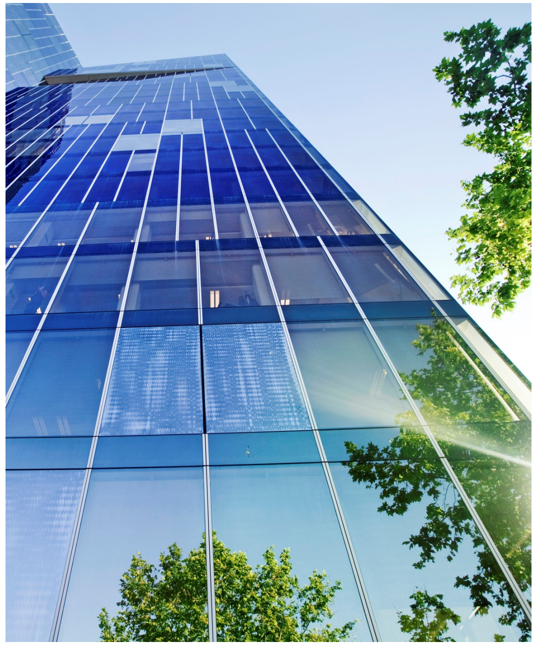
Environmental criteria have been applied in contractual processes.

The integration of ESG criteria and the launch of a carbon footprint questionnaire for suppliers with the greatest impact is underway.

Decarbonisation of the financed portfolio

As part of CaixaBank's membership of the NZBA, BPI has set decarbonisation targets for 2030 for the most carbon-intensive sectors[36] and monitors the evolution of the respective metrics.

In this process, BPI is in close dialogue with its Customers and seeks to support them in the transition to less carbon-intensive business models. In the following table we disclose the 2023 metrics with slight corrections compared to those reported in the 2024 annual report and the preliminary 2024 metrics (using 2024 exposure with 2023 company metrics).



[35] Retail Customers, Sole Entrepreneurs, Liberal Professionals, Premier, Private and Wealth.
[36] For more details, see Management Report 2024, p.236.

Sector	Metric	Base Year		Performance		Target 2030	Progress	Exposure
	Units	Year	Performance	2023[37]	2024	variation in metric compared to base year	var. of the 2024 metric compared to the base year	NZBA perimeter in 2024 (M.€)
Oil & Gas	mt CO2e	2021	0.96	1.5	**0.91**	-23 %	-5 %	261
Electricity	kg CO2e/ MWh	2021	175	215*	**97**	-30 %	-45 %	904
Cars	gCO2e/ vkm	2022	169.2	159.6*	**159.5**	-33 %	-6 %	424
Iron and steel	kg CO2e/ tSteel	2022	1141	1069*	**1077**	-10% a -20%	-6 %	0.4
Coal	Exposure M€	2022	0.4	15	**234**[38]	-100 %	>0%	234
Aviation	gCO2e/ RPK	2022	85.81	81.9	**81.9**	-30 %	-5 %	49
Commercial Real Estate	kgCO2e/ m2	2022	51.5	49.6*	**49.3**	-41 %	-4 %	181
Residential Property	kgCO2e/ m2	2022	10.1	12.87	**12.86**	-19 %	27 %	12 241

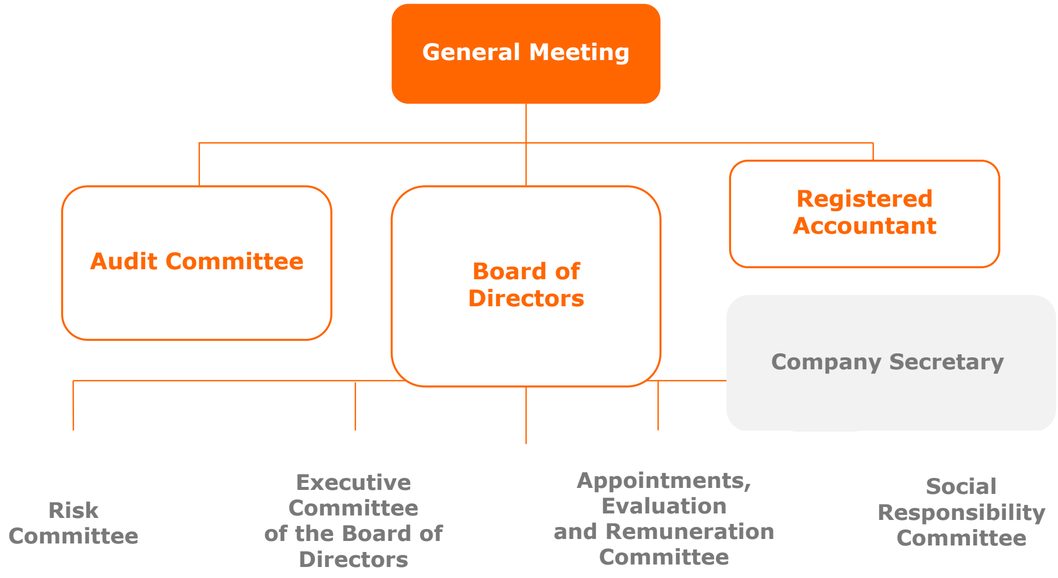
[37] Updates and adjustments were made to the 2023 metrics, based on real emissions data from the Bank's customer companies (amended values marked with *).
[38] The increase in exposure does not jeopardise the *phasing out* plan for this sector by 2027 due to the initiatives planned by our customers.

GOVERNANCE AND INTERNAL CONTROL

GOVERNMENT MODEL

The company's organisational structure is as set out in Article 278(1)(b) of the Commercial Companies Code, commonly known as the "Anglo-Saxon Model", and its governing bodies are the General Meeting, the Board of Directors and the Audit Committee, as well as a Registered Accountant.

The Board of Directors has an Executive Committee, to which it delegates the day-to-day management of the Bank, and three specialised committees: Risk Committee; Appointments, Assessment and Remuneration Committee; Social Responsibility Committee.



RISK MANAGEMENT

General Principles

BPI endeavours to maintain adequate and effective **risk management**, based on the constant identification, assessment, monitoring and reporting of exposure to different risks. This management is essential for pursuing the objectives of maximising results in the face of risks, within the risk appetite defined by the governing bodies and in accordance with the Bank's global risk strategy.

BPI has **control mechanisms** in place to adequately monitor and prevent the risks arising from its activity, in accordance with the corporate policy and risk model implemented by the CaixaBank Group.

BPI's Strategic Risk processes include the annual self-assessment of the risk profile, through which the Bank evaluates its risk profile, the associated management, control and governance structures and analyses the emergence of new risks (emerging or potential), included in the Risk Catalogue, in order to respect the risk profile defined by the Board of Directors.

General risk management principles, defined in **Banco BPI's Global Risk Management Policy**:

- **solid government structure**;
- **involvement of the whole organisation**, with an appropriate segregation of duties according to the different lines of defence;
- **proactive risk management**, considering the Bank's strategy and risk profile;
- management tools and methods in line with supervisors' **recommendations** and **best practice**;
- implementing a **risk culture**;
- socially responsible management of all the risks that support the **sustainability strategy**;
- **timely communication** with the appropriate level of detail and transparency of the different risks to the interested parties.

Organisation

BPI's risk organisation transposes the guidelines issued by the regulator, seeks to follow best practices in the sector and adapt the CaixaBank Group's corporate policies, while respecting the bank's own characteristics.

BPI's risk management is structured **along three lines of defence**.

3 Lines of Defence
(3 *Lines of Defence* or 3LoD)

Risk Admission (1LoD)	**Control** (2LoD)	**Audit** (3LoD

This structure, provided for in the EBA Guidelines, gives 2LoD a fundamental role in ensuring the proper management and holistic view of all the institution's risks.

Risk Management Organisation Chart

Due to their importance, the following Committees stand out, as well as their main responsibilities:

BOARD OF DIRECTORS

Executive Commitee of the Board of Directors

***Asset-Liability Committee* (ALCO):**
- Managing, monitoring and controlling **liquidity and financing**, **market** and **structural interest rate** (IRRBB) and **exchange rate risks**;
- Optimising the **profitability of the** balance sheet's **financial structure;**
- Determining the **transfer rates** for the different businesses, monitoring the prices, terms and volumes of the activities that generate assets and liabilities, in accordance with the policies, appetite and risk limits approved by the Board of Directors.

Standing Committee on Credits:
- Decide on **credit proposals** (including Credit Recovery) in accordance with the ECBD's internal regulations and delegated competences;
- Issue opinions on proposals to be decided by the ECBD and BD;
- Ensuring compliance with the **limits established for Major Risks**, both internally and within the group.

Committee for the Prevention of Money Laundering:
- Internal PML/TF control, with deliberation and decision-making functions;
- Establishing and proposing the PMLTF policy and procedures.

Information Governance Committee:
- Define the **data management strategy;**
- Decide on **proposals** within the scope of Information Governance and Data Quality and Regulatory Reporting;
- Monitoring limitations in data aggregation and reporting.

Sustainability Committee:
- Approve and monitor the **sustainability strategy and practices**;
- Proposing **relevant policies** for **sustainability management** to government bodies for approval;
- Supervising BPI's **Sustainability Master Plan** and assessing its degree of fulfilment.

Risk Committee

- Supervising the **activities of the 1LoD** and **2LoD** (including the Committees and Departments under their remit);
- Monitoring **risk management** policies;
- Monitoring the **financial-actuarial risk management** policy (applicable to the company's pension fund);
- Propose **changes to risk policies to** the Board of Directors and report on the main exposures and risk indicators;
- Informing and advising the Board of Directors on **decisions** with an impact on the Bank's **strategy and risk profile**.

Global Risk Comittee
- Ensure and evaluate the **Internal control system**;
- Ensure that **risk levels** and **decisions** are **in line** with the **risk strategy** established by the Board of Directors through the **Risk Appetite Framework;**
- Ensure that **risk policies** are properly updated and implemented.
- **Monitor the activities of the delegated committees.** Noteworthy are: i. Impairment and Delinquency Committee; ii. Models Committee; iii. Risk Policy Committee; iv. Operational Risk Committee and Resilience.

AUDIT COMMITTEE

- Supervising the **management of the Company**;
- Supervising the **activities of 3LoD**;
- Analysing the work carried out by the **External Auditor** and **2LoD**;
- Monitoring **the situation and evolution of all the risks** to which the Bank is subject, with the support of the Risks Committee.

3 Lines of Defence Model

The structure of BPI's Risk Departments is based on the "three lines of defence model", thus respecting the provisions of Bank of Portugal Notice no. 3/2020:

1st Line of Defence (1LoD)

RISK ADMISSION

Made up of the **business areas**, r**isk takers**, and their support f**unctions**.

Role: to develop and maintain effective controls over its business; to identify, manage and measure, control, mitigate and communicate the **main risks** arising from the continuous exercise of its activity.

Due to their importance, the following stand out:

- *Credit Department:* ensures the independent analysis of applicants, guarantors, and operations, with the support of various risk indicators and *scoring* models produced by the Risk Management Department (RMF);
- **Credit Recovery Department:** management of credit recovery processes in the event of default.

2nd Line of Defence (2LoD)

CONTROL

At Banco BPI, it comprises the **Risk Management Department, the Compliance Department, and the Validation and Model Risk Unit.**

Function: ensure the **implementation of appropriate measures** for identification, control, monitoring, prevention, and reporting for all **risks of the Bank.**

- Operates **independently** of business areas and first-line control.

At BPI, second line of defence functions are segregated into the following departments:

- **Risk Management Department** (RMF – *Risk Management Function*), responsible for identifying, monitoring, controlling, managing and reporting the Bank's risks.
- ***Compliance* Department**: identifies, monitors and controls Conduct and *Compliance*, Legal, Regulatory and Reputational risks.
- **Model Validation and Risk Unit**: identifies, monitors and controls model risk.

3rd Line of Defence (3LoD)

AUDIT

Comprising the **Internal Audit Department**, which reports to the **Audit Committee** in order to ensure its independence and authority.

Objective: provide the Bank's management and supervisory bodies with reasonable assurance regarding compliance with applicable legislation, internal policies and regulations, the reliability and integrity of financial and operational information, and the effectiveness of risk mitigation systems.

Risk Appetite

Within the scope of its **Risk Appetite Framework** (**RAF**), BPI defines the levels of risk it is willing to assume, taking into account its risk and business strategies.

The RAF is reviewed at least annually along with the other **Strategic Risk Processes**.

Strategic Risk Processes

Risk Catalogue	*Risk Assessment*
Facilitates tracking and *reporting* internal and external risks	Identification, definition and assessment of the risks that the Bank incurs or may incur

Based on these processes, the Bank ensures the ongoing **assessment of its risk profile** (current, future and potential in **stress** scenarios), reviewing it on a recurring basis.

In exercises subject to regulatory supervision (**ICAAP and ILAAP**), projections of risk profile evolution are also made in base and **stress** scenarios, providing governing bodies with insight into the Bank's resilience to internal and/or external events.

Description and Structure

In a process consistent with the other strategic documents - Strategic Plan, Budget,*Internal Capital Adequacy Assessment Process* (ICAAP) and Recovery Plan - BPI defined its **risk appetite guidelines**, which are incorporated into the Bank's culture and strategy and underpin all its activities.

Strategic Documents

Strategic Plan **Budget** **ICAAP** **Recovery Plan**

In line with best practice in the sector, the Board of Directors has approved a set of **risk appetite statements**, which summarise the principles by which the Bank should be governed:

- maintain a **medium-low risk** profile, with comfortable capital adequacy, to strengthen customer confidence through financial solidity;
- be permanently able to fulfil its **contractual obligations** and meet its **financing needs** in a timely manner, even in adverse market conditions;
- to have a **stable and diversified funding base** in order to preserve and protect the interests of its depositors;
- generate **income** in a balanced and diversified way;
- aligning business strategy and customer relations with **responsible social action**, applying the highest ethical and governance standards and considering potential impacts on the climate and the environment;
- promote a **risk culture** integrated into management through policies, communication and employee training;
- strive for **excellence, quality and operational resilience**, in order to continue providing financial services to Customers in line with their expectations, even in adverse scenarios.

Monitoring and Governance of the Risk Appetite Framework

The Board of Directors is responsible for approving, monitoring and eventually correcting the *Framework*'s metrics.

The monitoring of metrics is aided by a set of objectives, tolerance levels and limits established by the BD itself.

Level 1 metrics

Objective

Optimum risk level, which defines the risk appetite and is aligned with the return sought by the Bank or the strategic objective pursued

Tolerance

Optimum risk level, which defines the risk appetite and is aligned with the return sought by the Bank or the strategic objective pursued

Limit

Optimum risk level, which defines the risk appetite and is aligned with the return sought by the Bank or the strategic objective pursued

RAF Level 2 and 3: BPI also has a Framework for level two and three metrics.

Monitoring the RAF: the RMF is responsible for updating, monitoring and reporting on the RAF, under the guidance of the BD.

Governance structure: to ensure compliance with international best practice, an RAF reporting structure has been established that allows for exhaustive monitoring by the management and bodies responsible.

Follow-up is carried out according to a specific schedule of presentations to the following bodies:

Global Risk Committee:

- Evaluate, review and discuss the current risk situation, the occurrence of threshold/tolerance breaches and the status of individual metrics (RAF monitoring);
- Approve and monitor the action plan in the event of a breach of the appetite threshold (yellow entry) of a level 1 RAF metric and inform the Risk Committee.

Risk Commmittee:

- Analysing global risk performance;
- Assess the status of broken metrics, discuss the status of individual metrics, check the ongoing effectiveness and suitability of the RAF.

Board of Directors:

- Analysing BPI's overall risk performance and deciding on critical situations.

Audit Committee:

- Supervises compliance with the Risk Appetite Framework.

Risk Catalogue

Repository of the definitions of all the Bank's material risks. It facilitates internal and external risk monitoring and reporting, and is subject to periodic reviews (at least annually). The result of the Risk Catalogue review process is presented to the Global Risk Committee and the Risk Committee, and subsequently approved by the Board of Directors.

Cross-cutting risks	Financial Risks	Operational Risks
Business profitability	**Credit**	**Conduct and Compliance**
Risk of BPI achieving results below market expectations or the objectives established in its business plan and strategy, which prevent a sustainable level of profitability above the cost of capital.	Risk of financial losses due to the loss of value of the Bank's assets as a result of deterioration in the ability of customers to honour their commitments to the Bank. Includes the risk generated by operations in the financial markets (counterparty risk).	Application of action criteria contrary to the interests of its Customers or other interest groups or actions or omissions on the part of the Bank that are out of line with the legal and regulatory framework or internal policies, standards and procedures or codes of conduct, ethical standards and good practices.
Capital and Solvency	**Actuarial**	**Legal and Regulatory**
Risk of problems in BPI's ability to fulfil regulatory requirements regarding capital ratios, or to change its risk profile, due to insufficient own funds.	Risk of loss or deterioration in the value of commitments contracted by insurance or pension contracts with customers or employees, resulting from the divergence between the assumptions of the estimation of the actuarial variables used in the calculation of liabilities and their actual evolution.	Potential losses or reduction in the Bank's profitability arising from legislative changes, incorrect implementation of said legislation in BPI's processes, inadequate interpretation of the same in the different operations, incorrect management of judicial or administrative requests or complaints and claims received.
Model	**Fee Structure**	**Technological**
Possible adverse consequences for the Bank that may arise from decisions based mainly on the results of internal models with errors in construction, application or use.	Negative financial impact on the economic value of the Balance Sheet or on the Net Interest Income due to changes in the time structure of interest rate or exchange rate curves affecting the Bank's assets, liabilities or off-balance sheet products not recognised in the trading book.	The risk of material or potential loss due to the inadequacy or failure of the technological infrastructure, due to cyber-attacks or other circumstances, and the inability to make changes to ICT (Information and Communication Technologies) in a timely manner and at an acceptable cost, which could jeopardise the availability, integrity, accessibility and security of the infrastructure and data.
Reputational	**Liquidity and Financing**	**Other Operational Risks**
Potential economic loss or lower revenue for the Bank as a result of events that negatively affect the perception that participation holders have of the Bank.	Risk of insufficient liquid assets or limited ability to access market financing to meet contractual payments on liabilities, regulatory requirements or BPI's investment needs.	Loss or damage caused by errors or failures in processes, by external events or by accidental or malicious action by third parties outside the Group. Includes, among others, risk factors related to external events or external fraud.
	Market	
	Loss of value, with an impact on results and solvency, of a portfolio (set of assets and liabilities), due to unfavourable movements in prices or market rates.	

Emerging Risks

Risks with increasing **materiality or importance**, which can subsequently be included in the Risk Catalogue.

Sustainability Risk

Sustainability Risk, framed within an ecosystem concept in which the Bank's various interest groups play a leading role, is characterised by the potential loss resulting from the negative impact of certain environmental, social and governance (ESG) conditions.

In this context, the need arises to assess double materiality:

- Financial materiality *(outside-in)*: BPI's risks and opportunities associated with environmental, social or governance factors.
- Impact materiality *(inside-out)*: real or potential impacts, positive or negative, that BPI's activity generates on the planet, people and society.

With regard to the *outside-in* ESG perspective, we can highlight the following risks, which are more detailed with regard to the climate dimension in the ESRS E1 section of the 2024 Annual Report:

- Loan book: risk arising from deterioration in the ability to service customers' debt caused by environmental factors (physical and transition risk);
- Market: risk arising from the potential devaluation of financial instruments held by BPI due to ESG factors.

Within the scope of managing ***inside-out*** impacts, BPI has a **Sustainability Risk Management Policy** which identifies ESG risks and defines the criteria underlying commercial relations with Customers or potential Customers (new operations, renewals and renegotiations of credit and guarantees), as well as investments in the securities or subsidiaries portfolio. At the same time, it also defines the **internal governance model for managing sustainability risks**.

In this context, the Bank declares its willingness not to assume credit risk on companies or projects domiciled in **high-risk countries** (social or good government), which **violate human rights**, use child labour, do not have health and safety policies to protect their workers, or cause **negative impacts** on **natural heritage**, **biodiversity**, **water *stress*** and **cultural heritage**.

The **governance of** sustainability risk management follows the general principles of BPI's Risk Management, in accordance with the **three lines of defence model**.

BPI's **Credit Department**, through its **Sustainability Area** (1LoD), incorporates the analysis of sustainability factors (ESG) into the credit risk admission process, with a view to operationalising the validation of the general and sectoral criteria established in the **Sustainability Risk Management Policy**, in accordance with the corporate risk management policy.

The **GRD - Sustainability, Balance Sheet and Market**, as 2LoD, is responsible for the **Sustainability Risk Management Policy**.

The **Audit Department**, being the 3LoD, monitors and validates the Bank's ESG risk management processes.

As part of CaixaBank's adherence to the **Equator Principles Protocol** in 2007, BPI applies additional validation procedures for assessing ESG (environmental, social and governance) risks in operations that fall within its scope.

BPI has **internal mechanisms to assess the impact of climatic events, through *stress* tests** with impacts on the loan book, continuity and operational risks, from a short-, medium- and long-term perspective, **incorporating these potential impacts into the process of self-assessment** of capital adequacy (ICAAP) and liquidity (ILAAP).

In addition, BPI is beginning the process of assessing the impact of **natural risks**, in order to quantify exposure to sectors with dependencies and material impacts on **nature**.

DECARBONISATION

Net-Zero Banking Alliance

BPI, as the CaixaBank Group, is bound by the Group's commitments under the Net-Zero Banking Alliance (NZBA), having defined intermediate decarbonisation targets for 2030, monitoring those targets annually and managing this risk together with its customers in the most carbon-intensive sectors: electricity, oil & gas, iron and steel, automobiles, real estate and aviation.

During the first half of 2025, BPI began engagement sessions with its customers in order to monitor decarbonisation plans, identify risks and opportunities, as well as the practical application of the new NZBA governance model in terms of approving operations.

Funded Issues - Sovereign Debt

During the 1st half of 2025, BPI, in corporate alignment, implemented the process of calculating financed issues at the level of the sovereign debt asset type, in accordance with the PCAF methodology. At this stage, BPI is already calculating funded issues in its portfolio for: sovereign debt, corporate finance, project finance, commercial and residential mortgages, car finance, debt securities and equity.

Strategic Events

Relevant events that could have a significant impact on BPI in the medium term.

Only events that have not yet materialised and are not part of the Risk Catalogue, but to which BPI is exposed, are considered.
Their impact may occur on one or more risks in the catalogue.

Most relevant strategic events:

EVOLUTION OF THE LEGAL, REGULATORY OR SUPERVISORY FRAMEWORK

- Risk of increased pressure from the **legal, regulatory or supervisory environment**, identified in the risk self-assessment exercise and which could have an impact in the short or medium term;
- The need to constantly monitor new regulatory proposals and their implementation.
- Nowadays, among other things, there are growing expectations regarding ESG aspects on the part of different interest groups (supervisors, regulators, government bodies, etc.).
- **Mitigating factors**: control and monitoring of regulations carried out by the different areas of BPI, control over the effective implementation of regulations. Due to the increase in legislative activity, relations with the authorities have been intensified in order to anticipate possible new legislative initiatives and to be able to represent and convey Banco BPI's interests to the authorities in an efficient manner.

NATIONAL AND INTERNATIONAL GEOPOLITICAL ENVIRONMENT

- A marked and persistent deterioration in the macroeconomic outlook and **an increase in risk aversion in the financial markets**.
- **Possible causes**: global geopolitical impacts; domestic political factors and social discontent; re-emergence of tensions in the eurozone that increase the risks of fragmentation.
- **Possible consequences**: increase in the country risk premium; reduction in business volumes; deterioration in credit quality; damage to physical assets.
- **Mitigating factors:** Banco BPI believes that these risks are sufficiently mitigated by its capital and liquidity levels, validated by the fulfilment of external and internal *stress* tests, and reported in the annual ICAAP and ILAAP processes.

PANDEMICS AND OTHER EXTREME EVENTS

- Extreme events, such as future pandemics or **environmental events**. The impacts on each of the risks in the Catalogue are uncertain, as are the economic and social measures and policies adopted to contain, mitigate and resolve the effects in the affected countries.
- **Mitigating factors**: BPI's ability to implement initiatives to mitigate the impact on the risk profile due to the deterioration of the economic environment in the event of an extreme operational event, as happened in the specific case of COVID-19.

NEW COMPETITORS AND THE APPLICATION OF NEW TECHNOLOGIES

- A moderate increase in competition is expected from new competitors and **other *players* with disruptive proposals or technologies**. This could lead to the disintermediation of part of the value chain **(with an impact on margins and *cross-selling*)**, by competing with more agile, flexible entities and generally with low-cost proposals for the consumer. The impacts could be exacerbated if the regulatory requirements applicable to these new competitors and services are not the same as for current credit institutions.

- **Mitigating factors:** Banco BPI considers new competitors to be a potential threat, but at the same time an opportunity as a source of collaboration, learning and incentive to achieve the digitalisation and business transformation objectives set out in the Strategic Plan.

NEW COMPETITORS AND THE APPLICATION OF NEW TECHNOLOGIES

- Cybercrime involves criminal schemes to continue profiting through different types of attacks in the digital environment. In this sense, the spread of new technologies and services made available to Customers leads to **greater ease of access by cybercrime**.

- This **creates more pressure on the Bank to constantly reassess the model for preventing, managing and responding to cyber attacks and fraud**, to respond effectively to emerging risks. Given the existing threats to cybersecurity and the recent attacks on other entities, the **occurrence of these events in the Bank's digital environment could have serious impacts of** various kinds and could also lead to significant sanctions from the competent bodies and potential reputational damage.

- **Mitigating factors:** Banco BPI maintains a constant review of the technological environment and applications in the areas of integrity and confidentiality of information, as well as the availability of systems and business continuity.

Banco BPI keeps **its security protocols and mechanisms up** to date in order to adapt to the threats that arise in the current context, continually monitoring emerging risks. The evolution of security protocols and measures is included in the strategic information security plan, **aligned with the CaixaBank Group's strategic objectives** to maintain information protection and in accordance with the best market standards.

Credit Risk

Credit risk is the risk inherent to banking activity and represents the main risk to which BPI is exposed. The principles that guide credit risk management at BPI are:

- Analysing and granting credit on sustainable terms and to customers who demonstrate the financial capacity to repay;
- Alignment with the credit risk strategy and the risk appetite defined by the Governing Bodies;
- Clearly defined responsibilities and functions, including the definition of criteria, limits, decision-making powers and procedures;
- Risk-adjusted pricing system, considering the necessary elements associated with market competitiveness and efficiency;
- Management of delays, with a special focus on prevention and timely action in situations of non-compliance.

Monitoring credit risk in the current situation

The economic situation in the Portuguese market has shown favourable indicators for a reduced risk in the credit portfolio, namely stable inflation and continued low unemployment rates.

In addition, the ECB has maintained a policy of reducing the reference interest rate, which has contributed to a general reduction in the reference rates indexed to credit, and which has favoured a reduction in customer effort rates.

The combination of these factors contributes to a stable credit risk in BPI's portfolio.

At the beginning of 2025, BPI began to commercialise Mortgage Loans with a public guarantee in compliance with Decree-Law 44/2024.

This Decree-Law establishes the conditions under which the State can provide a personal guarantee of up to 15% of the amount of the loan, with a view to making it possible to grant permanent mortgage loans to young people up to the age of 35.

The main controls carried out to date are therefore highlighted:

- maintenance of the procedures for monitoring the risk indicators of retail portfolios, specifically for the portfolio of customers who have made use of DL 44/2024;
- carrying out analyses on a case-by-case basis for customers who have taken out loans under this Decree-Law;
- monitoring the volume of contracts in line with the maximum amount of the guarantee granted by the State for loans contracted under Decree-Law 44/2024;
- monitoring the main impacts of Decree-Law 44/2024 on the risk profile of the mortgage loan book.

The portfolios are monitored essentially according to the amount at risk and the degree of risk of the operations/borrowers, and monitoring is segregated into areas. There are monitoring procedures applied to portfolios with significant risk exposures and/or which have certain specific characteristics.

This work could involve drawing up periodic reports on the borrowers' economic groups, with the aim of assessing whether there is objective evidence of a loss and/or a significant increase in credit risk since the initial recognition of the operations.

Liquidity and Financing Risk

Liquidity risk is managed and monitored in its numerous aspects:

- the ability to keep up with asset growth and meet liquidity and financing needs without incurring abnormal losses;
- maintaining a portfolio of marketable assets that constitute a sufficient and adequate liquidity reserve;
- compliance with the several regulatory requirements.

The asset portfolio is monitored to assess the possibility of using the instruments it comprises to obtain collateralised financing or transactions, according to numerous indicators (asset liquidity, number of days needed to obtain liquidity, size and volatility of spreads, etc.).

Liquidity management seeks to optimise the balance sheet structure in order to keep the maturity structure between assets and liabilities under control. Management is also conditioned by the need to maintain an adequate level of liquidity reserves in order to maintain levels of liquidity coverage requirements, complying with prudential and internal requirements.

Operational Risks

The definition of operational risk (OR)[39] adopted by BPI is that of Regulation (EU) 575/2013:

"Risk of loss resulting from inadequate or deficient procedures, personnel or internal systems or from external events, including legal risks."

Risk Categories

Conduct and Compliance	**Legal and Regulatory**
Technological	**Other Operational Risks**

ISO 22301 Certification

Business Continuity Management System (BCMS)

BPI's operational risk management is based on policies, processes, tools and methodologies consistent with the best market practices and based on three dimensions:

- Identification and assessment: each department is responsible for identifying and assessing the operational risk inherent in its activities. This assessment is complemented by defining and analysing Operational Risk Indicators (KRIs), which make it possible to anticipate the evolution of risks, and by analysing extreme scenarios;
- Identification and monitoring of occurrences: responsibility for recording operational risk occurrences in a corporate application;
- Mitigation: each department is responsible for detecting situations that justify the need to devise risk mitigation measures in order to reduce or eliminate the likelihood of a particular risk occurring in the future and/or the severity of its impacts.

[39] This definition excludes strategic and reputational risks.

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To ensure that all subcategories of operational risk are properly managed and controlled, BPI's Risk Catalogue defines the main categories of Risk Management specific to each of them:

Resilience and Operational Risk Area

Second Line of Defence

integrated into the Risk Management Department

- Defining, maintaining and publicising Banco BPI's non-financial risk policies, namely operational, technological, business continuity, outsourcing and external fraud risks;
- Ensuring compliance with regulatory requirements and monitoring good operational risk management practices;
- Monitoring the evolution of operational risk and its subcategories (technological, externalisation, external fraud and business continuity);
- Implement the assessment model for the Operational Risk subcategories;
- Promote the definition and implementation of mitigation measures;
- Propose risk appetite levels;
- Ensuring regulatory reporting;
- Promoting a risk culture in the Bank.

EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS

Chairman

João Pedro Oliveira e Costa

Members

Afonso Fuzeta Eça

Ana Rosas Oliveira

Diogo Sousa Louro

Francisco Artur Matos

Susana Trigo Cabral

29 July 2025

ADDITIONAL INFORMATION

ADOPTION OF FSB AND CEBS RECOMMENDATIONS

Regarding transparency of information and asset valuation

The Bank of Portugal, in its circular letters 97 / 08 / DSBDR of 3 December 2008 and 58 / 09 / DSBDR of 5 August 2009, recommended that the financial statements should include an autonomous chapter or specific annex to the Annual Report, designed to respond to the recommendations of the Financial Stability Board (FSB) and the Committee of European Banking Supervisors (CEBS), considering the principle of proportionality and following the questionnaire presented in the annex to the Bank of Portugal's circular letter 46 / 08 / DSBDR. In order to comply with the Bank of Portugal's recommendation, this chapter answers this questionnaire using references to the detailed information presented in the 1st Half 2025 Report.

Summary of recommendation	References to the 1st Half 2025 Report
I. Business Model	
1. Description of the business model	***MR*** *- Business Model, page 9;* ***NFS*** *- 6. Segments, page 100.*
2. Description of strategies and objectives	***MR*** *- Overview of the 1st half 2025, p. 2; Strategic Plan and Sustainable Banking Plan, p. 12; Financial Capital, p. 20; Risk Management, p. 49;* ***NFS*** *- 3. Risk Management, p. 83.*
3. Description of the importance of the activities carried out and their contribution to the business	***MR*** *-Financial Capital, page 20;* ***NFS*** *- 6. Segments, page 100.*
4. Description of the type of activities carried out 5. Description of the purpose and extent of the institution's involvement in each activity carried out	***MR****- Economic Framework, p. 16; Financial Capital, p. 20; Risk Management, p. 49;* ***NFS*** *- 3. Risk Management, p. 83; 6. Segments, p. 100.*
II. Risks and Risk Management	
6. Description of the nature and extent of the risks	**MR** - *Financial Capital, p. 20; Risk Management, p. 49;* **NFS** - *3. Risk Management,* p. 83; *Financial Assets, notes 9 to 13,* p. 105; *36. Fair Value Information,* p. 133.
7. Description of the risk management practices relevant to the activities	**MR** - *Risk Management, page 49;* **NFS**-*3. Risk management,* page 83 *and Financial assets, notes 9 to 13,* page 105 ; **RGov 2024** - *Corporate Governance Report, page 524.*
III. Impact of the Period of Financial Turmoil on Results	
8. Qualitative and quantitative description of the results	**MR** - *Financial Capital, p. 20;* ***NFS*** *- 6. Segments,* p. 100; *Details of income statement headings, notes 26 to 35,* p. 128.
9. Breakdown of write-downs / losses by type of products and instruments affected by the period of turbulence	**MR** - *Financial Capital, page 20;* **NFS**- *3. Risk management,* page 83; *Financial assets, notes 9 to 12,* page 105; *29. Gains or losses on financial assets and liabilities,* page 129; *33. Impairment of financial assets not measured at fair value through profit or loss,* page 131.
10. Description of the reasons and factors responsible for the impact suffered	**MR** - *Financial Capital, p. 20; Economic Framework, p. 16;* ***NFS*** *- 3. Risk Management,* p. 83.
11. Comparison of i) impacts between (relevant) periods and ii) financial statements before and after the impact of the period of turbulence	**MR** - *Financial Capital, p. 20;* ***NFS*** *- 6. Segments,* p. 100; *Details of income statement headings, notes 26 to 35,* p. 128.

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Summary of recommendation	References to the 1st Half 2025 Report
12. Breakdown of write-downs between realised and unrealised amounts	**MR** - *Financial Capital, page 20;* **NFS** *-Financial Assets, notes 9 to 12* page 105; *23. Equity,* p. 124; *29. Gains or losses on financial assets and liabilities,* page 129.
13. Description of the influence of the financial turmoil on the evolution of BPI's share price	*Banco BPI has no shares admitted to trading on a regulated market. Since the end of 2018, CaixaBank has held the entire share capital of Banco BPI.*
14. Disclosure of the risk of maximum loss	**MR** - *Financial Capital, page 20;* **NFS** - *3. Risk management,* page 83.
15. Disclosure of the impact of the evolution of spreads associated with the institution's own liabilities on results	**MR** - *Financial Capital, page 20;* ***NFS****- 26. Net interest income,* p. 128. *The Bank did not revalue its liabilities.*
IV. Levels and Types of Exposures Affected by the Turmoil Period	
16. Nominal value (or amortised cost) and fair value of exposures	**NFS** - *Financial assets, notes 9 to 12,* page 105*; 3. Risk management,* page 83*; 36. Fair value information,* page 133.
17. Information on credit risk mitigating factors and their effect on existing exposures	**MR** - *Financial Capital, p. 20;* **NFS -***13. Derivatives* **-** *Hedge accounting,* p. 110.
18. Detailed information about the exhibitions	**MR** - *Financial Capital, p. 20; Risk Management, p. 49;* **NFS** - 3. Risk Management, p. 83; Financial Assets, notes 9 to 13, p. 105; 36. Fair Value Information, p. 133.
19. Movements in exposures between relevant reporting periods and the reasons behind these variations (sales, write-downs, purchases, etc.)	**MR** - *Financial Capital, p.*20; **NFS** - 3. Risk Management, p. 83; Financial Assets, notes 9 to 13, p. 105.
20. Explanations of exposures that have not been consolidated (or that have been recognised during the crisis) and the associated reasons	*As of June 2024 (inclusive), Banco BPI no longer presents consolidated accounts as it has no subsidiaries that are consolidated using the full integration method. In accordance with IAS 28 and IAS 27, associated companies in which Banco BPI has significant influence (Allianz and BCI) are recognised using the Equity accounted method in Banco BPI's accounts from 30 June 2024. See note 1.2 to the financial statements.*
21. Exposure to monoline insurers and quality of insured assets	*At 30 June 2025, Banco BPI had no exposure to monoline insurers.*
V. Accounting Policies and Valuation Methods	
22. Classification of transactions and structured products for accounting purposes and the respective accounting treatment	**NFS -** Financial Assets, notes 9 to 13, page 105; 19. Financial liabilities measured at amortised cost, p. 113; 36. Fair value information, p. 133.
23. Consolidation of Special Purpose Entities (SPE) and other "vehicles" and reconciliation of these with the structured products affected by the period of turbulence	As at 30 June 2025, Banco BPI has no exposure.
24. Detailed disclosure of the fair value of financial instruments	**NFS** -Financial assets at fair value, notes 9 to 11 and note 13, page 105; 36. Information on fair value, page 133.
25. Description of the modelling techniques used to value financial instruments	**NFS** - 3. Risk management, page 83; Financial assets at fair value, notes 9 to 11, page 105; 36. Fair value information, page 133.

Summary of recommendation	References to the 1st Half 2025 Report
VI. Other Relevant Disclosure Aspects	
26. Description of the disclosure policies and principles used in financial reporting	**RGov 2024 -** Corporate Governance Report, p. 524.

MR - Management Report; **NFS** - Notes to the Financial Statements; **RGov 2024** - Corporate Governance Report 2024

ALTERNATIVE PERFORMANCE INDICATORS

On 5 October 2015, the *European Securities and Markets Authority* (ESMA) published a set of guidelines on the disclosure of Alternative Performance Indicators (APIs) by issuers (ESMA/2015/1415). These guidelines are mandatory for issuers as of 3 July 2016.

BPI uses a set of indicators to analyse its performance and financial position, which are classified as Alternative Performance Indicators, in accordance with the ESMA Guidelines mentioned above.

The information on these indicators has already been disclosed previously, as required by the ESMA Guidelines.

This report includes a reference to the information previously disclosed and a summarised list of the Alternative Performance Indicators.

Units, conventional signs and abbreviations

€, Euros, EUR	Euros	p.p	Percentage points	net	Net (a)
th.€, th. euros	Thousand euros	Δ	Variation	vs.	Versus
M.€, M. euros	Million euros	yoy	Year-on-Year variation	E	Estimate
Bn.€, Bn. euros	Thousand Million euros	n.a.	Non-available data	P	Projection
Bn.€, Bn. euros	Billion euros	0, –	Null or irrelevant		
bps	Base points	n.m.	No meaning		

Reconciliation of the structure of the profit and loss account of activity in Portugal

The following table shows, for the profit and loss account of the activity in Portugal, the reconciliation of the structure presented in the Management Report with the structure presented in the financial statements and respective notes.

Values in M.€

In the Management Report	Jun-25	Jun-25	In the Financial Statements and respective notes
Net interest income	441.3	441.3	Net interest income
Dividend income	7.1	7.1	Dividend income
Equity accounted income	9.5	9.5	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	149.9	169.0	Fee and commission income
		(19.1)	Fee and commission expenses
Gains / (losses) on financial assets and liabilities and other	10.5	0.0	Gains or (-) losses on derecognition of financial assets & liabilities not measured at fair value through profit or loss, net
		2.9	Gains or (-) losses on financial assets and liabilities held for trading, net
		(0.9)	Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net
		2.1	Gains or (-) losses from hedge accounting, net
		6.4	Exchange differences [gain or (-) loss], net
Other operating income and expenses	(4.6)	31.0	Other operating income
		(35.6)	Other operating expenses
Gross income	**613.7**	**613.7**	**Gross income**
Staff expenses	(126.6)	(126.6)	Staff expenses
Other administrative expenses	(93.5)	(93.5)	Other administrative expenses
Depreciation and amortisation	(33.4)	(33.4)	Depreciation and amortisation
Operating expenses	**(253.5)**	**(253.5)**	**Administrative expenses, depreciation and amortisation**
Net operating income	**360.3**	**360.3**	
Impairment losses and other provisions	(27.9)	0.5	Provisions or (-) reversal of provisions
		(28.5)	Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss
Gains and losses in other assets	0.4	0.0	Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates
		0.0	Impairment or (-) reversal of impairment on non-financial assets
		0.0	Gains or (-) losses on derecognition of investments in subsidiaries, joint ventures and associates, net
		0.0	Gains or (-) losses on derecognition of non-financial assets, net
		0.3	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	**332.7**	**332.7**	**PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS**
Income tax	(91.5)	(91.5)	Tax expenses or (-) income related to profit or loss from continuing operations
Net income	**241.2**	**241.2**	**PROFIT OR (-) LOSS FOR THE YEAR**

Results, efficiency and profitability indicators

Defined by reference to the above mentioned structure of the profit and loss account presented in the Management Report.

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 contribution from holdings 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

Efficiency ratio (cost-to-income ratio)= (Operating expenses excluding costs of early retirement and voluntary redundancy and other non-recurring costs) / Gross income[240]

Core efficiency ratio (cost-to-core income ratio)[69]=[Operating expenses excluding early retirement and voluntary redundancy costs and other non-recurring costs - Income from services rendered to CaixaBank Group (recorded under "Other operating income and expenses")] / Commercial banking gross income

Return on equity (ROE)[69]= Net income for the period, less interest costs on AT1 equity instruments recognised directly in shareholders' equity / Average value for the period of equity attributable to BPI shareholders, excluding AT1 equity instruments

Return on tangible equity (ROTE) [69]= Net income for the period, less interest costs on AT1 equity instruments recognised directly in shareholders' equity / Average value for the period of equity attributable to BPI shareholders (excluding AT1 equity instruments) after deducting the net value of intangible assets and goodwill on shareholdings

Return on assets (ROA)[69]= (Net income attributable to BPI shareholders + Income attributable to non-controlling interests - dividends of preference shares) / Average value of total net assets for the period

Unit intermediation margin = Average interest rate on the loan portfolio, excluding loans to employees - Average interest rate on deposits

Balance sheet and financing indicators

On-balance sheet customer resources = Deposits

Off-balance sheet customer funds = Investment funds + Capitalisation insurance + Pension funds + Public subscription offerings

- Investment funds = Securities investment funds + Real estate investment funds + Retirement savings plans and shares savings plans (PPR and PPA) + *Hedge* funds + Assets of funds managed by BPI Suisse + Third-party investment funds placed with Customers
- Capitalisation insurance = Third party capitalisation insurance placed with Customers
- Pension funds = pension funds under BPI management (includes BPI pension funds)[41]

[40] Indicator calculated for the last 12 months, unless otherwise stated. Can be calculated for the accumulated period since the start of the year, in annualised terms.
[41] Amounts deducted from participation units in the portfolios of the Group's banks and from investments in off-balance sheet products (investment funds and pension funds) in other off-balance sheet products.

Balance sheet and financing indicators (continued)

- Public subscription offerings = Customer investments in third-party public subscription offers

Total Customer resources = Customer resources on the balance sheet + Customer resources off the balance sheet

Loan to Customer (gross) = Loans and advances to customers, gross (financial assets at amortised cost), excluding other assets (escrow accounts and others) and *reverse repos* + Customer debt instruments, gross (financial assets at amortised cost)

Note: gross balance = performing loans + overdue credit + interest receivable

Loans and advances to customers net of impairments = Gross loans and advances to customers - Impairments on loans and advances to customers

Loan to deposit ratio (CaixaBank criteria) = (Loans and advances to customers net of impairments - financing obtained from the EIB, which is used to grant loans) / Deposits and retail bonds

Asset quality indicators

Impairments and provisions for loans and guarantees (in the profit and loss account) = Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss relating to loans and advances to Customers and Customer debt instruments (financial assets at amortised cost), before deducting recoveries of loans previously written off, interest and other + Provisions or (-) reversal of provisions for commitments and guarantees granted

Cost of credit risk = Impairments and provisions for loans and guarantees (in the profit and loss account) - Recoveries of loans previously written off, interest and other (in the profit and loss account)

Cost of credit risk as a percentage of the loan portfolio = [Impairments and provisions for loans and guarantees (in the income statement) - Recoveries of loans previously written off, interest and others (in the income statement)] / Average value of the gross loan portfolio and guarantees during the period[42]

Performing loans = gross loans to customers - (overdue loans and interest + interest receivable and others)

NPE and NPL ratios = Non-performing exposures (NPE) ratios and **non-performing loans** (NPL) ratios in accordance with EBA criteria (prudential scope)

Non-performing loan ratio ("crédito duvidoso", Bank of Spain criteria) = Non-performing loans (Bank of Spain criteria) / (Gross loan portfolio + guarantees)

Impairment coverage (of NPE or NPL or "crédito duvidoso") = [Impairments for loans and advances to customers (financial assets at amortised cost) + Impairments for debt instruments of customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments assumed] / (NPE or NPL or "crédito duvidoso", as applicable)

Coverage by impairments and associated collaterals (from NPE or NPL or "crédito duvidoso") = [Impairments for loans and advances to customers (financial assets at amortised cost) + Impairments for debt instruments of customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments assumed + Collateral associated with non-performing loans (NPE or NPL or "crédito duvidoso")] / (NPE or NPL or "crédito duvidoso", as applicable)

Impairment coverage for properties received through loan repossession = Impairments for properties received through loan repossession / Gross value of properties received through loan repossession

[42] Indicator calculated for the last 12 months, unless otherwise stated. Can be calculated for the accumulated period since the start of the year, in annualised terms.

CONDENSED INTERIM FINANCIAL STATEMENTS

BPI Grupo CaixaBank

BANCO BPI, S.A.

CONDENSED INTERIM BALANCE SHEET AS AT 30 JUNE 2025

(Amounts expressed in thousand euros)

	Notes	30-06-2025	31-12-2024
ASSETS			
Cash, cash balances at central banks and other demand deposits	8	1 850 434	3 286 054
Financial assets held for trading	9	60 049	55 465
Non-trading financial assets mandatorily at fair value through profit or loss	10	41 219	44 928
Equity instruments		41 219	44 878
Debt securities			50
Financial assets at fair value through other comprehensive income	11	1 733 525	1 379 801
Equity instruments		450 381	439 244
Debt securities		1 283 144	940 557
Financial assets at amortised cost	12	37 491 317	35 345 836
Debt securities		8 866 863	8 070 354
Loans and advances - Central Banks and other Credit Institutions		1 258 720	897 370
Loans and advances - Customers		27 365 734	26 378 112
Derivatives - Hedge accounting	13	4 887	1 305
Fair value changes of the hedged items in portfolio hedge of interest rate risk		(48 298)	(47 036)
Investments in subsidiaries, joint ventures and associates	14	214 081	247 227
Tangible assets	15	177 671	191 995
Intangible assets	16	104 817	112 390
Tax assets	24	119 892	269 748
Current tax assets		1 149	144 749
Deferred tax assets		118 743	124 999
Other assets	17	150 188	169 822
Non-current assets and disposal groups classified as held for sale	18	13 220	14 058
Total assets		41 913 002	41 071 593
LIABILITIES			
Financial liabilities held for trading	9	64 985	57 232
Financial liabilities at amortised cost	19	37 154 136	36 145 753
Deposits - Credit Institutions		791 579	718 148
Deposits - Customers		31 879 991	30 501 340
Debt securities issued		4 231 281	4 693 788
Memorandum items: subordinated liabilities		432 588	433 960
Other financial liabilities		251 285	232 477
Derivatives - Hedge accounting	13	8 346	6 032
Fair value changes of the hedged items in portfolio hedge of interest rate risk		25 911	16 029
Provisions	20	27 524	32 158
Pending legal issues and tax litigation		16 460	20 508
Commitments and guarantees given		9 241	9 796
Other provisions		1 823	1 853
Tax liabilities	24	114 776	258 479
Current tax liabilities		106 954	252 939
Deferred tax liabilities		7 822	5 540
Other liabilities	21	669 198	544 923
Total Liabilities		38 064 876	37 060 606
SHAREHOLDERS' EQUITY			
Capital	23	1 293 063	1 293 063
Equity instruments issued other than capital	23	275 000	275 000
Accumulated other comprehensive income	23	(431 201)	(449 580)
Items that will not be reclassified to profit and loss		(376 867)	(404 466)
Tangible assets		703	703
Actuarial gains or (-) losses on defined benefit pension plans		(287 464)	(304 283)
Share of other recognised income and expense of investments in subsidiaries, joint ventures and associates		(947)	(535)
Fair value changes of equity instruments measured at fair value through other comprehensive income		(89 159)	(100 351)
Items that may be reclassified to profit and loss		(54 334)	(45 114)
Foreign currency translation		(48 303)	(28 288)
Fair value changes of debt instruments measured at fair value through other comprehensive income		(12 958)	(20 580)
Share of other recognised income and expense of investments in subsidiaries, joint ventures and associates		6 927	3 754
Retained earnings	23	2 357 569	2 267 004
Other reserves	23	79 244	37 258
Profit or loss for the year		274 451	588 242
Total Equity		3 848 126	4 010 987
Total Equity and Total Liabilities		41 913 002	41 071 593

The accompanying notes are an integral part of these financial statements.

The Registered Accountant

The Executive Committee of the Board of Directors

BANCO BPI, S.A.

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED ON 30 JUNE 2025

(Amounts expressed in thousand euros)

	Notes	30-06-2025	30-06-2024
Interest income	26	738 050	852 064
Interest expense	26	(296 100)	(360 413)
NET INTEREST INCOME		**441 950**	**491 651**
Dividend income	27	56 688	53 475
Share of the profit or (-) loss of investments in subsidiaries, joint ventures and associates accounted for using the equity method	14	19 538	28 724
Fee and commission income	28	168 992	182 501
Fee and commission expenses	28	(19 110)	(14 569)
Gains or (-) losses on derecognition of financial assets & liabilities not measured at fair value through profit or loss, net	29	(16)	177
Gains or (-) losses on financial assets and liabilities held for trading, net	29	2 924	3 172
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	29	(930)	(1 796)
Gains or (-) losses from hedge accounting, net	29	2 134	7 506
Exchange differences [gain or (-) loss], net	29	1 896	6 029
Other operating income	30	30 988	13 332
Other operating expenses	30	(39 678)	(40 991)
GROSS INCOME		**665 376**	**729 211**
Administrative expenses		**(220 087)**	**(241 775)**
Staff expenses	31	(126 598)	(147 645)
Other administrative expenses	32	(93 489)	(94 130)
Depreciation	15/16	(33 365)	(31 450)
Provisions or (-) reversal of provisions	20	**529**	**1 400**
Commitments and guarantees given		555	1 386
Other provisions		(26)	14
Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss	33	**(28 572)**	**(5 886)**
Financial assets at amortised cost		(28 572)	(5 886)
Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates	14	(21 565)	
Gains or (-) losses on derecognition of non-financial assets, net		27	1 204
Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations	34	346	838
PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS		**362 689**	**453 542**
Tax expenses or (-) income related to profit or loss from continuing operations	24	(88 238)	(126 713)
PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS		**274 451**	**326 829**
PROFIT OR (-) LOSS FOR THE YEAR	36	**274 451**	**326 829**

The accompanying notes are an integral part of these statements.

The Registered Accountant

The Executive Committee of the Board of Directors

BANCO BPI, S.A.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED ON 30 JUNE 2025

(Amounts expressed in thousand euros)

	Notes	30-06-2025	30-06-2024
PROFIT OR (-) LOSS FOR THE PERIOD		**274 451**	**326 829**
Other comprehensive income		**18 379**	**(3 089)**
Items that will not be reclassified to profit or loss		**27 599**	**(3 453)**
Actuarial gains or (-) losses on defined benefit pension plans	**21 / 22**	20 237	52 989
Share of other recognised income and expense of investments in joint ventures and associates	**14**	(413)	(54)
Fair value changes of equity instruments measured at fair value through other comprehensive income		11 261	(40 355)
Income tax relating to items that will not be reclassified		(3 486)	(16 033)
Items that may be reclassified to profit or loss		**(9 220)**	**364**
Foreign currency translation		(20 015)	4 973
Translation gains or (-) losses taken to equity		(20 015)	4 973
Debt instruments at fair value through other comprehensive income		10 889	(7 648)
Valuation gains or (-) losses taken to equity		10 889	(7 648)
Share of other recognised income and expense of investments in joint ventures and associates	**14**	3 173	668
Income tax relating to items that may be reclassified to profit or loss		(3 267)	2 371
Total comprehensive income for the period		**292 830**	**323 740**

The accompanying notes are an integral part of these statements.

The Registered Accountant

The Executive Committee of the Board of Directors

BANCO BPI, S.A.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED ON 30 JUNE 2025

(Amounts expressed in thousand euros)

	Notes	Capital	Equity instruments issued other than equity	Accumulated other comprehensive income	Retained earnings	Other reserves	Profit or loss (-) for the period	Shareholders´ equity
Balances at 31 December 2023		**1 293 063**	**275 000**	**(431 112)**	**2 279 248**	**34 556**	**523 973**	**3 974 728**
Results application								
Transfer to reserves of 2023 net income					466 906	57 067	(523 973)	
Dividend distributed	**5**				(516 992)			(516 992)
Dividends distributed by associates					36 549	(36 549)		
Additional Tier 1 interest	**23**					(8 882)		(8 882)
Realised gains on equity instruments at fair value through other comprehensive income				7	(7)			
Comprehensive income in the first half of 2024				(3 089)			326 829	323 740
Other changes in equity					(4)	709		705
Balances at 30 June 2024		**1 293 063**	**275 000**	**(434 194)**	**2 265 700**	**46 901**	**326 829**	**3 773 299**
Additional Tier 1 interest	**23**					(9 619)		(9 619)
Realised gains on equity instruments at fair value through other comprehensive income				(1 303)	1 303			
Comprehensive income in the second half of 2024				(14 084)			261 413	247 329
Other changes in equity					2	(24)		(22)
Balances at 31 December 2024		**1 293 063**	**275 000**	**(449 581)**	**2 267 005**	**37 258**	**588 242**	**4 010 987**
Results application								
Transfer to reserves of 2024 net income					522 565	65 677	(588 242)	
Dividend distributed	5				(446 033)			(446 033)
Dividends distributed by associates					14 035	(14 035)		
Additional Tier 1 interest	23					(9 828)		(9 828)
Comprehensive income in the first half of 2025				18 379			274 451	292 830
Other changes in equity					(3)	172		170
Balances as at 30 June 2025		**1 293 063**	**275 000**	**(431 201)**	**2 357 569**	**79 244**	**274 451**	**3 848 126**

The accompanying notes are an integral part of these financial statements.

The Registered Accountant **The Board of Directors**

BANCO BPI,S.A.

CONDENSED INTERIM STATEMENTS OF CASH FLOW FOR THE PERIOD ENDED ON 30 JUNE 2025

(Amounts expressed in thousand euros)

	Notes	30-06-2025	30-06-2024
Operating activities			
Interest, commissions and other income received		1 009 077	1 112 071
Interest, commissions and other expenses paid		(341 291)	(326 624)
Rents paid for leasing operations		(10 630)	(10 276)
Dividends received		7 062	8 196
Dividends received from Banco de Fomento Angola	**11**	44 102	40 277
Recovery of overdue loans and interest and gains/(losses) on the sale of real estate received in settlement of defaulting loans		2 463	7 530
Payments to staff and suppliers		(258 628)	(232 743)
Net cash flow from income and expenses		452 155	598 431
Decreases (increases) in:			
Financial assets held for trading, at fair value through profit or loss, at fair value through other comprehensive income		(529 014)	41 727
Financial assets at amortised cost - Central Banks and other Credit Institutions (includes debt instruments)		(329 104)	(339 664)
Financial assets at amortised cost - Customers (includes debt instruments)		(1 774 049)	(160 494)
Other assets		154 003	(28 087)
Net cash flow from operating assets		(2 478 164)	(486 518)
Increases (decreases) in:			
Financial liabilities measured at amortised cost - Central banks and credit institutions		74 671	(136 656)
Financial liabilities measured at amortised cost - Customers and others		1 406 935	1 086 885
Financial liabilities held for trading		206 566	(37 214)
Other liabilities		(15 200)	(32 646)
Net cash flow from operating liabilities		1 672 972	880 369
Contributions to Pension Funds	**22**	(536)	(2 904)
Income tax paid		(91 430)	(892)
		(445 003)	**988 486**
Investing activities			
Purchase of other tangible assets and intangible assets	**15/16**	(11 882)	(15 340)
Dividends received from investments in joint ventures and associates		34 796	17 028
		22 914	**1 688**
Financing activities			
Issuance of debt securities and subordinated debt	**19.3**		1 500 000
Redemption of debt securities	**19.3**	(450 000)	(500 000)
Interest on debt instruments and subordinated debt		(92 811)	(47 182)
Additional Tier 1 interest	**21/23**	(13 112)	(8 938)
Dividends distribution	**5**	(446 033)	(516 992)
		(1 001 956)	**426 888**
Net increase (decrease) in cash and cash equivalents		**(1 417 855)**	**1 407 073**
Exchange rate variation in the year		(6 190)	(287)
Cash and cash equivalents at beginning of the year		3 310 510	2 123 213
Cash and cash equivalents at the end of the year		**1 886 465**	**3 529 999**
Cash and deposits at Central Banks	**8**	1 789 593	3 230 079
Deposits at other credit institutions	**8**	60 769	58 648
Cheques for collection and other cash items	**12.2**	36 103	120 300
Very short term applications	**12.2**		120 972
Cash and cash equivalents		**1 886 465**	**3 529 999**
Cash and cash equivalents by currency			
EUR		1 829 756	3 362 406
USD		30 487	142 016
Other currencies		26 222	25 578

The accompanying notes are an integral part of these statements

The Registered Accountant

Alberto Pitôrra

The Executive Committee of the Board of Directors

Chairman João Pedro Oliveira e Costa

Afonso Fuzeta Eça

Ana Rosas Oliveira

Diogo Sousa Louro

Francisco Artur Matos

Susana Trigo Cabral

Banco BPI, S.A.

Notes to the condensed interim financial statements as at 30 June 2025

(Amounts expressed in thousands of euros - th.euros - unless otherwise stated)

Notes to Banco BPI's condensed interim financial statements as at 30 June 2025

In accordance with current regulations on the content of condensed interim financial statements, these explanatory notes supplement the balance sheet, the income statement, the statement of other comprehensive income, the statement of changes in equity and the cash flow statement, all condensed interim financial statements, with the aim of providing sufficient information to ensure comparison with the annual financial statements, while also endeavouring to provide the information and explanations necessary to enable significant changes in the first half of 2025 to be understood.

NOTES INDEX

1. BANCO BPI, PRESENTATION BASES AND OTHER INFORMATION

1.1 BPI Bank

Banco BPI, S.A. (hereinafter referred to as "Banco BPI", "BPI" or "Bank"), registered with the Commercial Registry Office of Porto under the unique number 501 214 534, with the legal entity identifier (LEI Code) 3DM5DPGI3W6OU6GJ4N92 and head office at Avenida da Boavista, nº 1117, 4100-129 Porto, is an entity centred on the commercial banking business in Portugal, offering financial services and products to Retail, Corporate and Institutional Customers. The Bank has a customer base of 1.8 million, served through a multi-specialised, multi-channel and fully integrated distribution network.

BPI began its activity in 1981 through the incorporation of SPI - Sociedade Portuguesa de Investimentos, S.A.R.L. By public deed in December 1984, this company was transformed into BPI - Banco Português de Investimento, S.A., which became the first private investment bank created in Portugal after the reopening of banking to private initiative in 1984. On 30 November 1995, BPI - Banco Português de Investimento, S.A. (BPI Investimentos) gave rise to BPI - SGPS, S.A., which exclusively acted as BPI's holding company. On 20 December 2002, BPI SGPS, S.A. merged all the assets and operations of Banco BPI and changed its name to Banco BPI, S.A.

Banco BPI has been wholly owned by Caixabank, S.A. since the end of 2018. BPI is part of the CaixaBank Group and its financial statements are consolidated in CaixaBank using the global integration method. Caixabank S.A. is the parent company of a financial conglomerate subject to Supervisory Authorities, and Caixabank, together with the credit entities in its Group, is a significant supervised group of which Caixabank is the entity at the maximum level of prudential consolidation (*ultimate parent company*).

Banco BPI has securities issued and admitted to trading on Euronext Lisbon, namely debt instruments placed externally or retained, with a total nominal value of 7.15 billion euros, issued in full after 31/12/2010 and with a unit nominal value of 100,000 euros.

1.2. Basis of Presentation

The financial statements were prepared on the basis of the accounting records of Banco BPI and its associates in accordance with the *International Accounting Standards / International Financial Reporting* Standards (IAS/IFRS) adopted by the European Union and in force on 1 January 2025, as established by Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July, transposed into Portuguese law by Banco de Portugal Notice 5/2015 of 30 December.

The financial statements as at 31 December 2024 were approved by the Board of Directors on 26 February 2025 and by the General Shareholders' Meeting on 27 March 2025.

In preparing the 2024 annual accounts, the accounting policies and valuation criteria described in Note 2. Basis of Presentation and Main Accounting Policies of the 2024 Annual Report, were applied in order to obtain a true and fair view of BPI's financial situation as at 31 December 2024, as well as its results, changes in equity and cash flows as at that date.

Banco BPI's condensed interim financial statements as at 30 June 2025 were prepared on the basis of the same accounting principles and policies described in Note 2 of the notes to the financial statements as at 31 December 2024, applying in particular IAS 34 (Interim Financial Reporting), except for those arising from regulatory changes that came into force on 1 January 2025 and which are detailed in the Adoption of standards (new or revised) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC), as adopted by the European Union.

Banco BPI does not have any subsidiaries that consolidate using the full integration method, nor is it expected to have any, nor does it have any structured entities (SPV/SPE) that it consolidates. Therefore, under the terms of IFRS 10, it does not present consolidated financial statements. As Banco BPI is an issuer of debt securities, it cannot use the exemption of only preparing separate financial statements, so it must present its financial statements on an individual basis, reflecting the equity value of the investments in the Associates by applying the equity accounting method.

In accordance with IAS 34, the condensed interim financial statements are prepared with the aim of explaining significant events and variations in order to understand changes in the financial position and performance since the last published annual financial statements. All the information from the last annual financial statements prepared is not duplicated. For this reason, and in order to obtain a good understanding of the information contained in the condensed interim financial statements, it is necessary to read them in conjunction with the Bank's annual financial statements for December 2024.

The condensed interim financial statements have been prepared on a going concern basis, in accordance with IAS 1- Presentation of financial statements.

BPI decided to adopt a Financial Statements structure in 2018, which it currently follows, in line with the financial statements structure presented by Caixabank, S.A., BPI's consolidating entity and convergent with the Financial Reporting Framework (FINREP).

The condensed interim financial statements as at 30 June 2025 were approved by the Executive Committee of Banco BPI's Board of Directors on 29 July 2025.

In preparing the financial statements, BPI follows the historical cost convention, modified where applicable, by measuring at fair value:

- Financial assets and liabilities held for trading
- Non-trading financial assets mandatorily recognised at fair value through profit or loss
- Financial assets at fair value through other comprehensive income
- Derivatives

Figures are presented in thousands of euros (th.euros), unless an alternative monetary unit is indicated. Certain financial information in this report has been rounded and, consequently, the figures presented as totals in this document may vary slightly from the exact arithmetic operation of the figures that precede them.

Adoption of standards (new or revised) issued by the *International Accounting Standards Board* (IASB) and interpretations issued by the *International Financial Reporting Interpretation Committee* (IFRIC), as adopted by the European Union.

The following accounting standards came into force in 2025 (Note 2 - Accounting policies):

Standards and interpretations	Title
Amendment to IAS 21	Effects of exchange rate changes: Lack of exchangeability

On 1 January 2025, Banco BPI adopted the following accounting standards:

- **IAS 21 (amendment), 'Effects of changes in exchange rates: Lack of exchangeability'.**

This amendment adds the requirements to determine whether a currency can be exchanged for another currency (exchangeability) and to define how to determine the spot exchange rate to be used when it is not possible to exchange a currency over a long period. This amendment also requires the disclosure of information that makes it possible to understand how the currency that cannot be exchanged for another currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows, in addition to the spot exchange rate used on the reporting date and how it was determined. This change is applied retrospectively without restatement of the comparative, and the transposition of the financial information must be recorded in retained earnings (if conversion from foreign currency to functional currency) or in a foreign exchange reserve (if conversion from functional currency to presentation currency).

The adoption of these standards did not result in significant impacts on the Bank's financial statements.

Published standards (new and amended), the application of which is mandatory for annual periods beginning on or after 1 January 2026 and which the European Union has already endorsed:

Standards and interpretations issued by the IASB

Standards and interpretations	Title	Mandatory application for exercises starting from:
Amendments to IFRS 7 and IFRS 9	Changes to the classification and measurement of financial instruments	1 January 2026
Amendments to IFRS 7 and IFRS 9	Nature-dependent electricity contracts	1 January 2026

- **IFRS 9 (amendment) and IFRS 7 (amendment), 'Changes to the classification and measurement of financing'** (effective for annual periods beginning on or after 1 January 2026). The changes made refer to: i) clarification of the concept of the date of recognition and derecognition of some financial assets and liabilities, introducing a new exception for financial liabilities settled through an electronic payment system; ii) clarification and examples of when a financial asset fulfils the criterion of contractual cash flows corresponding "only to the payment of principal and interest" ("SPPI"), such as: 1) assets with no right of recourse; 2) contractually linked instruments; and 3) instruments with features linked to the fulfilment of environmental, social and governance ("ESG") targets; iii) new disclosure requirements for instruments with contractual terms that may alter cash flows in terms of period and value; and iv) new disclosures required for equity instruments designated at fair value through other comprehensive income. These changes apply on the date they become effective without restatement of the comparative.

- **IFRS 9 (amendment) and IFRS 7 (amendment), 'Contracts for electricity dependent on nature'** (effective for annual periods beginning on or after 1 January 2026). The amendments are intended to improve the reporting of the financial effects of negotiated contracts based on the production of electricity from renewable sources, subject to variability in the quantity generated due to the fact that this is dependent on non-controllable natural conditions. These amendments aim to: i) clarify the application of the "own use" exemption requirements of IFRS 9; ii) allow the application of hedge accounting when renewable electricity purchase contracts are designated as a hedging instrument; and iii) add new disclosure requirements to IFRS 7 for a better understanding of the impact of these contracts on the entity's financial performance and cash flows. This amendment will be applied retrospectively without restating the comparative periods, except for the hedge designation which should be applied prospectively.

The adoption of these standards did not result in any significant impacts on the Bank's financial statements.

Standards (new and amendments) published, the application of which is mandatory for annual periods beginning on or after 1 January 2026, and which the European Union has not yet endorsed:

Standards and interpretations issued by the IASB

Standards and interpretations	Title	Mandatory application for exercises starting from:
Annual Improvements	Various clarifications to the standards: IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	1 January 2026
IFRS 18	Presentation and disclosure in the Financial Statements	1 January 2027
IFRS 19	Subsidiaries not subject to public disclosure: Disclosures	1 January 2027

- **Annual improvements - 'volume 11'** (effective for annual periods beginning on or after 1 January 2026). The cycles of annual improvements to the IFRS are intended to clarify application issues or correct inconsistencies in the standards. This round of improvements affects the following standards: IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. These changes are still subject to approval by the European Union.

- **IFRS 18 (new standard), 'Presentation and Disclosure in Financial Statements'** (effective for annual periods beginning on or after 1 January 2027). This new standard is still subject to approval by the European Union. IFRS 18 will replace the current IAS 1. While maintaining many of the existing principles of IAS 1, IFRS 18 places greater emphasis on specifying a structure for the income statement, made up of mandatory categories and subtotals. Income statement items will be classified into one of three categories: operating, investment, financing. Specified subtotals and totals will be required, with the main change being the mandatory inclusion of the "Net operating income" subtotal. This standard also includes improvements in the disclosure of management performance measures, including reconciliation with the closest subtotal required by IFRS. This standard also reinforces the guidance on the principles of aggregation and disaggregation of the information contained in the financial statements and respective notes, based on their shared characteristics. This standard applies retrospectively.

- **IFRS 19 (new standard), 'Subsidiaries not subject to public reporting: Disclosures'** (effective for annual periods beginning on or after 1 January 2027). This new standard is still subject to approval by the European Union. IFRS 19 is a voluntary standard that allows eligible subsidiaries to use IFRS with reduced disclosure requirements. IFRS 19 is a standard that only deals with disclosures and is applied in conjunction with the requirements of the other IFRS for the purposes of recognition, measurement and presentation. A subsidiary is considered eligible if (i) it is not subject to the obligation to publicly report financial information; and (ii) the parent entity prepares consolidated financial statements for public reporting in accordance with IFRS. IFRS 19 may be applied by eligible subsidiaries in the preparation of their own consolidated, separate or individual financial statements. The presentation of full comparative information is mandatory unless an exemption applies.

The future adoption of these standards is not expected to have a significant impact on the Bank's financial statements.

1.3. Responsibility for the information and main estimates made

In preparing the financial statements, judgements, estimates and assumptions were made to quantify certain assets, liabilities, income, expenses and commitments recognised in these financial statements. These judgements, estimates and assumptions relate mainly to:

- Impairment losses on financial assets and the fair value of the guarantees on them, depending on their accounting classification, imply adopting assumptions relating to: i) the consideration of a "significant increase in credit risk" (SICR), ii) the definition of *default*, and iii) the incorporation of *forward-looking* information (Note 3.2.2).
- Fair value of certain financial assets and liabilities (Note 36). The fair value of unlisted financial assets and derivatives was estimated based on valuation methods and financial theories, the results of which depend on the assumptions used.
- Measurement and results of holdings in associated companies (Note 14).
- Actuarial assumptions used to calculate pension liabilities and responsibilities (Note 22). Retirement and survivors' pension liabilities are estimated on the basis of actuarial tables, pension and salary growth assumptions and discount rates. These assumptions are based on Banco BPI's expectations for the period during which the liabilities will be settled.
- Current and deferred taxes were determined on the basis of the tax legislation currently applicable to Banco BPI or legislation already published for future application (Note 24). Different interpretations of tax legislation may influence the value of taxes on profits. The recognition of deferred tax assets presupposes the existence of future results and taxable income.
- Assessment of the existence of control or significant influence over financial holdings in accordance with the criteria defined in IFRS10 and IAS 28.
- Assessment of provisions required to cover legal, tax and labour contingencies and their probability of occurrence (Note 20).
- Classification and useful life of tangible and intangible assets and lease contract terms used in the valuation of lease liabilities.

These estimates were made in accordance with the best information available at the date of preparation of the financial statements, considering the uncertainties resulting from the current economic environment. Events may occur that make it necessary to change them in subsequent periods. In accordance with the applicable legislation and the accounting policies adopted by BPI, the effects of these changes would be recognised prospectively in the income statements in accordance with IAS 8 - Accounting policies, changes in estimates and errors.

2. MATERIAL ACCOUNTING POLICIES

Banco BPI's condensed interim financial statements at 30 June 2025 were drawn up using the same principles, accounting policies and criteria applied in the 2024 annual accounts.

In preparing the condensed interim financial statements, all the valuation principles and criteria that could have a significant effect were applied.

For all points not detailed in these condensed interim financial statements, the definitions, criteria and policies described in Note 2 of the 2024 annual report remain applicable.

3. RISK MANAGEMENT

Information on governance, risk management and control, the internal control structure, organisation and respective responsibilities for risk control, risk catalogue, risk culture and strategic events is detailed in the Risk Chapter of the Management Report.
This chapter presents additional information on the regulatory context (as an environment for risk management) and detailed information on transversal and financial risks.

3.1. Surroundings and risk factors

- **Regulatory Context**

In the first half of 2025, the macroeconomic scenario was strongly conditioned by an increase in uncertainty in international markets, driven in particular by the growing commercial and political tensions resulting from the new US administration taking office in January 2025, and sustained by the maintenance and imposition of restrictive measures due to the continuing armed conflict in Ukraine and the escalation of the Israeli-Palestinian conflict, with repercussions throughout the Middle East, with no end in sight.

In this context of fragmentation and less co-operation between international players, the European concerns of recent years continue, focusing on *(i)* issues related to sustainability and environmental, social and *governance (*ESG) factors, now with a view to simplification, *(ii)* digitalisation and technological innovation, especially cybersecurity, operational resilience and the evolution of the Artificial Intelligence paradigm, and *(iii)* the progressive review of the macro-prudential framework with reforms approved and/or already implemented through the publication of structural legislation for the financial sector.

At national level, it is important to note the publication in January 2025 of Law no. 1/2025, which implements a set of European Regulations on financial services and infrastructures, promoting their full application in Portugal, and amends Decree-Law no. 80-A/2022 of 25 November, which establishes measures to mitigate the effects of the increase in the reference indexes of credit contracts for the purchase or construction of permanent housing. At issue are regulations relating to: *(i)* the creation of the Pan-European Personal Pension Product (PEPP); *(ii)* the regulation of *crowdfunding* service providers; *(iii)* the central counterparty recovery and resolution regime; *(iv)* the introduction of changes to the credit securitisation regime, with a focus on the post-COVID-19 economic recovery; and *(v)* the treatment of cross-border payments in the European Union. This law also introduced changes to the legislation in force applicable to mortgage contracts, with the aim of mitigating the effects of rising interest rates, clarifying the relationship between the government, families and financial institutions.

There was also the implementation of a new set of simplification and digital transformation measures through the publication of Ministerial Order 6-C/2025/1 of 6 January, which defined the terms and conditions of use of the Professional Attribute Certification System (SCAP) for the certification of professional, business and public attributes through the Citizen Card and Digital Mobile Key, facilitating the automatic certification of business attributes, as well as the use of certified attributes in qualified and secure electronic signatures, guaranteeing the free use of the SCAP.

The legislator also made changes to Decree-Law no. 44/2024, of 10 July, namely through the publication of Decree-Law no. 24/2025, of 19 March, and to Ministerial Order no. 236-A/2024/1, of 27 September, extending the possibility of the state providing a personal guarantee with a view to enabling the granting of loans for own and permanent housing to young people up to the age of 35 to financial companies authorised to carry out credit operations for the purchase of housing in Portugal, which is no longer limited only to loans granted by credit institutions.

On a tax level, Decree-Law no. 9/2025 of 12 February was published, establishing Revision 4 of the Classification of Economic Activities, harmonising national legislation with EU legislation.

Also during the first quarter of 2025, Decree-Law no. 49/2025 of 27 March was published, amending various pieces of legislation with a tax impact in order to introduce a set of simplification measures aimed at increasing transparency, reducing the costs of complying with tax obligations and strengthening the competitiveness of the Portuguese economy.

On a social level, to raise awareness about the approval, at the Committee stage, of the reduction of IRS in 2025 for the first eight tax brackets.

Supervision

- In January 2025, the following were published: *(i)* Directive (EU) 2025/2 of the European Parliament and of the Council of 27 November 2024 amending Directive 2009/138/EC (Solvency II) as regards proportionality, quality of supervision, reporting, long-term guarantee measures, macro-prudential instruments, sustainability risks and group and cross-border supervision; and *(ii)* Directive (EU) 2025/1 of the European Parliament and of the Council of 27 November 2024 establishing a framework for the recovery and resolution of insurance and reinsurance undertakings.
- On the other hand, the *European Banking Authority* (EBA) has released an integration plan for large institutions and others, setting out the steps needed to access and submit information to the new Pillar 3 Data *Hub* (P3DH) - the EBA's centralised platform for public disclosures under the Capital Requirements Regulation (CRR3). This initiative is a significant milestone in the EBA's commitment to increase the transparency and consistency of Pillar 3 disclosures across the EU financial system and promote market discipline.
- At national level, and in the first quarter of 2025, the Bank of Portugal (BoP) published two normative acts with an impact on the governance and internal control systems of the entities subject to its supervision, namely: *(i)* BoP Instruction no. 4/2025, of 20 March 2025, on reporting duties regarding organisational conduct and culture and governance and internal control systems; and *(ii)* Bank of Portugal Notice no.2/2025, of March 20, which regulates the organisational culture and

governance and internal control systems of entities subject to supervision by the Bank of Portugal and repeals Bank of Portugal Instructions 17/2011 and 28/2007, updating the regime established by BoP Notice 3/2020. In April 2025, the BoP revised the methodologies for identifying O-SIIs and determining the O-SII reserve, applicable from 1 January 2026.

- Also noteworthy was the publication of BoP Circular Letter no. CC/2025/00000012, of 3 June, which stipulates that Circular Letter no. 018/97/DSB, of 22 April, which stipulated that institutions covered by article 446-A of the Commercial Companies Code (CSC) must provide information on the identity of the holder of the position of Secretary of the institutions, is no longer in force.
- In the same month, ASF Circular 7/2025 was published, promoting the dissemination of the Decision of the Board of Supervisors of the *European Insurance and Occupational Pensions* Authority (EIOPA) on the collaboration of the Competent Authorities of the Member States of the European Economic Area, for the purposes of the Application of the Directive on the Activities and Supervision of Institutions for Occupational Retirement Provision, with regard to Cross-Border Activities and Transfers.

Retail, Markets and Risks

- In February 2025, the Proposal for a Regulation amending Regulation (EU) No 909/2014 with regard to a shorter settlement cycle in the Union was published. In June 2025, the Council and the European Parliament reached agreement on the proposal.
- In March 2025, through the adoption of a delegated act, the Commission proposed to maintain the current liquidity rules in order to strengthen the EU's financial markets, postponing the implementation of the prudential requirements on market risk under the Basel III agreement for a further year, achieving approval by the Council in June 2025.
- In the same month, the European Commission adopted a new strategy, called the "Savings and Investment Union", to direct savings towards productive investments. The strategy aims to increase EU citizens' participation in the capital markets, with a greater variety of investment options, as well as their financial literacy, promoting their wealth and boosting the EU economy. The realisation of the Savings and Investment Union will be based on legislative and non-legislative measures, as well as measures to be developed by the Member States themselves. In this context, proposals for a Directive and a Regulation are expected to be published, which will have an impact on EU rules to promote integration and efficient market supervision.
- At the end of the first half of 2025, Regulation (EU) 2025/1215 of the European Parliament and of the Council of 17 June 2025 was published, amending Regulation (EU) 575/2013 as regards the requirements applicable to securities financing operations under the net stable funding ratio. This Regulation aims to achieve greater regulatory predictability for institutions and align market practices.
- In June 2025, the Council defined its general approach on the proposal for a Directive harmonising various aspects of insolvency law, which is part of the so-called 2022 Banking Package.
- Also in June 2025, the Eurosystem successfully launched its new unified Eurosystem Collateral Management System (ECMS), making it the fourth TARGET service in operation, furthering the Eurosystem's vision for a unified, efficient and innovative European financial framework.
- In Portugal, in January 2025 , BoP Circular Letter no. CC/2025/00000003 was published on 24 January 2025, which sets out the understandings and good practices to be observed when terminating account and payment card contracts, when providing the account switching service and when dealing with collective accounts after the death of one of their holders.
- In March 2025, the BoP started offering a beneficiary verification service to the European market and, in particular, to participants in the Eurosystem's instant transfer system - *TARGET Instant Payment Settlement* (TIPS).
- The BoP also published: *(i)* Instruction 8/2025, of 3 June 2025, which revoked Instruction 15/2014, updating the regulatory framework for the provision of remote services and simplifying the regulatory framework applicable to banking operations outside physical branches; and *(ii)* BoP Instruction 9/2025, of 26 June 2025, which amended Instruction 8/2018, which regulates the Interbank Clearing System (SICOI), with the aim of reviewing the operating rules and technical procedures applicable to institutions participating in SICOI, ensuring the integration of the TARGET2 system and reinforcing efficiency and security in interbank electronic transfers.

Prevention of money laundering and terrorist financing (AML/TF):

- In March 2025, the EBA launched a Public Consultation on the competences of the newly created Anti-Money Laundering and Anti-Terrorist Financing Authority (AMLA).
- In June 2025, the European Commission updated its list of high-risk jurisdictions with strategic deficiencies in their national anti-money laundering and anti-terrorist financing (AML/ATF) regimes.
- In the same month, the *Financial Action Task Force* (FAFT-GAFI) released new Guidelines against money laundering, terrorist financing measures and financial inclusion.
- On a national level, Decree-Law no. 14/2025 of 17 March was published, which introduced significant changes to the General Regime for Credit Institutions and Financial Companies (RGICSF), with the aim of ensuring the implementation, in the Portuguese legal system, of European Union Regulations, especially in the area of preventing and combating financial fraud. This law made it possible to regularise the non-compliance that had persisted since 2021 and of which Portugal had already been notified by the competent authorities. The changes introduced aim to ensure clarity and legal certainty

between national and European authorities in the fight against fraud and corruption, with the designation on national territory of the national entities competent to provide information to the *European Anti-Fraud Office* (OLAF).

Sustainable Finance and Environmental, Social and *Governance (* ESG) Factors:

- As part of the Commission's Work Programme for 2025, and as part of the so-called *Omnibus I* Package, Directive (EU) 2025/794 or "Stop the Clock Directive", amending Directives (EU) 2022/2464 and (EU) 2024/1760 with regard to the dates from which Member States must apply certain sustainability reporting requirements for companies and due diligence requirements for companies in relation to sustainability. This Directive extended, for certain companies, the deadlines for the application of the *Corporate Sustainability Reporting Directive* (CSRD or CSRD) and the *Corporate Sustainability Due Diligence* Directive (CSDDD or CS3D) by one and two years, respectively.
- In June, the European Supervisory Authorities*(* ESAs) launched a Public Consultation on their draft *Guidelines* on Environmental, Social and *Governance (* ESG) stress tests, through which they establish how the competent authorities for the banking and insurance sectors should integrate ESG when carrying out supervisory stress tests.
- During the first half of 2025, several proposals were published under the various *Omnibus* Packages (I, II, III and IV), among which the Proposal for a Directive amending Directives 2006/43/EC, 2013/34/EU, (EU) 2022/2464 and (EU) 2024/1760 as regards certain corporate sustainability reporting requirements and corporate sustainability due diligence requirements, and the Proposal for a Delegated Regulation amending the Delegated Regulation on taxonomy reporting, the Delegated Regulation on climate taxonomy and the Delegated Regulation on environmental taxonomy.
- At national level, it is worth highlighting the partial applicability, as of 28 June 2025, of the law transposing the Accessibility Directive (Directive (EU) 2019/882 of the European Parliament and of the Council of 17 April 2019 on the accessibility requirements for products and services), namely Decree-Law no. 82/2022 of 6 December, regulated by Ministerial Order no. 220/2023 of 20 July, requires the sector to make a transversal and demanding implementation effort, which is expected to be gradual.

In the digital field, operational resilience, technological innovation, data protection and payment services:

- In the field of cybersecurity, the Public Consultation on the proposed Revision of the Cybersecurity Regulation was launched, and it is estimated that it will be adopted by the European Commission in 2025.
- Keeping the focus on strengthening the digital resilience of the financial sector and the proper implementation of the Digital Operational Resilience *Act (*DORA), applicable since January 2025, the Commission published, among others, Delegated Regulation (EU) 2025/301, which complements Regulation (EU) 2022/2554 of the European Parliament and of the Council (DORA) as regards the regulatory technical standards specifying the content and deadlines for the initial notification and the interim and final reports on severe ICT-related incidents.
- On the European Supervisory side, the EBA published the *Guidelines* amending the EBA/GL/2019/04 *Guidelines* on ICT risk management and security, while the *European Securities and Markets Authority* (ESMA) released the Common Guidelines on the estimate of the aggregate annual costs and losses caused by severe ICT-related incidents under Regulation (EU) 2022/2554.
- In June 2025, the Council and the European Parliament reached a provisional agreement on the Proposal for a Regulation aimed at improving the cross-border application of the General Data Protection Regulation (GDPR) for citizens.
- At national level, Decree-Law 22/2025 of 19 March was published in March 2025, transposing Directive (EU) 2022/2557 on the identification, designation and resilience of critical entities into national law. This decree has an impact on several sectors besides the financial sector, as it aims to establish rules for the identification, designation and protection of critical entities, so that they can withstand and recover from incidents of various kinds, such as hybrid attacks, natural disasters or terrorist threats.

Tax

- In January 2025, Council Directive (EU) 2025/50 on *Faster and Safer Tax Excess Relief (* FASTER) was published. The main objectives are: *(i)* the elimination of obstacles to cross-border investment; *(ii)* the fight against tax fraud and abuse; *(iii)* the creation of a harmonised European framework and of flexibility and convergence mechanisms aimed at greater efficiency and legal certainty for the tax authorities and the market.
- In May 2025, Directive (EU) 2025/872 was published, amending Directive 2011/16/EU on administrative cooperation in the field of taxation (DAC9). This Directive introduces the obligation to automatically exchange information on the application of the supplementary tax, ensuring consistency with the international rules agreed within the OECD/G20 and transposed by Directive (EU) 2022/2523. It also establishes the obligation to declare and share information, as well as a common template and standardised format.
- On the national scene, Decree-Law 49/2025 of 27 March was published in March 2025, containing various tax simplification measures, including: *(i)* simplification of VAT; *(ii)* elimination of redundant reporting obligations; *(iii)* easier commercial exports; *(iv)* reduction of tax obligations on savings income; and *(v)* exemption from withholding tax.

Other:

In April 2025, there was a major blackout that seriously affected the electricity grid in Portugal, Spain and parts of France. On the Iberian Peninsula, there were significant impacts on daily life, as well as on industry and services, which suffered severe constraints. As a result of these constraints, various deadlines for the fulfilment of various obligations (especially tax and reporting obligations) were extended by the competent authorities.

Finally, the Constitutional Court's decision to declare the unconstitutionality of the additional tax on banking, also known as the solidarity tax on the banking sector, with general binding force.

3.2 Credit risk

The financial risks in the risk catalogue are described below: credit risk, structural rate risk, liquidity and financing risk, and market risk.

3.2.1 Forward-looking information

Incorporating forward-looking information into expected loss models

The projections of the main macroeconomic variables used in the Bank's projection models are as follows:

Forward looking macroeconomic indicators[1]

	30-06-2025			31-12-2024		
	2025p	**2026p**	**2027p**	**2024p**	**2025p**	**2026p**
Real GDP						
Baseline Scenario	2.3%	2.2%	2.1%	2.3%	2.2%	2.1%
Upside Scenario	3.7%	2.9%	2.3%	3.7%	2.9%	2.3%
Downside Scenario	0.5%	1.4%	1.9%	0.6%	1.4%	1.9%
Unemployment rate						
Baseline Scenario	6.4%	6.4%	6.4%	6.5%	6.5%	6.5%
Upside Scenario	6.0%	5.9%	5.8%	6.1%	6.0%	5.9%
Downside Scenario	8.3%	8.2%	8.1%	8.4%	8.3%	8.2%
6M [2] EURIBOR						
Baseline Scenario	2.5%	2.3%	2.3%	2.9%	2.6%	2.6%
Upside Scenario	2.7%	2.5%	2.5%	3.1%	2.9%	2.8%
Downside Scenario	1.8%	1.4%	1.6%	2.1%	1.8%	1.9%
OT Spread						
Baseline Scenario	71.6	83.1	91.8	81.9	92.8	102.5
Upside Scenario	67.7	76.7	83.9	77.5	86.2	94.6
Downside Scenario	132.9	145.7	130.9	148.4	152.7	140.1
Home Prices Evolutiion						
Baseline Scenario	3.2%	2.5%	2.8%	2.4%	2.5%	2.8%
Upside Scenario	5.6%	4.9%	3.0%	4.8%	4.9%	3.0%
Downside Scenario	0.6%	-4.7%	0.5%	-0.3%	-4.7%	5.4%

[1] Source: BPI Economic and Financial Studies Unit

[2] Source: CaixaBank. The 6-month Euribor rate corresponds to the value at the end of the period

Based on the three scenarios mentioned above, new risk parameters for the impairment models were updated in the course of 2025. This update of the *forward looking* parameters was carried out on the basis of the methodologies in force at BPI. Overall, the revision of the risk parameters implied a decrease of 4.3 million euros in the impairments allocated to credit operations.

The probabilities of occurrence of the macroeconomic indicator forecasts at 30 June 2025 and 31 December 2024:

Probability of occurrence of the predicted scenarios

	Baseline Scenario	**Upside Scenario**	**Downside Scenario**
Portugal	60 %	20 %	20 %

The previous macroeconomic scenarios and the weightings on them are those used in the last recalibration of the models, in the first half of 2025. However, given the subsequent macroeconomic updates, as well as the uncertainty in estimating these scenarios, the Bank maintains a *Post Model Adjustment* (PMA) in terms of loan impairments, having recorded a generic impairment of 70 million euros as at 30 June 2025, designated as "Macroeconomic Uncertainty Fund" (28.5 million euros) and "Macroeconomic Review" (41.5 million euros).

In addition, the Bank estimated the Post Model Adjustment through a combination of sensitivity analyses of the loan portfolio, on a temporary basis. The purpose of these adjustments is to anticipate: the impact on property valuations resulting from the Thematic Review; the increase in ECL on future credit sales; the projection of a forward-looking model on risk parameters and the increase in LGD, considering the evolution of the real estate market.

The Macroeconomic Uncertainty Fund is estimated through a combination of sensitivity analyses of the credit portfolio, is temporary in nature, is backed by the guidelines issued by supervisors and regulators, is supported by duly documented processes and follows an appropriate governance model. The purpose of the "macroeconomic review" is to anticipate the uncertainty of macroeconomic variables.

The Post Model Adjustment is revised in line with the new information available and the reduction in macroeconomic uncertainties.

The *forward-looking* macroeconomic indicators presented above represent the projections for the period 2025 to 2027, at the beginning of 2025. The *post model adjustments* include the expected effect on impairment of updating the macroeconomic scenarios with reference to 30 June 2025.

3.2.2 Restructured loans

The detail of restructured loans by industry sector is as follows:

30-06-2025

	Total						
	Without collateral		With collateral				Impairment
					Maximum amount of collateral that can be considered		
	Number of transactions	Exposure	Number of transactions	Exposure	Real Estate Mortgage	Other collateral	
Other financial corporations and individual entrepreneurs (financial business)	2	40					(1)
Non-financial corporations and individual entrepreneurs (non-financial business)	1 080	68 313	175	133 288	70 825	42 317	(112 612)
Individuals	1 791	27 795	4 199	332 732	331 860	429	(47 318)
Total	**2 873**	**96 148**	**4 374**	**466 020**	**402 685**	**42 746**	**(159 931)**

Note: Includes securitised loans, loans to customers and guarantees

	Of which: Stage 3						
	Without collateral		With collateral				Impairment
					Maximum amount of collateral that can be considered		
	Number of transactions	Exposure	Number of transactions	Exposure	Real Estate Mortgage	Other collateral	
Other financial corporations and individual entrepreneurs (financial business)	1						
Non-financial corporations and individual entrepreneurs (non-financial business)	684	38 478	114	105 309	48 409	33 175	(108 168)
Individuals	1 068	15 654	1 282	59 423	59 203	135	(42 068)
Total	**1 753**	**54 132**	**1 396**	**164 732**	**107 612**	**33 310**	**(150 237)**

Note: Includes securitised loans, customer loans and guarantees at stage 3

31-12-2024

	Total						
	Without collateral		With collateral				Impairment
					Maximum amount of collateral that can be considered		
	Number of transactions	Exposure	Number of transactions	Exposure	Real Estate Mortgage	Other collateral	
Other financial corporations and individual entrepreneurs (financial business)	3	53					(5)
Non-financial corporations and individual entrepreneurs (non-financial business)	1 276	70 407	182	122 069	76 513	40 870	(106 572)
Individuals	1 869	29 283	5 627	458 354	457 295	552	(57 574)
Total	**3 148**	**99 743**	**5 809**	**580 423**	**533 808**	**41 423**	**(164 151)**

Note: Includes securitised loans, loans to customers and guarantees

	Of which: Stage 3						
	Without collateral		With collateral				Impairment
					Maximum amount of collateral that can be considered		
	Number of transactions	Exposure	Number of transactions	Exposure	Real Estate Mortgage	Other collateral	
Other financial corporations and individual entrepreneurs (financial business)	2	8					(2)
Non-financial corporations and individual entrepreneurs (non-financial business)	855	39 803	113	77 115	37 769	15 199	(99 523)
Individuals	1 156	17 636	1 538	75 485	75 113	178	(51 536)
Total	**2 013**	**57 447**	**1 651**	**152 600**	**112 882**	**15 378**	**(151 061)**

Note: Includes securitised loans, customer loans and guarantees at stage 3

3.2.3 Concentration risk

Concentration by geographic location and counterparty

The detail of the risk of financial assets and guarantees and sureties provided, by geographical location, is as follows:

30-06-2025

	Total	Portugal	Other EU countries	Other world countries
Central banks and credit institutions	3 934 613	2 277 379	736 863	920 371
Public Sector	7 685 945	4 071 589	3 126 824	487 532
Central government	4 086 073	471 717	3 126 824	487 532
Other public administrations	3 599 872	3 599 872		
Other financial corporations and individual entrepreneurs (financial business)	730 710	483 494	240 530	6 686
Non-financial corporations and individual entrepreneurs (non-financial business)	13 610 223	13 301 420	262 683	46 120
Real estate development	115 571	115 381	160	30
Civil construction	892 012	884 413	7 596	3
Others	12 602 640	12 301 626	254 927	46 087
Large companies	5 669 763	5 466 864	173 541	29 358
Small and medium-sized companies	6 932 877	6 834 762	81 386	16 729
Individuals	17 298 988	17 268 198	9 156	21 634
Housing	16 097 847	16 091 523	1 092	5 232
Consumer spending	1 188 708	1 164 548	8 043	16 117
Others	12 433	12 127	21	285
Total	**43 260 479**	**37 402 080**	**4 376 056**	**1 482 343**

Note: Includes deposits with central banks and credit institutions, non-trading financial assets mandatorily accounted for at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial assets at amortised cost, investments in joint ventures and associates and guarantees and sureties. Amounts net of impairments.

31-12-2024

	Total	Portugal	Rest of the EU	Rest of the world
Central banks and credit institutions	4 981 448	3 761 504	316 781	903 163
Public Sector	7 024 488	4 008 582	2 322 756	693 150
Central government	3 683 964	668 058	2 322 756	693 150
Other public administrations	3 340 524	3 340 524		
Other financial corporations and individual entrepreneurs (financial business)	619 911	362 671	250 471	6 769
Non-financial corporations and individual entrepreneurs (non-financial business)	13 310 573	12 984 539	280 994	45 040
Real estate development	97 809	97 619	160	30
Civil construction	849 098	840 791	8 056	251
Others	12 363 666	12 046 129	272 778	44 759
Large companies	5 595 170	5 387 991	188 787	18 392
Small and medium-sized companies	6 768 496	6 658 138	83 991	26 367
Individuals	16 397 308	16 360 996	10 017	26 295
Housing	15 129 645	15 121 968	1 282	6 395
Consumer spending	1 255 812	1 227 241	8 712	19 859
Others	11 851	11 787	23	41
Total	**42 333 728**	**37 478 292**	**3 181 019**	**1 674 417**

Note: Includes deposits with central banks and credit institutions, non-trading financial assets mandatorily accounted for at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial assets at amortised cost, investments in joint ventures and associates and guarantees and sureties. Amounts net of impairments.

Concentration by industry sector

Concentration by industry sector is subject to the limits of BPI's *Risk Appetite Framework* (level 1), differentiating between the private sector economic activities and public sector financing.

At 30 June 2025 and 31 December 2024, the detail of credit by industry sector, type of collateral and LTV - Loan to Value is as follows:

30-06-2025

	Balance net of impairments	Of which: real estate mortgage secured	Of which: other collateral	Collateralised loans. Carrying amount based on latest available appraisal (LTV)				
				≤ 40 %	> 40 % ≤ 60 %	> 60 % ≤ 80 %	> 80 % ≤ 100 %	> 100%
Central banks and credit institutions	1 172 765							
Public Sector	1 295 260	2 024	212 694	68 303	18 835	47 838	78 529	1 213
Central government	295 121							
Other public administrations	1 000 139	2 024	212 694	68 303	18 835	47 838	78 529	1 213
Other financial corporations and individual entrepreneurs (financial business)	244 523	153 848	3 519	122 900	13 943	17 087	618	2 819
Non-financial corporations and individual entrepreneurs (non-financial business)	8 472 289	2 278 920	697 740	914 071	625 541	523 065	254 582	659 401
Real estate development	94 127	87 011	701	19 647	2 773	15 799	18 139	31 354
Civil construction	375 637	57 361	17 814	21 887	15 588	17 585	8 703	11 412
Others	8 002 525	2 134 548	679 225	872 537	607 180	489 681	227 740	616 635
Large companies	2 007 473	290 760	332 770	224 758	87 208	69 586	24 016	217 962
Small and medium-sized companies	5 995 052	1 843 788	346 455	647 779	519 972	420 095	203 724	398 673
Individuals	17 298 558	16 070 970	103 903	5 924 441	4 846 652	4 091 933	1 205 534	106 313
Housing	16 097 445	16 070 948	21 138	5 915 964	4 831 687	4 066 567	1 181 329	96 539
Consumer spending	1 188 680	22	82 564	8 382	14 958	25 277	24 195	9 774
Others	12 433		201	95	7	89	10	
Total	**28 483 395**	**18 505 762**	**1 017 856**	**7 029 715**	**5 504 971**	**4 679 923**	**1 539 263**	**769 746**

Note: Includes loans to Central Banks, Credit Institutions and Customers (does not include debt securities and other Customer investments). Map based on commercial segmentation.

31-12-2024

	Balance net of impairments	Of which: real estate mortgage secured	Of which: other collateral	Collateralised loans. Carrying amount based on latest available appraisal (LTV)				
				≤ 40 %	> 40 % ≤ 60 %	> 60 % ≤ 80 %	> 80 % ≤ 100 %	> 100%
Central banks and credit institutions	846 222							
Public Sector	1 296 220	2 144	221 146	50 703	61 433	23 275	84 537	3 342
Central government	298 020		1 832					1 832
Other public administrations	998 200	2 144	219 314	50 703	61 433	23 275	84 537	1 510
Other financial corporations and individual entrepreneurs (financial business)	133 054	66 876	4 532	59 179	7 240	548	750	3 691
Non-financial corporations and individual entrepreneurs (non-financial business)	8 494 151	2 188 343	727 852	895 526	567 768	425 016	274 093	753 792
Real estate development	77 118	68 950	1 351	19 748	3 317	19 596	11 491	16 149
Civil construction	372 674	54 573	16 162	18 431	15 384	16 760	5 922	14 238
Others	8 044 359	2 064 820	710 339	857 347	549 067	388 660	256 680	723 405
Large companies	2 173 499	309 860	353 271	241 582	71 210	31 092	35 027	284 220
Small and medium-sized companies	5 870 860	1 754 960	357 068	615 765	477 857	357 568	221 653	439 185
Individuals	16 396 918	15 102 703	110 076	5 558 830	4 651 570	4 000 463	965 474	36 442
Housing	15 129 266	15 102 677	22 217	5 551 132	4 634 655	3 973 477	937 402	28 228
Consumer spending	1 255 800	26	87 458	7 669	16 552	26 977	28 072	8 214
Others	11 852		401	29	363	9		
Total	**27 166 565**	**17 360 066**	**1 063 606**	**6 564 238**	**5 288 011**	**4 449 302**	**1 324 854**	**797 267**

Note: Includes loans to Central Banks, Credit Institutions and Customers (does not include debt securities and other Customer investments). Map based on commercial segmentation.

Concentration by credit quality

On 30 June 2025, Portugal's sovereign debt *rating* from *Standard & Poor's* was A, an improvement on December 2024 when it was rated A-.

The following tables show the concentration of credit risk by *rating* in relation to exposures on debt instruments held by the Bank:

Credit risk quality (rating)

The detail of debt securities by rating class at 30 June 2025 and 31 December 2024 is as follows:

30-06-2025

	Financial assets held for trading	Non-trading financial assets mandatorily at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost [1]	TOTAL
AAA/AA+/AA/AA-			408 850	1 809 779	2 218 629
A+/A/A-			494 712	1 162 019	1 656 732
BBB+/BBB/BBB-			379 581	2 598 028	2 977 609
"Investment grade"			**1 283 144**	**5 569 826**	**6 852 970**
			100 %	63 %	68 %
BB+/BB/BB-				11 675	11 675
No rating				3 285 362	3 285 362
"Non-investment grade"				**3 297 037**	**3 297 037**
				37 %	32 %
			1 283 144	**8 866 863**	**10 150 007**

[1] Exposure net of impairments

31-12-2024

	Financial assets held for trading	Non-trading financial assets mandatorily at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost [1]	TOTAL
AAA/AA+/AA/AA-			274 137	1 495 891	1 770 028
A+/A/A-			292 755	1 160 303	1 453 058
BBB+/BBB/BBB-			373 665	2 299 082	2 672 747
"Investment grade"			**940 557**	**4 955 277**	**5 895 834**
			100 %	61 %	65 %
BB+/BB/BB-				12 763	12 763
No rating		50		3 102 314	3 102 314
"Non-investment grade"		**50**		**3 115 077**	**3 115 077**
				39 %	35 %
		50	**940 557**	**8 070 354**	**9 010 911**

[1] Exposure net of impairments

The detail of Loans and advances to Central Banks and Credit Institutions by rating class is as follows:

		30-06-2025		31-12-2024	
Exposures		**1 258 720**	**100 %**	**897 370**	**100 %**
External Rating	AAA to AA-	32 300	3 %	38 670	4 %
	A+ to A-	496 374	39 %	117 126	13 %
	BBB+ to BBB-	675 684	54 %	740 047	82 %
	BB+ to BB-	75			
	B+ to B-			1 528	
	<B-	54 287	4 %		
No rating					
		1 258 720	**100 %**	**897 370**	**100 %**

Note: Exposure net of impairments (the amounts shown include accrued interest)

The detail of Loans and advances to Customers by rating class and stage is as follows:

		30-06-2025					31-12-2024				
		Stage 1	**Stage 2**	**Stage 3**	**Total**		**Stage 1**	**Stage 2**	**Stage 3**	**Total**	
Non-Default Exposures		**25 205 685**	**1 922 809**		**27 128 495**	**99 %**	**24 487 097**	**1 670 301**		**26 157 398**	**99 %**
External Rating	AAA to AA-	8 375			8 375		15 948			15 948	
	A+ to A-	288 989			288 989	1 %	264 328	4 589		268 917	1 %
	BBB+ to BBB-	692 841	28 345		721 186	3 %	755 311	10 032		765 343	3 %
	BB+ to BB-						6 034			6 034	
	B+ to B-	77 177			77 177		87 664			87 664	
Master Scale	[0 - 3.1]	8 546 625	58 592		8 605 217	31 %	8 418 936	30 580		8 449 516	32 %
	] 3.1 - 4.6]	7 638 228	163 503		7 801 731	29 %	6 904 172	92 022		6 996 194	27 %
	] 4.6 - 5.8]	4 367 201	766 050		5 133 250	19 %	4 440 012	626 712		5 066 724	19 %
	] 5.8 - 7.3]	1 848 267	548 396		2 396 663	9 %	1 824 912	603 454		2 428 366	9 %
	] 7.3 - 9.5]	132 124	327 423		459 547	2 %	200 505	279 211		479 716	2 %
No classification		1 605 858	30 501		1 636 358	6 %	1 569 275	23 700		1 592 975	6 %
Default exposures				**237 240**	**237 240**	**1 %**			**220 713**	**220 713**	**1 %**
		25 205 685	**1 922 809**	**237 240**	**27 365 734**	**100 %**	**24 487 097**	**1 670 301**	**220 713**	**26 378 111**	**100 %**

Note: Exposure net of impairments (the amounts shown include accrued interest). Non-allocated impairments included and distributed by stage.

CRR Default Criteria (EU Regulation 575/2013)

Concentration by sovereign risk

Banco BPI's exposure to entities with sovereign risk is subject to the general risk-taking policy and the country and sovereign risk methodology, which ensures that all positions taken are aligned with the objective risk profile. Accordingly, the RAF (*Risk Appetite Framework*) established metrics and limits for exposure to the Portuguese public sector and the public sector of all countries. The Bank's exposure to entities with sovereign risk is mainly concentrated in Portugal.

Exposure to entities with sovereign risk

The table below shows the detail BPI's exposure to sovereign debt:

30-06-2025

Country	Residual maturity	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost [1]
Portugal	Less than 3 months	99 573	5 095
	3 months to 1 year	324 028	396 896
	1 to 2 years		294 067
	2 to 3 years		91 645
	3 to 5 years		819 316
	5 to 10 years		529 937
	More than 10 years		792 023
		423 601	**2 928 979**
Spain	2 to 3 years	295 343	102 252
	3 to 5 years		601 106
		295 343	**703 358**
Italy	Less than 3 months		201 825
	3 months to 1 year		303 498
	3 to 5 years	155 350	154 098
		155 350	**659 421**
France	3 to 5 years		507 773
			507 773
USA	3 months to 1 year		170 548
	1 to 2 years		125 520
	3 to 5 years		126 928
			422 996
Remaining	2 to 3 years	278 770	396 447
	3 to 5 years	130 080	
	More than 10 years		64 522
		408 850	**460 969**
		1 283 144	**5 683 496**

[1] Does not include interest receivable.

31-12-2024

Country	Residual maturity	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost [1]
Portugal	Less than 3 months		81 198
	3 months to 1 year	223 017	338 098
	1 to 2 years		272 254
	2 to 3 years		95 131
	3 to 5 years		838 364
	5 to 10 years		462 691
	More than 10 years		808 622
		223 017	**2 896 358**
Spain	2 to 3 years	220 051	102 217
	3 to 5 years	69 738	600 975
		289 789	**703 192**
Italy	3 months to 1 year		407 704
	1 to 2 years		102 162
	3 to 5 years	153 614	
		153 614	**509 866**
USA	3 months to 1 year		144 065
	1 to 2 years		192 276
	2 to 3 years		140 910
	3 to 5 years		142 992
			620 243
Remaining	Less than 3 months		6 506
	2 to 3 years	274 137	392 155
	More than 10 years		66 388
		274 137	**465 049**
		940 557	**5 194 708**

[1] Does not include interest receivable.

3.2.4 Reduction in EURIBOR rates in loans to individuals

With the reduction in the ECB's reference interest rate, there has been a general reduction in reference rates indexed to credit, which has favoured a reduction in customer effort rates. This reduction together with other factors, namely low unemployment rates and stable inflation, have contributed to a stable credit risk in BPI's portfolio.

3.2.5 Commercialisation of housing loans with a public guarantee under Decree-Law 44/2024

Decree-Law 44/2024 establishes the conditions under which the state can provide a personal guarantee of up to 15% of the amount of the loan in order to make it possible to grant permanent home loans to young people up to the age of 35. With the entry into force of Decree-Law 44/2024, there has been an increase in the number of customers up to the age of 35, which has led to an increase in the average maturity of the loans.

In the first half of 2025, BPI signed 2 500 contracts with public guarantees for young people's mortgage loans, granting loans totalling 467 million euros.

3.2.6 Liquidity risk

The following table details the composition of BPI's liquid assets according to the criteria established for determining high-quality liquid assets used to calculate the LCR ratio:

Net assets

	30-06-2025		31-12-2024	
	Market value	Eligible Value	Market value	Eligible Value
Level 1 assets	7 463 414	7 463 414	7 868 138	7 868 138
Level 2A assets	128 303	109 057	128 565	109 280
Level 2B assets	18 625	9 312	18 898	9 449
High quality liquid assets (HQLA)[1]	**7 610 342**	**7 581 784**	**8 015 600**	**7 986 867**
Other non-HQLA liquid assets		**4 183 804**		**4 647 565**
Total liquid assets (HQLA + Other non-HQLA assets)		**11 765 588**		**12 634 432**

[1] HQLA(*High Quality Liquid Assets*) according to the criteria for calculating the LCR(*liquidity hedging ratio*). Corresponds to the high-quality assets available to meet liquidity needs over a 30-day horizon in a stress scenario.

Note: Unaudited figures

Liquidity ratios

(Average value over the last 12 months)	30-06-2025	31-12-2024
High quality liquid assets (numerator)	7 762 005	7 210 273
Total net outflows (denominator)	3 687 846	3 373 213
Outflows (financial flow)	4 661 019	4 563 665
Inflows (financial flow)	973 173	1 190 452
LCR Ratio (*liquidity coverage ratio*) [1]	**210 %**	**214 %**
NSFR Ratio (net stable funding ratio)	**141 %**	**141 %**

[1] The table shows the simple arithmetic average of the last 12 months of the LCR ratio and the calculation components. In accordance with Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 supplementing Regulation (EU) No 575/2013 of the European Parliament and of the Council as regards the liquidity hedging requirement for credit institutions. The regulatory minimum limit for the LCR ratio is 100%.

Note: Unaudited figures

The balance available in the ECB's *pool* on 30 June 2025 amounted to 4,553 million euros, which corresponds to the total balance of securities placed in the *pool*, with a reduction of 379 million euros compared to December 2024, essentially due to a reduction in own covered bonds.

As at 30 June 2025, the main ratings attributed to Banco BPI by international agencies were as follows:

	Long-term debt	Short-term debt from	Outlook	Date of last review	Notation of Covered Bonds - Mortgages
DBRS Rating Limited					AA (H)
Fitch Ratings	A-[1]	F2	Stable	28-05-2025	
Moody's Investors Service	A2[2]	P-1	Stable	19-11-2024	Aaa
Standard & Poor's Global Ratings	A-[3]	A-2	Stable	12-3-2025	

[1] *Long-term issuer default rating*

[2] *Long term Debt Rating / Issuer rating*

[3] *Long Term Issuer Credit Rating*

On 31 December 2024, the main ratings attributed to Banco BPI by international agencies were as follows:

	Long-term debt	Short-term debt from	Outlook	Date of last review	Notation of Covered Bonds - Mortgages
DBRS Rating Limited					AA
Fitch Ratings	A-[1]	F2	Stable	13-12-2024	
Moody's Investors Service	A2[2]	P-1	Stable	19-11-2024	Aaa
Standard & Poor's Global Ratings	A-[3]	A-2	Stable	15-11-2024	

[1] Long-term issuer default rating
[2] Long term Debt Rating / Issuer rating
[3] Long Term Issuer Credit Rating

3.3. Other risks

The policies established for managing structural interest rate risk and market risk (relating to the trading portfolio) did not undergo any significant changes in the first half of 2025.

With regard to financial-actuarial risks, there remains uncertainty surrounding the possible adverse impacts resulting from the armed conflicts underway. It should be noted that the Banco BPI Pension Fund has no direct exposure to companies based in the geographical areas involved, and it is not expected that this could be a factor with materially relevant impacts on the Fund's financial situation. The Pension Fund's asset portfolio consists of bonds (exclusively public debt), investment units (investment funds and ETFs) and property.

With regard to structural interest rate risk, uncertainty remains surrounding the above-mentioned geopolitical issues, as well as the effective implementation of the US tariff policy, particularly in terms of inflation and the respective evolution of central bank monetary policy. The reduction in market interest rates since the fourth quarter of 2023 has put pressure on the evolution of the financial margin. However, its effects on bank profitability are partly offset by the greater stimulus to economic activity and business growth, and by the reduction of the debt service ratios of households and companies in repaying their loans.

The context of uncertainty surrounding the evolution of the global economy and the management of the monetary policy cycle by the competent authorities require adequate and demanding monitoring of the financial-actuarial, market and structural rate risks.

With regard to operational risk, the first few months of 2025 show a reduction in operational losses compared to the same period in 2024, with External Fraud being the type of risk with the highest volume of losses.

BPI continues to focus on reducing the Bank's operational risk, working to prevent and mitigate it by analysing *end-to-end* processes and raising awareness among the first lines of defence.

Also within the scope of operational risk, BPI continuously updates and exercises its contingency plans, adjusting the prevention and response measures in force at any given time to the evolution of the risks and the context in which it operates. The contingency plans are part of the organisation's Operational Continuity Management System (OCMS), the priority of which is to guarantee the safety of employees and customers, while at the same time achieving the necessary capacity to operate continuously. BPI renewed the ISO 22301 certification for its OCMS.

4. SOLVENCY MANAGEMENT

The following table details Banco BPI's own funds as at 30 June 2025 and 31 December 2024:

	30-06-2025		31-12-2024	
	Amount	%	Amount	%
CET1 Instruments	**3 327 761**		**3 293 329**	
Accounting Shareholders' Equity (without AT1)	3 573 126		3 735 987	
Dividends payable[1]	(243 838)		(446 033)	
AVA adjustments	(1 527)		(1 480)	
Impact of transition to IFRS9			4 855	
CET1 Deductions	**(425 062)**		**(429 508)**	
Intangible assets and goodwill	(66 548)		(61 483)	
Pension funds' assets	(11 737)			
Deferred tax assets and financial investments	(322 008)		(345 937)	
Other deductions	(24 769)		(22 088)	
CET1	**2 902 700**	**14.0%**	**2 863 821**	**14.3%**
AT1 instruments	277 449		280 733	
TIER 1	**3 180 149**	**15.3%**	**3 144 554**	**15.7%**
TIER 2 instruments	442 623		445 923	
TIER 2	**442 623**	**2.1%**	**445 923**	**2.2%**
TOTAL CAPITAL	**3 622 772**	**17.4%**	**3 590 477**	**17.9%**
Other instruments eligible for MREL	1 949 981		1 949 978	
MREL[2]	**5 572 754**	**26.8%**	**5 540 455**	**27.7%**
RWA	**20 793 669**		**20 029 290**	

[1] In June 2025 and December 2024 the dividend paid to the shareholder was determined in accordance with the upper limit of BPI's dividend policy.

[2] In June 2025 the MREL/ LRE ratio is 12.73%

Note: unaudited figures.

The IFRS9 transition (phasing-in) ended on 31 December 2024.
As at 30 June 2025, Banco BPI has a Common Equity Tier 1 (CET1) ratio of 14.0%, a Tier 1 ratio of 15.3% and a Total ratio of 17.4%.

Banco BPI's current solvency levels comfortably fulfil the capital requirements imposed, so there is no limitation on the distribution of dividends and payments relating to additional Tier 1 capital instruments.

The following table summarises the minimum capital requirements as at 30 June 2025 and 31 December 2024:

	30-06-2025		31-12-2024	
	Value	%	Value	%
BAS III minimum requirements[1]				
CET1	1 953 469	9.39%	1 871 706	9.34%
Tier 1	2 343 351	11.27%	2 243 499	11.20%
Capital Total	2 863 192	13.77%	2 739 224	13.68%

[1] Includes the minimum Pillar 1 requirement of 4.5%, 6% and 8% for CET1, Tier 1 and Total ratio, respectively; the Pillar 2 requirement of 2.0% (1.13% for CET1, 1.50% for Tier 1 and 2.0% for Total Capital); the capital conservation buffer of 2.5%; the O-SII buffer (other systemically important entities) of 0. 5%; the countercyclical buffer, reviewed quarterly, which is 0% for Portugal and, from BPI's specific perspective, also considering exposures to other countries, is 0.03%, in June 2025; the sectoral systemic buffer, required from 1 October 2024, reviewed biannually, which represents a requirement of 0.74% for BPI in June 2025.

Note: unaudited figures.

The following table summarises the minimum MREL requirements applicable to Banco BPI according to the Bank of Portugal notification:

	Requirement as % RWA (inc. CBR)[2]		Requirement as % of LRE[3]	
	2025	2024	2025	2024
MREL[1]	**25.19 %**	23.01%	**5.91%**	5.91%

[1] The Bank of Portugal notified Banco BPI in January 2025 of the MREL requirement to be met from the date of notification. According to the decision taken by the Single Resolution Board (SRB), Banco BPI must fulfil the MREL requirement of 21.42% of RWA, plus CBR, and 5.91% of total leverage ratio exposure. The inclusion of the Market Confidence Charge (MCC) component in the definition of the MREL/RWA requirement for 2025 justifies its variation compared to 2024. As at 30 June 2025, Banco BPI complies with the MREL requirements.

[2] CBR: combined buffer requirement, equal to the sum of the capital conservation buffer, O-SII buffer, countercyclical buffer and sectoral systemic buffer; 3.77% in June 2025.

[3] LRE: leverage ratio exposure.

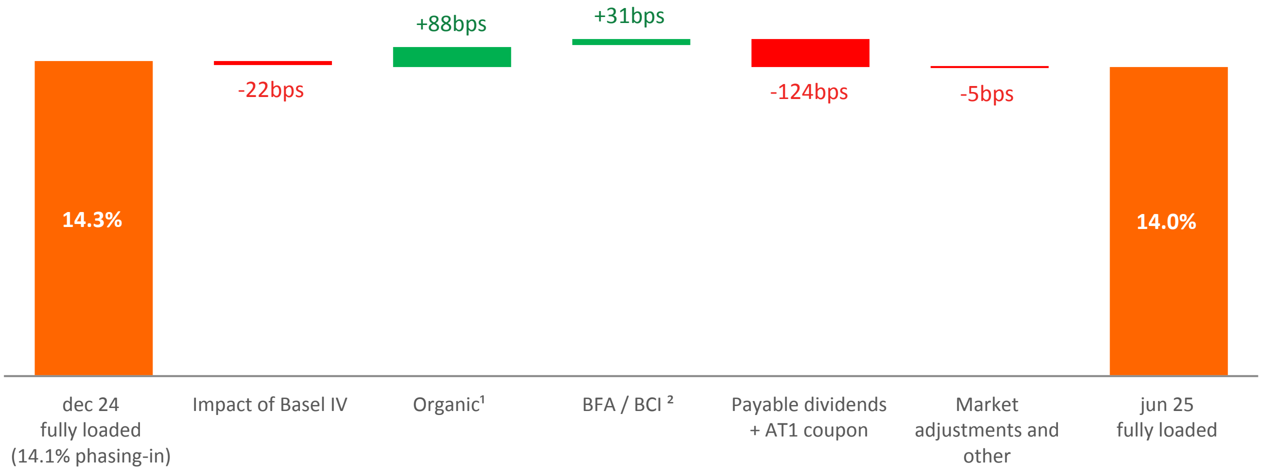
Note: unaudited figures.

The following table shows the detail of Banco BPI's leverage ratio on 30 June 2025 and 31 December 2024:

	30-06-2025		31-12-2024	
	Value	%	Value	%
Exposure	43 779 670		42 515 698	
Leverage ratio		**7.3%**		**7.4%**

Note: unaudited figures.

Evolution of the CET1 in the first half of 2025:



[1] Considers the result of activity in Portugal and the change in weighted assets on credit risk.
[2] Includes dividends from BCI, received in Portugal in 2025, relating to the financial year 2023. Also includes BFA dividends for 2024.
Note: unaudited figures.

The CET1 ratio fell 32 bps from 14.3% to 14.0%. The organic evolution was +88 b.p., with net income in Portugal offsetting the growth in risk-weighted assets. Dividends payable (244 million euros) and the payment of the AT1 coupon accounted for -124 bps, and the evolution of market and other adjustments had an impact of -5 bps.

On 30 June 2025, Banco BPI had an MDA buffer - capital slack with no limitations on the distribution of profits - of 365 bps, or 704 million euros.

5. DIVIDEND DISTRIBUTION

Dividend policy

According to Banco BPI's Articles of Association (article 25.3), "the General Meeting must decide on the long-term dividend policy proposed by the Board of Directors, which must justify any deviations from it".

In compliance with this statutory rule, Banco BPI's sole shareholder CaixaBank, S.A. approved the following long-term dividend policy on 14 November 2024:

1. General principle

Distribution of an annual dividend for the year, by means of a proposal to be submitted by the Board of Directors to the General Meeting, equivalent to an amount between 65% and 75% of the net profit calculated in the individual accounts in Portugal for the year to which it refers, plus 100% of the dividends received from the financial holdings held by BPI in Angola and Mozambique, the specific amount to be proposed being defined in the light of a prudent judgement that takes into account, in view of the specific situation in which the Bank finds itself, the permanent satisfaction of adequate levels of liquidity and solvency.

"Dividends received" means dividends received in euros in Portugal in the financial year in question, regardless of the year to which they relate.

2. Constraints

The distribution principle enshrined in the previous point is conditional:

- Compliance with the capital ratios applicable to the Bank at any given time, both at Pillar 1 and Pillar 2 level, as well as other applicable legal provisions, particularly those governing what is considered the "maximum distributable amount";

- Respect for the conclusions and guidelines that result from the Bank's ICAAP and RAF at any given time;

- In the absence of circumstances that justify, in the reasoned judgement of the Board of Directors, submitting the distribution of a dividend of an amount different from that resulting from the application of the rule referred to in point 1 to a resolution of the Shareholder.

The 2024 net distribution was approved by the Board of Directors on 26 February 2025 and later, on 27 March 2025, by its sole shareholder, by unanimous written resolution.

	2024
Net income reported in Banco BPI accounts	588 242
Application of 2024 net profit	
To dividends	446 033
To legal reserve	58 824
To other reserves	83 385
Banco BPI net profit in 2024	**588 242**
Payout ratio for dividend distribution purposes	**76 %**

The dividend distributed corresponds to the upper threshold of the dividend policy (75% of the net profit from activity in Portugal plus 100% of the dividends received from BPI's financial holdings in Angola and Mozambique).

6. SEGMENTS

The purpose of the information by business segment is to enable BPI's activity and results to be monitored and managed, and is constructed according to the different business lines in accordance with the Bank's organisational structure. In order to define and segregate the segments, the inherent risks and management particularities of each segment are taken into account. The information reports used by management are essentially based on the International Financial Reporting Standards (IFRS). They are prepared using i) the same presentation principles used by the Executive Committee in the Bank's management information and ii) the same accounting principles and policies used in the preparation of the annual accounts.

At 30 June 2025, BPI's segment reporting breaks down as follows:

- **Commercial banking**

Banco BPI is centred on commercial banking in Portugal, offering an extensive range of financial services and products to individuals, corporate and institutional customers. Commercial Banking activity includes:

- Retail, Business, Premier and InContact Banking: ensures commercial activity with private customers and entrepreneurs and businesses, through a multi-channel distribution network. This network includes Branches (for private customers and entrepreneurs and businesses), Premier Centres (providing a financial advisor to private customers), InTouch Centres (providing a dedicated manager accessible via telephone or digital channels, during extended hours), AGE Centre (remotely serving young customers between the ages of 18 and 30) and Connect Centre (providing remote customer service).
- Private Banking and Wealth: provides discretionary management and financial counselling services to high net worth individuals.
- Corporate and Institutional Banking: provides a specialised service to companies and institutions, through Company Centres (for medium-sized companies), a Real Estate Business Centre, commercial areas for business development and Corporate and Institutional Banking Centres - CIB (responding to the needs of institutional customers and the largest national company groups).

This segment also includes the Bank's balance sheet management activity and other residual segments (which represent less than 10% of the Bank's total income and results).

- **Corporate centre**

This segment includes:

- the results generated by associated companies in Portugal, net of the cost of financing.
- the results on units in credit recovery and private equity funds and investments in shares, net of the cost of financing.
- remuneration of BPI's excess capital, calculated as the difference between BPI's CET 1 (excluding the capital allocated to the holdings in BFA and BCI) and a reference value of 12% on 30 June 2025 and 11.5% on 30 June 2024.
- non-recurring operating expenses (essentially early retirement and termination costs), corporate expenses (operating expenses on governing bodies) and interest income/(cost) on net post-employment benefit assets (net liabilities).

- **BFA and BCI**

Includes the results on the activity carried out in Mozambique by Banco Comercial e de Investimentos, S.A.R.L. (associated company) and the results on the stake in Banco de Fomento Angola classified in the portfolio of equity instruments at fair value through other comprehensive income.

As at 30 June 2025, the segmentation of Banco BPI's results is as follows [1]:

	Reportable segments			Other segments		
	Commercial banking	Corporate centre	**Domestic activity**	BFA [2]	BCI [3]	**Banco BPI**
1.Interest income	735 579	1 842	**737 421**	629		**738 050**
2.Interest expenses	(296 100)		**(296 100)**			**(296 100)**
3.Net interest income [1+2]	**439 479**	**1 842**	**441 321**	**629**		**441 950**
4.Dividend income	2	7 099	**7 101**	49 587		**56 688**
5.Equity accounted income		9 508	**9 508**		10 030	**19 538**
6.Fee and commission income	168 992		**168 992**			**168 992**
7.Fee and commission expenses	(19 110)		**(19 110)**			**(19 110)**
8.Net fee and commissions income [6+7]	**149 882**		**149 882**			**149 882**
9.Gains/(losses) on financial assets and liabilities and other	11 911	(1 398)	**10 513**	(3 540)	(965)	**6 008**
10.Other operating income and expenses	(4 596)		**(4 596)**	(4 094)		**(8 690)**
11.Gross income [3+4+5+8+9+10]	**596 678**	**17 051**	**613 729**	**42 582**	**9 065**	**665 376**
12.Staff expenses	(121 557)	(5 041)	**(126 598)**			**(126 598)**
13.Other administrative expenses	(92 903)	(586)	**(93 489)**			**(93 489)**
14.Depreciation and amortisation	(33 187)	(178)	**(33 365)**			**(33 365)**
15.Operating expenses [12+13+14]	**(247 647)**	**(5 805)**	**(253 452)**			**(253 452)**
16.Net operating income [11+15]	**349 031**	**11 246**	**360 277**	**42 582**	**9 065**	**411 924**
17.Impairment losses on financial assets	(27 921)		**(27 921)**	(96)		**(28 017)**
18.Other impairments and provisions	(26)		**(26)**			**(26)**
19.Gains and losses in other assets	373		**373**		(21 565)	**(21 192)**
20.Net income before income tax [16+17+18+19]	**321 457**	**11 246**	**332 703**	**42 486**	**(12 500)**	**362 689**
21.Income tax	(93 123)	1 622	**(91 501)**	940	2 323	**(88 238)**
22.Net income [20+21]	**228 334**	**12 868**	**241 202**	**43 426**	**(10 177)**	**274 451**

[1] Income statement structure presented in accordance with Banco BPI's management information.

[2] Interest income corresponds to interest on term deposits made with BFA relating to dividends to be transferred to Portugal.

[3] Gains or losses on other assets correspond to the impairment of the investment in BCI (Note 14).

At 30 June 2025, the detail of gross income and main balance sheet items in the Commercial Banking segment is as follows:

	Gross income	Financial assets at amortised cost	Financial liabilities at amortised cost - Deposits
Retail, Business, Premier and InTouch Banking	324 885	19 001 603	21 268 518
Private Banking	27 060	224 847	2 982 647
Corporate and Institutional Banking	134 813	12 087 943	7 298 408
Others	109 920	6 134 254	1 121 996
	596 678	**37 448 647**	**32 671 569**

As at 30 June 2024, the segmentation of Banco BPI's results is as follows:

	Reportable segments			Other segments		
	Commercial banking	Corporate centre	**Domestic activity**	BFA [2]	BCI	**Banco BPI**
1.Interest income	850 370	676	**851 046**	1 018		852 064
2.Interest expenses	(360 413)		**(360 413)**			(360 413)
3.Net interest income [1+2]	**489 957**	**676**	**490 633**	**1 018**		**491 651**
4.Dividend income	1	8 289	**8 290**	45 185		53 475
5.Equity accounted income		10 268	**10 268**		18 456	28 724
6.Fee and commission income	182 501		**182 501**			182 501
7.Fee and commission expenses	(14 569)		**(14 569)**			(14 569)
8.Net commissions [6+7]	**167 932**		**167 932**			**167 932**
9.Gains/(losses) on financial assets and liabilities and other	17 442	(2 050)	**15 392**	(1 312)	1 008	15 088
10.Other operating income and expenses	(23 880)		**(23 880)**	(3 779)		(27 659)
11.Gross income [3+4+5+8+9+10]	**651 452**	**17 183**	**668 635**	**41 112**	**19 464**	**729 211**
12.Staff expenses	(120 030)	(27 615)	**(147 645)**			(147 645)
13.Other administrative expenses	(93 479)	(651)	**(94 130)**			(94 130)
14.Depreciation and amortisation	(31 272)	(178)	**(31 450)**			(31 450)
15.Operating expenses [12+13+14]	**(244 781)**	**(28 444)**	**(273 225)**			**(273 225)**
16.Net operating income [11+15]	**406 671**	**(11 261)**	**395 410**	**41 112**	**19 464**	**455 986**
17.Impairment losses on financial assets	(4 444)		**(4 444)**	(56)		(4 500)
18.Other impairments and provisions	14		**14**			14
19.Gains and losses in other assets	2 042		**2 042**			2 042
20.Net income before income tax [16+17+18+19]	**404 283**	**(11 261)**	**393 022**	**41 056**	**19 464**	**453 542**
21.Income tax	(134 511)	9 244	**(125 267)**	159	(1 605)	(126 713)
22.Net income [20+21]	**269 772**	**(2 017)**	**267 755**	**41 215**	**17 859**	**326 829**

[1] Income statement structure presented in accordance with Banco BPI's management information.

[2] Interest income corresponds to interest on term deposits held at BFA relating to dividends to be transferred to Portugal and interest implicit in the present value of the extraordinary dividend recognised in June 2021, having received the last tranche in the first half of 2024.

As at 30 June 2024, the detail of operating income and main balance sheet items in the Commercial Banking segment is as follows:

	Gross income	Financial assets at amortised cost	Financial liabilities at amortised cost - Deposits
Retail, Business, Premier and InTouch Banking	314 637	17 525 806	20 569 514
Private Banking	26 043	194 099	3 341 805
Corporate and Institutional Banking	130 865	11 549 754	6 178 941
Others	179 907	5 706 866	1 241 986
	651 452	**34 976 525**	**31 332 246**

7. DISCLOSURE OF THE REMUNERATION OF THE CORPORATE BODIES

On 16 November 2024, CaixaBank, as sole shareholder, approved the "Remuneration Policy for Banco BPI's management and supervisory bodies" applicable to the members of the Bank's governing bodies.
Banco BPI's articles of association stipulate that the members of the governing bodies will have a fixed remuneration, while the members of the Executive Committee may receive, in addition to the fixed remuneration, a variable remuneration, determined in accordance with the criteria defined in the remuneration policy for members of the management and supervisory bodies.

In Note 7 to Banco BPI's financial statements, with reference to the financial year 2024, the remuneration of the governing bodies is presented in greater detail, namely the members of Banco BPI's Board of Directors and Executive Committee.

Fixed salaries

The fixed remuneration and attendance fees earned by the members of the Board of Directors, including the members of the Executive Committee, during the first half of 2025 and 2024 were as follows:

	30-06-2025	30-06-2024
Fixed salaries	2 656	2 274
Number of people	19	16

Variable remuneration

Members of the Board of Directors who are members of the Executive Commission may be entitled to receive variable remuneration. The attribution of this variable remuneration is risk-adjusted and based on the Institution's performance, measured by the fulfilment of the Corporate Objectives, and based on the individual performance of each Executive Director, measured by the degree of fulfilment of their Individual Objectives.

Under the terms of the applicable Remuneration Policy, this variable remuneration is paid on a deferred basis, i.e. part of it is paid in the year in which it is awarded and another part over the following five years.

The existence and amount of the variable remuneration relating to performance in 2025 will, under the terms mentioned above, be the subject of a decision to be taken in the first half of next year. Notwithstanding this, and in accordance with the applicable accounting rules, Banco BPI's financial statements have considered the periodisation of the limit approved in Banco BPI's Remuneration Policy.

With reference to performance in the 2024 financial year, the Nominations, Evaluation and Remunerations Committee approved on 18 February 2025 the award of variable remuneration to the Executive Directors totalling 1 200 th.euros.

As far as the form of payment is concerned, 40% of the Variable Remuneration was paid immediately after it was awarded and 60% was deferred for a period of 5 years. Of this 40%, half is paid in cash and half is paid in financial instruments (in this case Caixabank shares, valued at 7.3355 euros per share). The remaining 60% will be paid over the following 5 years in equal instalments, 30% in cash and 70% in financial instruments.

8. CASH AND CASH BALANCES AT CENTRAL BANKS AND OTHER DEMAND DEPOSITS

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Cash	177 373	233 000
Demand deposits at Bank of Portugal	1 612 220	2 964 806
Other demand deposits	60 769	88 017
Interest on demand deposits at Bank of Portugal	72	231
	1 850 434	**3 286 054**

Demand deposits at the Bank of Portugal include funds to fulfil the requirements of the Eurosystem's minimum reserve system and overnight deposits through the Eurosystem's deposit facility. The component of cash and cash equivalents to fulfil the minimum reserves is not currently remunerated. Applications under the overnight liquidity absorption mechanism are currently remunerated at 2.00%. If the surplus funds were not invested with the Eurosystem, the rate of remuneration would be 0%. The minimum reserve is levied on 1% of deposits and debt securities issued with a maturity of up to 2 years, excluding liabilities to other institutions subject to and not exempt from the same minimum reserve system and liabilities to the European Central Bank and national central banks participating in the euro.

9. FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING

Financial assets held for trading

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Trading derivatives	60 049	55 465
	60 049	**55 465**

Financial assets held for trading are measured at fair value, which includes credit risk and the respective losses, and represents the Bank's maximum exposure to credit risk.

Financial liabilities held for trading

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Trading derivatives	64 985	57 232
	64 985	**57 232**

10. NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Equity instruments		
Shares in Portuguese Companies	8 682	8 635
Shares in foreign Companies	3 345	2 911
Participation units of Portuguese issuers	18 467	21 320
Participation units of foreign issuers	10 725	12 012
	41 219	**44 878**
Debt securities		
Bonds issued by other Portuguese entities		50
		50
	41 219	**44 928**

Non-trading financial assets that must be accounted for at fair value through profit or loss are measured at fair value, which includes credit risk and the respective losses, and represents the Bank's maximum exposure to credit risk.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Equity instruments		
Shares in Portuguese Companies	137 544	129 205
Shares in foreign Companies	312 837	310 039
	450 381	**439 244**
Debt securities		
Bonds issued by Portuguese government entities		
Treasury Bills	346 894	147 262
Treasury Bonds	76 706	75 755
Bonds issued by foreign government entities	859 544	717 540
	1 283 144	**940 557**
	1 733 525	**1 379 801**

The movement in the equity instruments at fair value through other comprehensive income item on Banco BPI's balance sheet in the first half of 2025 was as follows:

	31-12-2024	Purchases and others	Sales and others	Actual gains/(losses) recognised under retained earnings	Potential gains/(losses) recognised under other comprehensive income and exchange variation	30-06-2025
Banco de Fomento Angola, S.A.	304 600				2 874	307 474
Others	134 645	590	(630)		8 302	142 907
	439 245	590	(630)		11 176	450 381

The movement in the item Equity instruments at fair value through other comprehensive income on Banco BPI's balance sheet in 2024 was as follows:

	31-12-2023	Purchases and others	Sales and others	Actual gains/(losses) recognised under retained earnings	Potential gains/(losses) recognised under other comprehensive income and exchange variation	31-12-2024
Banco de Fomento Angola, S.A.	338 800				(34 200)	304 600
Others	130 366	430	(3 811)	1 831	5 829	134 645
	469 166	430	(3 811)	1 831	(28 371)	439 245

As at 30 June 2025 and 31 December 2024, the caption "Others" includes the shareholding in SIBS (15% of capital) with a book value of 96.8 millions of euros and 88.2 millions of euros, respectively.

The valuation estimates for BFA and SIBS are based on discounted future cash flow methodologies, complemented by multiples-based approaches using comparable companies.

The preparation of a Public Offer for Sale of 30% of BFA's share capital on the Angolan Stock Exchange is underway. BPI has decided to accompany the privatisation operation and intends to sell up to 15% of BFA's capital. The operation is in the final stages of preparation and is expected to be finalised in the second half of 2025.

In the first half of 2025, BFA approved the distribution of 50% of the 2024 results, totalling AKZ 102.9 billion. The dividend attributed to BPI (45.6 million euros net of withholding tax, at the exchange rate on the date of registration) was received in Angola, and an interest-bearing deposit was set up at a net rate of 10.8%. As at the date of approval of the Financial Statement, BPI had received 8.6 million euros in Portugal.

In the first half of 2024, BFA approved the distribution of 50% of the 2023 results, totalling 83.8 billion AKZ. The dividend attributed to BPI (41.6 million euros net of withholding tax, at the exchange rate on the date of registration) was received in Angola, and an interest-bearing deposit was set up at a net rate of 10.8%. By the end of 2024, BPI had received all the dividends in Portugal (36.5 million euros), plus 1.4 million euros in interest on the term deposit referred to above, received at the beginning of January 2025.

Also in the 1st half of 2024, BPI received in Portugal the proceeds of the 3rd and final tranche of the distribution of free reserves approved by BFA's General Meeting in June 2021, totalling AKZ 21.3 billion (23 million euros). BPI also received 1.6 million euros in interest on the term deposit that was set up in local currency, during the time between receipt in Angola and repatriation to Portugal.

The change in the value of the stake in BFA in the first half of 2025 (3 million euros) was essentially due to the following factors:

- Distribution of the 2024 dividend;
- Revision of estimates and the macroeconomic scenario, reflecting a slightly more unfavourable outlook for the AKZ;
- Discount rate update;
- Time value (i.e. updating the valuation reference time)

The main assumptions underlying BFA's valuation model are as follows:

BFA's main valuation assumptions (DDM)

	30-06-2025	31-12-2024
Projection period	5 years	5 years
Discount rate (KoE) [1]	20.3%	20.9%
Target capital ratio	20.0%	21.0%

[1] Calculated on the basis of the US Treasury Bonds interest rate plus a country risk premium and a market risk premium.

In order to determine whether there would be significant variations in the estimated fair value of the financial instruments classified as level 3, as a result of changes in one or more basic parameters of the valuation model, Banco BPI carried out the following sensitivity analysis on the estimated fair value of BFA determined by DDM (Dividend Discount Method):

Sensitivity analysis of the BFA valuation (DDM)

	Baseline scenario	Sensitivity scenario (KoE)		Sensitivity scenario (Target capital ratio)		Sensitivity scenario (Change in AKZ vs USD until 2029)	
(in millions euros)		+1 p.p.	-1 p.p.	+1 p.p.	-1 p.p.	-20%	+20%
Estimated value for 48.1% of BFA	307	296	321	300	315	273	333
Change versus baseline scenario		-12	13	-7	7	-35	26

In the valuation of the stake in SIBS, discount rates (WACC) of 9.7% and 10.1% were considered as of 30 June 2025 and 31 December 2024, respectively.

12. FINANCIAL ASSETS AT AMORTISED COST

The detail of financial assets at amortised cost at 30 June 2025 and 31 December 2024, respectively, is as follows:

30-06-2025

	Nominal value	Accrued interests	Discount premium	Impairment	Book Value
Debt securities	8 986 802	64 224	(168 197)	(15 966)	8 866 863
Loans and advances					
Central banks and credit institutions	1 256 797	2 028		(105)	1 258 720
Customers	27 636 887	189 067		(460 220)	27 365 734
	37 880 486	**255 319**	**(168 197)**	**(476 291)**	**37 491 317**

31-12-2024

	Nominal value	Accrued interests	Discount premium	Impairment	Book Value
Debt securities	8 192 573	41 693	(148 261)	(15 651)	8 070 354
Loans and advances					
Central banks and credit institutions	892 886	4 496		(12)	897 370
Customers	26 694 992	171 989		(488 869)	26 378 112
	35 780 451	**218 178**	**(148 261)**	**(504 532)**	**35 345 836**

12.1. Debt securities

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Sovereign debt		
Portuguese sovereign debt	1 114 575	1 112 602
Foreign sovereign debt	2 671 465	2 206 927
	3 786 040	**3 319 529**
Customer debt		
Other Portuguese public issuers	829 770	753 088
Other Portuguese issuers	3 460 372	3 207 512
Other foreign issuers	806 647	805 876
	5 096 789	**4 766 476**
Impairment	**(15 966)**	**(15 651)**
	8 866 863	**8 070 354**

As at 30 June 2025, Banco BPI holds a medium and long-term public debt portfolio with a nominal value of 3,677 million euros and an average residual maturity of 2 years. The foreign public debt portfolio consists of Spanish, Italian, French, US treasury bonds and European Union bonds.

Securitised Customer debt at amortised cost essentially includes commercial paper operations and Corporate and Institutional Customer bond issues on Banco BPI's commercial loan portfolio.

The portfolio of customer debt securities at amortised cost includes securities designated as assets covered by interest rate hedging operations, whose change in fair value on June 30, 2025 and December 31, 2024 amounts to (3 949) th.euros and (6 410) th.euros, respectively.

At 30 June 2025 and 31 December 2024, customer debt securities include operations allocated to the Autonomous Assets that serve as collateral for the Collateralised Bonds issued by Banco BPI (Note 19), namely 83 437 th.euros and 59 794 th.euros, respectively, allocated to guaranteeing public sector bonds.

12.2. Loans and advances

Loans and advances - Central Banks and Credit Institutions

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Investments in other credit institutions in the country		
Collect cheques	35 664	23 632
Loans	382 250	491 750
Reverse repurchase agreements	11 703	8 694
Other availabilities	78	774
Other loans and advances	123 980	135 859
Interest receivable and commissions relating to amortised cost	1 767	4 306
	555 442	665 015
Loans and advances in international financial organisations	30 576	36 625
Loans and advances in other credit institutions abroad		
Very short-term applications		
Deposits	206 305	40 038
Collect cheques	361	281
Loans	64 273	80 699
Reverse repurchase agreements	351 755	48 073
Other loans and advances		
Interest receivable and commissions at amortised cost	261	190
Debtors for futures transactions	49 852	26 461
	703 383	232 367
Impairment	(105)	(12)
	1 258 720	**897 370**

Loans and advances - Customers

In Banco BPI's balance sheet, the detail of loans and advances to Customers by activity is as follows:

	30-06-2025		31-12-2024	
	Gross amount	**Impairments**	**Gross amount**	**Impairments**
Public sector	1 314 703	(556)	1 315 783	(931)
Other financial corporations and individual entrepreneurs (financial businesses)	279 366	(1 115)	171 520	(1 527)
Non-financial corporations and individual entrepreneurs (non-financial businesses)	8 773 983	(299 636)	8 790 142	(294 182)
Real estate development	94 852	(724)	77 592	(472)
Civil construction	383 866	(8 223)	381 346	(8 670)
Others	8 295 265	(290 689)	8 331 204	(285 040)
Large companies	2 145 068	(137 583)	2 304 786	(131 287)
Small and medium-sized companies	6 150 197	(153 106)	6 026 418	(153 753)
Individuals	17 457 902	(158 913)	16 589 536	(192 229)
Homes	16 193 133	(95 286)	15 232 733	(103 088)
Consumer spending	1 251 794	(63 085)	1 344 053	(88 242)
Others	12 975	(542)	12 750	(899)
	27 825 954	**(460 220)**	**26 866 981**	**(488 869)**

On 30 June 2025 and 31 December 2024, loans and advances to customers include operations allocated to the Autonomous Assets that serve as collateral for Collateralised Bonds issued by Banco BPI (Note 19), namely:

- 8 840 222 th.euros and 8 783 577 th.euros, respectively, related to mortgage bonds;
- 714 994 th.euros and 728 741 th.euros, respectively, related to public sector bonds.

The loan portfolio to customers includes loans designated as assets covered by interest rate risk hedging operations, whose change in fair value as at 30 June 2025 and 31 December 2024 amounts to (44 349) th.euros and (40 627) th.euros, respectively.

The movement in the gross value of loans and advances to customers during the first half of 2025 was as follows:

	Loans and advances	Of which: Stage 1	Stage 2	Stage 3
Balance at 31-12-2024	**26 866 981**	**24 566 239**	**1 777 442**	**523 300**
Increases / reductions in exposure	1 041 251	1 212 437	(133 179)	(38 006)
Transfers				
From stage 1:		(866 121)	834 499	31 622
From stage 2:		361 372	(481 602)	120 230
From stage 3:		6 944	30 686	(37 630)
Write-offs	(9 175)	(1)		(9 174)
Sales	(73 103)			(73 103)
Balance at 30-06-2025	**27 825 954**	**25 280 870**	**2 027 846**	**517 239**

The movement in the gross value of loans and advances to customers during the 2024 financial year was as follows:

	Loans and advances	Of which: Stage 1	Stage 2	Stage 3
Balance at 31-12-2023	**26 476 349**	**23 805 178**	**2 135 168**	**536 003**
Increases / decreases in exposure	472 420	897 985	(358 480)	(67 086)
Transfers				
From stage 1:		(796 724)	731 540	65 184
From stage 2:		651 619	(779 862)	128 243
From stage 3:		8 185	49 079	(57 264)
Write-offs	(25 780)	(4)	(3)	(25 773)
Sales	(56 008)	(1)		(56 007)
Balance at 31-12-2024	**26 866 981**	**24 566 239**	**1 777 442**	**523 300**

The movement in impairments for loans and advances to customers during the first half of 2025 was as follows:

	Impairments on loans and advances	Of which: Stage1:	Stage2:	Stage3:
Balance at 31-12-2024	**(488 869)**	**(79 141)**	**(107 141)**	**(302 587)**
Impairment/reversal of impairments due to changes in credit risk	(46 702)	8 477	(845)	(54 334)
Impairment allowance for new financial assets [1]	(14 788)	(9 410)	(1 704)	(3 674)
Reversal of impairments due to reimbursements and recoveries [1,2]	30 675	4 824	4 683	21 168
Net impairment [3]	(30 815)	3 891	2 134	(36 840)
Write-offs	9 175	1		9 174
Sales	50 289			50 289
Transfers and others		65	(30)	(35)
Balance at 30-06-2025	**(460 220)**	**(75 184)**	**(105 037)**	**(279 999)**

[1] Includes automatically renewed operations.

[2] Includes reversal of impairment losses with the sale of loans (Note 12.3).

[3] Includes 525 th.euros relating to impairments to offset part of the interest on stage 3 loans, included in net interest income.

The movement in impairments for loans and advances to customers during the 2024 financial year was as follows:

	Impairments on loans and advances	Of which: Stage1:	Stage2:	Stage3:
Balance at 31-12-2023	**(515 947)**	**(78 890)**	**(106 113)**	**(330 944)**
Impairment/reversal of impairments due to changes in credit risk	(76 056)	11 218	(5 644)	(81 630)
Impairment allowance for new financial assets [1]	(36 151)	(24 917)	(4 306)	(6 928)
Reversal of impairments due to reimbursements and recoveries [1,2]	69 903	13 449	8 922	47 532
Net impairment [3]	(42 304)	(250)	(1 028)	(41 026)
Write-offs	25 780	4	3	25 773
Sales	43 602			43 602
Transfers and others		(5)	(3)	8
Balance at 31-12-2024	**(488 869)**	**(79 141)**	**(107 141)**	**(302 587)**

[1] Includes automatically renewed operations.

[2] Includes reversal of impairment losses with the sale of loans (Note 12.3).

[3] Includes 2 498 th.euros relating to impairments to offset part of the interest on stage 3 loans, included in net interest income.

12.3. Written-off loans

Written-off loans

The movement in written-off loans in the first half of 2025 and the year of 2024 was as follows:

	30-06-2025	31-12-2024
Balance at the beginning of period	**637 960**	**636 352**
Increases:		
Written-off loans	9 175	25 780
Others	1 361	294
Decreases:		
Recovery of written-off principal and interest	(1 350)	(3 227)
Amount received on sale of written-off loans	(1 729)	(3 836)
Remission of written-off credits due to disposals	(7 318)	(17 403)
Balance at the end of period	**638 099**	**637 960**

Written-off loans because their recovery was deemed to be remote are recognised under the off-balance sheet item "Written-off loans".

In 2025, Banco BPI sold a portfolio of non-performing loans totalling 27 million euros, of which 9 million euros in loans written off (recorded off-balance sheet), 0.4 million euros of other off-balance sheet balances and 18 million euros of loans net of impairments (of which 73 million euros of loans and 55 million of impairments) (Note 12). This operation generated a profit of 6 million euros, of which 4.8 million euros from the reversal of impairments recognised and 1.2 million euros from the recovery of loans written off, net of expenses on this operation.

In 2024, Banco BPI sold a portfolio of non-performing loans totalling 28 million euros, of which 21 million euros in loans written off (recorded in off-balance sheet), 1 million euros in other off-balance sheet balances and 6 million euros in loans net of impairments (of which 51 million euros in loans and 45 million in impairments). This operation generated a profit of 13 million euros, of which 9 million euros from the reversal of impairments and 4 million euros from the recovery of loans written off (Note 33).

13. DERIVATIVES – HEDGE ACCOUNTING

The details of the hedging derivatives are as follows:

	30-06-2025			31-12-2024		
	Notional Amount	Assets	Liabilities	Notional Amount	Assets	Liabilities
Interest rates	5 103 379	4 887	8 346	6 831 589	1 305	6 032
By type of counterparty:						
Of which OTC - credit institutions	3 094 707	4 887	7 725	3 748 725	1 305	5 502
Of which OTC - other financial companies	2 008 672		621	3 082 864		530

14. INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Details of Banco BPI's investments in associates are as follows:

	Effective holding (%)		Book value	
	30-06-2025	31-12-2024	30-06-2025	31-12-2024
Investments in associates				
Banco Comercial e de Investimentos, S.A.	35.7 %	35.7 %	176 324	184 610
Companhia de Seguros Allianz Portugal, S.A.	35.0 %	35.0 %	68 283	71 578
Impairment			(30 526)	(8 961)
			214 081	**247 227**

BPI's stake in BCI (Banco Comercial e de Investimentos, S.A.) - 35.7% - is recognised using the Equity accounted method and is subject to periodic impairment tests. As at 31 December 2024, the impairment charge for this holding was 8 961 th.euros.
In the first half of 2025, BPI increased its impairment from 8 961 th.euros to 30 526 th.euros, mainly reflecting the impact of the downgrade of Mozambique's rating.

It should also be noted that, following the downgrades of Mozambique's rating, BCI has been reinforcing the impairments for its exposure to the Mozambican government (credit and public debt securities).

The movement that occurred in investments in associates in the first half of 2025 was as follows:

	Book value	Goodwill	Impairment[1]	Total
Balance at 31-12-2024	**250 915**	**5 273**	**(8 961)**	**247 227**
Net profit / (loss) for the year	19 538		(21 565)	
Dividends [2]	(14 035)			
Exchange difference	(20 015)			
Changes in associates' other comprehensive income	2 762			
Others	169			
Balance at 30-06-2025	**239 334**	**5 273**	**(30 526)**	**214 081**

[1] Corresponds to impairment for the shareholding in BCI.

[2] Corresponds to Allianz dividends.

The movement that occurred in investments in associates in 2024 was as follows:

	Book value	Goodwill	Impairment [1]	Total
Balance at 31-12-2023	**215 467**	**5 273**		**220 740**
Net profit / (loss) for the year	60 014		(8 961)	
Dividends [2]	(39 208)			
Exchange difference	9 444			
Changes in associates' other comprehensive income	4 512			
Others	686			
Balance at 31-12-2024	**250 915**	**5 273**	**(8 961)**	**247 227**

[1] Corresponds to impairment for participation in BCI.

[2] Corresponds to dividends from BCI and Allianz.

Goodwill resulted from the acquisition of equity holding in BCI Mozambique (5 273 th.euros).

The detail of profit or loss of investments in associates accounted for using the equity method is as follows[1]:

	30-06-2025	30-06-2024
Banco Comercial e de Investimentos, S.A.R.L.	10 030	18 456
Companhia de Seguros Allianz Portugal, S.A.	9 508	10 268
	19 538	**28 724**

[1] The contribution of BPI's associates to the profit or loss is detailed in Note 35.

15. TANGIBLE ASSETS

The movement in tangible assets in the first half of 2025 and the financial year 2024 was as follows:

	2025					2024				
	Buildings	**Equipment and others**	**Tangible assets in progress**	**Rights of use IFRS 16[1]**	**Total**	**Buildings**	**Equipment and others**	**Tangible assets in progress**	**Rights of use IFRS 16[1]**	**Total**
Gross amount										
Balance at beginning of period	123 301	282 886	11 068	192 956	610 211	130 691	305 290	12 870	190 155	639 006
Acquisitions		768	1 445	3 214	5 427		3 837	12 290	411	16 538
Disposals and write-offs [2]		(324)		(3 058)	(3 382)	(12 942)	(29 942)		(5 583)	(48 467)
Transfers and others		1 841	(2 095)	(1 332)	(1 586)	5 552	3 701	(14 092)	7 973	3 134
Balance at the end of period	**123 301**	**285 171**	**10 418**	**191 780**	**610 670**	**123 301**	**282 886**	**11 068**	**192 956**	**610 211**
Depreciation										
Balance at the beginning of period	81 166	245 997		91 053	418 216	89 989	266 234		74 721	430 944
Depreciation in the period	3 251	4 424		10 186	17 861	5 809	9 494		20 454	35 757
Disposals and write-offs [2]		(319)		(2 759)	(3 078)	(12 919)	(28 796)		(4 329)	(46 044)
Transfers and others						(1 713)	(935)		207	(2 441)
Balance at the end of period	**84 417**	**250 102**		**98 480**	**432 999**	**81 166**	**245 997**		**91 053**	**418 216**
Net value at the end of year	**38 884**	**35 069**	**10 418**	**93 300**	**177 671**	**42 135**	**36 889**	**11 068**	**101 903**	**191 995**

[1] Right-of-use assets classified under IFRS 16 are exclusively real estate.

[2] The rights of use essentially correspond to the cancellation or renegotiation of contracts.

16. INTANGIBLE ASSETS

The movement in intangible assets during the first half of 2025 and the financial year 2024 was as follows:

	2025				2024			
	Automatic data processing systems	Intangible assets in progress	Other intangible assets	Total	Automatic data processing systems	Intangible assets in progress	Other intangible assets	Total
Gross amount								
Balance at the beginning of period	263 066	17 270	13 263	293 599	256 833	19 072	13 263	289 168
Acquisitions	34	9 635		9 669	188	36 782		36 970
Disposals and write-offs					(31 317)			(31 317)
Transfers and others	1 709	(3 446)		(1 737)	37 362	(38 584)		(1 222)
Balance at the end of period	**264 809**	**23 459**	**13 263**	**301 531**	**263 066**	**17 270**	**13 263**	**293 599**
Amortisations								
Balance at the beginning of the year	167 946		13 263	181 209	170 371		13 263	183 634
Amortisation in the period	15 505			15 505	28 645			28 645
Disposals and write-offs					(31 070)			(31 070)
Balance at the end of period	**183 451**		**13 263**	**196 714**	**167 946**		**13 263**	**181 209**
Net value at end of period	**81 358**	**23 459**		**104 817**	**95 120**	**17 270**		**112 390**

At 30 June 2025 and 31 December 2024, intangible assets in progress refer essentially to investments made by Banco BPI in *software* being developed by external entities contracted by the Bank.

17. OTHER ASSETS

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Accrued income		
Dividends receivable from Banco Comercial e de Investimentos		21 727
Fees for Allianz's profit-sharing	29 241	19 168
Other accrued income	34 263	58 019
	63 504	**98 914**
Deferred expenses		
Rents	1 680	1 677
Other deferred expenses	6 565	2 303
	8 245	**3 980**
Liabilities for pensions and other benefits [1] (Note 22)		
Pension fund assets	1 732 696	
Past service liabilities	(1 717 204)	
	15 492	
Other assets	8 107	7 425
Assets pending settlement	55 292	59 955
Impairments	(452)	(452)
	62 947	**66 928**
	150 188	**169 822**

[1] Recorded under 'Other Liabilities' as at 31 December 2024.

At 30 June 2025 and 31 December 2024, other income receivable includes 53 426 th.euros and 49 768 th.euros, respectively, relating to income receivable from CaixaBank Group companies, namely *fee*s for providing *back office,* IT, corporate and financial product commercialisation services.

At 30 June 2025 and 31 December 2024, the balance of assets pending settlement item includes:

- 20 896 th.euros and 3 095 th.euros, respectively, relating to taxes assessed and contested by Banco BPI, of which:
  - 2 156 th.euros, registered after 2020, relating to legal proceedings concerning VAT that have already been settled with favourable decisions in respect of Banco BPI and which are awaiting receipt of the amounts in question;
  - 18 740 th.euros relating to contribution refund of the Additional Solidarity charge on the Banking Sector (2020-2025), which was declared unconstitutional by the Constitutional Court.
- 6 063 th.euros and 9 853 th.euros, respectively, relating mainly to operations to be settled for services rendered to other CaixaBank Group companies.
- 10 167 th.euros and 11 388 th.euros, respectively, relating to operational control accounts for IT processes related to the commercial network's automatic services, *self-service* checkouts, online deposits and *cash points*.
- 6 759 th.euros and 1 607 th.euros, respectively, relating to operational control accounts on the clearing of deposits.

- 4 468 th.euros and 6 538 th.euros, respectively, relating to cheques made available for issuing mortgage deeds.

As at 31 December 2024, it also includes 19 571 th.euros related to financial market operations awaiting settlement and 809 th.euros of amounts on card and point of sale terminal operations, which are cleared by the Bank. These amounts have already been settled.

18. NON-CURRENT ASSETS AND DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Assets received in settlement of defaulting loans		
Buildings	1 794	2 527
Equipment	610	595
Impairment	(1 841)	(2 134)
Other tangible assets		
Buildings	13 564	14 160
Impairment	(907)	(1 090)
	13 220	**14 058**

19. FINANCIAL LIABILITIES AT AMORTISED COST

The detail of financial liabilities at amortised cost at 30 June 2025 and 31 December 2024, respectively, is as follows:

30-06-2025

	Nominal value	Accrued interests	Commissions at amortised cost	Book Value
Deposits				
Credit Institutions	791 039	540		791 579
Customers	31 761 965	118 026		31 879 991
Debt securities issued	4 175 000	63 734	(7 453)	4 231 281
Other financial liabilities	251 285			251 285
	36 979 289	**182 300**	**(7 453)**	**37 154 136**

31-12-2024

	Nominal value	Accrued interests	Commissions at amortised cost	Book Value
Deposits				
Credit Institutions	716 676	1 472		718 148
Customers	30 381 042	120 298		30 501 340
Debt securities issued	4 625 000	77 152	(8 364)	4 693 788
Other financial liabilities	232 477			232 477
	35 955 195	**198 922**	**(8 364)**	**36 145 753**

19.1. Deposits - Central Banks and Credit Institutions

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Funds of credit institutions in Portugal		
Very short-term funds	5 000	
Deposits	61 992	57 871
Interest payable	376	360
	67 368	**58 231**
Funds of credit institutions abroad		
International financial organisations	409 077	464 712
Very short-term funds	38 231	82 857
Deposits	113 596	98 710
Debt securities sold with repurchase agreements	155 101	
Other funds	8 043	12 526
Interest payable	163	1 112
	724 211	**659 917**
	791 579	**718 148**

19.2. Deposits - Customers

The detail of this heading is as follows:

	30-06-2025	31-12-2024
By type		
Demand deposits	16 850 960	16 013 617
Term deposits	14 864 291	14 318 287
Savings deposits	32 974	35 683
Compulsory deposits	13 353	13 377
Other customer resources	387	78
Interest payable	118 026	120 298
	31 879 991	**30 501 340**
By sector		
Public sector	1 052 161	578 688
Private sector	30 827 830	29 922 652
	31 879 991	**30 501 340**

The Customer deposits portfolio at amortised cost - includes term deposits designated as liabilities covered by hedging operations of the interest rate risk, whose change in fair value on June 30, 2025 and December 31, 2024 amounted to (997) th.euros and 2 049 th.euros, respectively.

19.3. Debt securities issued

The detail of this heading is as follows:

	30-06-2025				31-12-2024			
	Issues	Repurchased	Balance	Interest rate[1]	Issues	Repurchased	Balance	Interest rate[1]
Covered bonds	7 150 000	(5 350 000)	1 800 000	2.6%	7 850 000	(6 050 000)	1 800 000	3.3 %
Senior non-preferred bonds	1 950 000		1 950 000	3.5%	2 400 000		2 400 000	3.3 %
Interest payable			56 138				68 183	
Commissions at amortised cost (net)			(7 445)				(8 356)	
			3 798 693				**4 259 827**	
Subordinated bonds	425 000		425 000	5.7%	425 000		425 000	6.7 %
Interest payable			7 596				8 969	
Commissions at amortised cost (net)			(8)				(8)	
			432 588				**433 961**	
			4 231 281				**4 693 788**	

[1] Interest rate at the end of the year weighted by the value of the issues.

The debt securities portfolio at amortised cost includes securities designated as liabilities hedged by interest rate risk hedging operations, whose change in fair value at 30 June 2025 and 31 December 2024 amounts to (24 914) th.euros (18 078) th.euros, respectively.

In the first half of 2025, Banco BPI repaid two collateralised issues in the amount of 1 600 000 th.euros, which were fully repurchased, and a non-preferred senior bond in the amount of 450 000 th.euros. In 2025, the Bank issued a 900 000 th.euros mortgage bond, which was fully repurchased.

In 2024, Banco BPI repaid three collateralised issues in the amount of 2 600 000 th.euros, of which two issues in the amount of 2 100 000 th.euros were fully repurchased. In 2024, the Bank issued five issues, two fixed-rate non-preferential senior bonds totalling 1 250 000 th.euros and three covered bonds totalling 2 600 000 th.euros, of which one issue totalling 1 800 000 th.euros was fully repurchased.

19.4. Other financial liabilities

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Other Customer funds		
Checks and orders payable	76 523	50 203
Creditors and other resources		
Allocated resources	2 006	2 352
Captive account resources	2 756	2 715
Escrow account resources	1 766	1 602
Public administrative sector		
VAT payable	3 788	706
Tax withheld at source	23 178	22 267
Contributions to the Social Security	3 545	3 518
Others	2 740	2 740
Contributions to other healthcare systems	1 469	1 419
Creditors for factoring agreements	14 442	15 362
Creditors for the supply of goods	(3 914)	(115)
Subscribed but not paid-up capital in venture capital funds		
Pathena SCA Sicar Fund	490	490
Sundry creditors	16 830	14 589
Lease liabilities (IFRS 16)	105 666	114 629
	251 285	**232 477**

20. PROVISIONS AND CONTINGENT LIABILITIES

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Pending legal issues and tax litigations		
VAT recovery processes	54	54
Tax contingencies and others	16 406	20 455
Impairments and provisions for guarantees and commitments (Note 25)	9 241	9 796
Other provisions	1 823	1 853
	27 524	**32 158**

The movement in provisions during the first half of 2025 was as follows:

	Balance at 31-12-2024	Increases	Decreases / Reversals	Amounts used	Balance at 30-06-2025
Pending legal issues and tax litigations	20 509	127	(71)	(4 105)	16 460
Commitments and guarantees given	9 796	3 250	(3 805)		9 241
Other provisions	1 853		(30)		1 823
	32 158	**3 377**	**(3 906)**	**(4 105)**	**27 524**

The movement in provisions during the 2024 financial year was as follows:

	Balance at 31-12-2023	Increases	Decreases / Reversals	Amounts used	Balance at 31-12-2024
Pending legal issues and tax litigations	26 253	8 440	(216)	(13 968)	20 509
Commitments and guarantees given	11 757	3 680	(5 641)		9 796
Other provisions	1 897		(44)		1 853
	39 907	**12 120**	**(5 901)**	**(13 968)**	**32 158**

In the 2024 financial year, the increases in provisions for legal issues and pending tax litigation include a provision of 4 800 th.euros to cover the contingency resulting from the legal proceedings relating to the formula for calculating the proportional seniority bonuses paid in 2016.

20.1. Provisions for legal and tax litigations

Banco BPI is the subject of various legal and administrative actions and proceedings arising from the normal course of its business, including proceedings arising from credit activity, labour relations and other commercial or tax issues.

On the basis of the information available, Banco BPI considers that it has reliably estimated the obligations on each litigation and that it has recognised, where necessary, adequate provisions to reasonably cover the obligations that need to be met from the aforementioned legal and tax situations. Likewise, it considers that the liabilities that may arise from the aforementioned proceedings will not, taken together, have a significant adverse effect on the Bank's business, financial situation or results of operations.

20.2. Provisions for commitments and guarantees granted and other provisions

The heading Commitments and guarantees granted includes provisions for credit risk on guarantees given and other contingent liabilities (Note 25). Other provisions include provisions for specific contingencies.

20.3. Contingent liabilities

Competition Authority

In 2012, the Portuguese Competition Authority (PCA), in accordance with its legal powers, launched administrative offence proceedings against 15 banks operating in the Portuguese market, including Banco BPI, for alleged practices restricting competition.

On 1 June 2015, Banco BPI was notified of the respective note of illegality. On 27 September 2017, the Bank presented its defence. In addition, throughout the process, and whenever appropriate, Banco BPI appealed against various interlocutory decisions of the Competition Authority that the Bank considered likely to violate its rights.

On 9 September 2019, the PCA notified BPI and the other banks of its decision, which led to their conviction. BPI was penalised 30 million euros.

In this decision, the PCA:

1) Imputes to BPI, as to the other banks, the participation in exchanges of information, over the period between May 2002 and March 2013, on (i) production volumes of mortgage loans and consumer credit and (ii) on commercial conditions of these types of credit and of credit to small businesses and SMEs, namely spread tables;

2) Considers that such an exchange constitutes an offence by object, i.e. an offence that is deemed to have been committed regardless of whether or not the conduct in question has had negative effects on competition, effects that therefore do not need to be proven; in other words, for the offence to be deemed to have been committed, it is sufficient to prove that the conduct is, in the abstract, capable of causing negative effects on competition.

Banco BPI believes that it did not commit the offence that the PCA accused it of and, in October 2019, it filed an appeal against the above-mentioned decision with the Competition, Regulation and Supervision Court, with an appeal still pending before the Lisbon Court of Appeal.

In addition to disputing that the exchange of information took place in the manner alleged in the condemnatory decision, BPI believes that the information allegedly exchanged, either because of the terms and timing of the exchange, or because of its content, was not capable of producing negative effects on competition, thus failing to fulfil the conditions for the existence of an infringement by object, and therefore the condemnatory decision in question. Banco BPI also believes that the alleged exchanges of information did not have any negative effects on the market or on consumers, but rather, at least in part, had pro-competitive effects.

Along with the above-mentioned appeal, BPI requested that the effects of the PCA's decision be suspended until a final decision is made on the case. As part of this request to suspend the effects of the decision, BPI submitted a guarantee. As a result, the court declared the guarantee to have been validly provided and, consequently, granted suspensive effect to the appeal lodged.

The appeal was heard by the Competition, Regulation and Supervision Court, which, on 28 April 2022, handed down a decision in which it established the facts that had been proven but did not rule on any sanctions, suspending the proceedings and making a preliminary reference to the Court of Justice of the European Union, which asked the question of whether the facts proven meet the necessary characteristics to constitute the infringement of competition rules "by object" imputed to the banks.

In December 2022, the Bank took note of the written observations submitted by the European Commission, the EFTA (European Free Trade Association) Surveillance Authority, the Portuguese Competition Authority, the Portuguese Public Prosecutor's Office, the Portuguese Republic, the Italian Republic, the Hellenic Republic and Hungary in the context of the preliminary ruling procedure before the Court of Justice of the European Union. These observations are not unambiguous and do not bind the Court of Justice of the European Union.

On 22 June 2023, the parties and other interested parties presented oral arguments before the Court of Justice of the European Union.

On 5 October 2023, the Advocate General's Opinion was presented as part of the ongoing proceedings before the CJEU. These Conclusions constitute a further interim stage in the proceedings and do not amount to a judicial decision, since the CJEU is not bound by them in any way.

On 29 July 2024, the Court of Justice of the European Union ruled on the questions put to it by the Competition, Regulation and Supervision Court.

As a result, on 20 September 2024, the Competition, Regulation and Supervision Court issued the respective (first instance) court ruling, which upheld the fine imposed on the Bank.

As publicly announced, the Bank decided to appeal against this first instance decision, which it did on 15 October 2024.

On 10 February 2025, the misdemeanour procedure was declared time-barred by a ruling of the Lisbon Court of Appeal.

On 21 February 2025, the Competition Authority appealed the decision of the Lisbon Court of Appeal to the Constitutional Court.

PCA appealed against this decision to the Constitutional Court, which decided on 6 June 2025 not to hear the appeal. The PCA appealed this decision to the Constitutional Court's panel.

It remains the conviction of the Executive Committee of the Bank's Board of Directors, supported by the reasoned opinion of external legal advisors, that the chances of the case ending without the Bank having to pay this fine are higher than the chances of the opposite happening, and there is therefore no provision for this case recognised in the Bank's financial statements as at 30 June 2025.

In addition, during the first quarter of 2024, 2 class actions were brought against the Bank by a consumer defence association and a class action by an association representing small and medium-sized companies, seeking compensation for damages resulting from the alleged competitive infringement charged by the PCA. The Bank does not expect any material impact to result from these lawsuits, as it believes that its conduct in no way caused damage to consumers.

Resolution Fund

On 7 July 2016, the Resolution Fund stated that it would analyse and evaluate the necessary steps following the publication of the results of the independent evaluation exercise carried out to estimate the level of credit recovery for each class of creditors in the hypothetical scenario of a normal insolvency process for BES.

Under the terms of the applicable law, if it turns out, at the end of the liquidation of BES, that the creditors whose claims have not been transferred to Novo Banco, assume a greater loss than they would hypothetically have assumed if BES had gone into liquidation immediately prior to the application of the resolution measure, these creditors will have to be compensated by the Resolution Fund.

Finally, indications have come to light that legal proceedings have been initiated against the Resolution Fund.

Resolution measure of Banco Espírito Santo, S.A.

On 3 August 2014, the Bank of Portugal applied a resolution measure to Banco Espírito Santo, S.A. (BES) under the terms of Article 145C(1)(b) of the General Regime for Credit Institutions and Financial Companies (RGICSF), in the form of a partial transfer of assets, liabilities, off-balance sheet items and assets under management to a transitional bank, Novo Banco, S.A. (Novo Banco), set up by resolution of the Bank of Portugal on the same date. As part of this process, the Resolution Fund made a capital contribution to Novo Banco totalling 4 900 000 th.euros, making it the sole shareholder.

In this context, the Resolution Fund took out loans totalling 4 600 000 th.euros, of which 3 900 000 th.euros were granted by the State and 700 000 th.euros by a banking syndicate in which the Bank participated with 116 200 th.euros.

On 29 December 2015, the Bank of Portugal published a statement in which it announced that it had made "(...) a final adjustment to the perimeter of assets, liabilities, off-balance sheet items and assets under management transferred to Novo Banco, of which the following stand out:

a. Clarification that no liabilities that were contingent or unknown on the date of application of the resolution measure to Banco Espírito Santo, S.A. were transferred to Novo Banco;

b. The transfer to Banco Espírito Santo, S.A. of the stake in the company BES Finance, which is necessary to ensure full compliance and execution of the resolution measure with regard to the non-transfer to Novo Banco of subordinated debt securities issued by Banco Espírito Santo, S.A;

c. Clarification that it is the Resolution Fund's responsibility to neutralise, by compensating Novo Banco, any negative effects of future decisions arising from the resolution process, resulting in liabilities or contingencies."

Resolution measure of Banif - Banco Internacional do Funchal, S.A.

On 19 December 2015, the Board of Directors of the Bank of Portugal declared that Banif was "failing or likely to fail" and decided to launch an urgent resolution process for the institution in the form of a partial or total sale of its business, which culminated in the sale of Banif's business to Banco Santander Totta S.A. (BST) on 20 December 2015 for 150 000 th.euros.

Most of the assets that were not sold were transferred to an asset management vehicle called Oitante, S.A. (Oitante), created specifically for this purpose, whose sole shareholder is the Resolution Fund. In order to finance the consideration for this transfer, Oitante issued debt bonds for an initial amount of 746 000 th.euros, with a guarantee provided by the Resolution Fund and a counter-guarantee by the Portuguese state.

The operation involved support of around 2 255 000 th.euros to cover future contingencies, of which 489 000 th euros from the Resolution Fund and 1 766 000 th.euros directly from the state. The aforementioned state support is deducted from the amount owed by BST for the acquisition of all the assets, liabilities and activity of the former Banif. The 489 000 th.euros assumed by the Resolution Fund was financed through a loan agreement granted by the State.

General/complementary aspects

In order to repay the loans obtained by the Resolution Fund and any other liabilities that the Resolution Fund may have to assume in relation to the aforementioned resolution measures, the Resolution Fund essentially has contributions from the participating institutions (including the Bank) and the contribution from the banking sector.

In a public statement dated 28 September 2016, the Resolution Fund announced that it had agreed with the Ministry of Finance to revise the 3 900 000 th.euros loan originally granted by the State to the Resolution Fund in 2014 to finance the resolution measure applied to BES. According to the Resolution Fund, the extension of the loan's maturity aims to ensure the Resolution Fund's ability to fulfil its obligations through its regular income, regardless of the contingencies to which the Resolution Fund is exposed. On the same day, the Finance Minister's Office also announced that increases in liabilities resulting from the materialisation of future contingencies will determine the adjustment of the maturity of State and bank loans to the Resolution Fund, in order to maintain the contribution effort required of the banking sector at current levels.

In addition, according to the Resolution Fund press release of 21 March 2017:

- " The conditions of the loans obtained by the Fund to finance the resolution measures applied to Banco Espírito Santo, S.A. and Banif - Banco Internacional do Funchal, S.A. have been changed." These loans totalled 4 953 million euros, of which 4 253 million euros were granted by the State and 700 million euros by a banking syndicate, of which 116 million euros were granted by the Bank.

- " Those loans now mature in December 2046, without prejudice to the possibility of early repayment based on the use of Resolution Fund revenues. The maturity will be adjusted in such a way as to guarantee the Resolution Fund's ability to fulfil its obligations in full on the basis of regular income and without the need to resort to special contributions or any other type of extraordinary contributions." The liabilities arising from the contracts obtained by the Resolution Fund from the State and from a banking syndicate following the BES and Banif resolution measures run pari passu with each other.

- "The revision of the loan conditions aimed to ensure the sustainability and financial equilibrium of the Resolution Fund, based on a stable, predictable and affordable charge for the banking sector."

- "The new conditions make it possible to ensure the full payment of the Resolution Fund's liabilities, as well as its remuneration, without the need for special contributions or any other type of extraordinary contributions from the banking sector."

The Bank of Portugal press release of 31 March 2017 mentioned, among other things, the following:

- "The Bank of Portugal today selected LONE STAR to finalise the sale of Novo Banco and the Resolution Fund signed the contractual documents for the operation."

- "As a result of the capital injection to be carried out, LONE STAR will hold 75% of Novo Banco's share capital and the Resolution Fund will retain 25%."

- "The agreed conditions also include the existence of a contingent capitalisation mechanism, under which the Resolution Fund, as a shareholder, undertakes to make capital injections in the event of certain cumulative conditions materialising, related to: i) the performance of a delimited set of Novo Banco's assets and ii) the evolution of the bank's capitalisation levels."

- "The agreed conditions also provide for mechanisms to safeguard the interests of the Resolution Fund, align incentives and supervise, notwithstanding the limitations arising from the application of state aid rules"

- "Completion of the sale operation is dependent on obtaining the usual regulatory authorisations (including from the European Central Bank and the European Commission) and also on carrying out a liability management exercise, subject to bondholder adhesion, which will cover Novo Banco's non-subordinated bonds and which, through the offer of new bonds, will make it possible to generate at least 500 million euros of own funds eligible for the calculation of the CET1 ratio."

On 2 October 2017, the Council of Ministers approved a resolution in which it authorised the Portuguese state, as the ultimate guarantor of financial stability, to enter into a framework agreement with the Resolution Fund, with a view to making financial resources available to the Resolution Fund, if and when necessary, to meet any contractual obligations that may arise from the sale of the 75% stake in Novo Banco, S.A.'s share capital.

The aforementioned framework agreement was signed on the same date and provides for the necessary funds to be made available to ensure the fulfilment of the responsibilities assumed within the scope of the Novo Banco sale process. It is also defined that the respective reimbursement will bear in mind that one of the objectives of this framework agreement is to ensure the stability of the contribution effort falling on the banking sector, i.e. without the need for special contributions or any other type of extraordinary contribution to be levied on Resolution Fund participants.

On 18 October 2017, the Bank of Portugal and the Resolution Fund announced the completion of the sale of Novo Banco to Lone Star.

On 1 March 2019, after learning of Novo Banco's capital call for 2018, the Ministry of Finance issued a statement confirming "(...) its commitment to the targets set and to promoting the stability of the banking sector in order to meet them."

On 31 May 2021, the Resolution Fund signed a new loan agreement for 475 million euros with a group of banks to meet the Fund's financing needs arising from the commitments made to Novo Banco under the Contingent Capital Agreement. Banco BPI participated with 87 410 th.euros in this loan.

On 9 December 2024, the Resolution Fund announced that it had signed an agreement terminating the Agreement signed in 2017, within the scope of the Novo Banco sale operation, under which the payment obligations existing between the parties as a result of the Agreement signed in 2017 were also settled, as well as all litigation and disputes related to the execution of the Agreement signed in 2017.

On 13 June 2025 Novo Banco, S.A. informed the market that its majority shareholder Nani Holdings S.à r.l. (an entity owned by Lone Star Funds), signed a Memorandum of Understanding for the sale of its shareholding position to BPCE, for an amount equivalent to a valuation of approximately 6.4 billion euros for 100% of the share capital. On the same date, Novo Banco, S.A. also announced that the transaction is expected to be finalised during the first half of 2026.

Also on 13 June 2025, the Resolution Fund announced that, holding 13.54% of the share capital of Novo Banco, S.A., the sale of its stake under this operation will allow it to obtain gross proceeds of around 866 million euros, which will be added to the sums already received from Novo Banco, S.A. by way of dividend distribution relating to the 2024 results (gross amount: 30 million euros) and under the capital reduction carried out in 2025 (149 million euros).

At this date it is not possible to estimate the possible effects on the Resolution Fund arising from: (i) the application of the principle that no creditor of the credit institution under resolution can assume a greater loss than that which it would have assumed if that institution had gone into liquidation; (ii) the guarantee provided for the bonds issued by Oitante; and (iii) other responsibilities that it is concluded must be assumed by the Resolution Fund.

Notwithstanding the possibility provided for in the applicable legislation of charging special contributions, given the renegotiation of the conditions of the loans granted to the Resolution Fund by the State and by a banking syndicate, in which the Bank is included, and the public announcements made by the Resolution Fund and the Office of the Minister of Finance stating that this possibility will not be utilised, as well as the subsequent developments described above, the financial statements as at 30 June 2025 reflect Banco BPI's expectation that no special contributions or any other type of extraordinary contributions will be required to finance the resolution measures applied to BES and Banif or any other liability or contingent liability assumed by the Resolution Fund.

Any changes in this regard could have significant implications for the Bank's financial statements.

Single Resolution Fund

Since 2016, Banco BPI has opted to materialise a percentage of the payment of the annual contribution to the Single Resolution Fund in the form of irrevocable payment commitments, for which cash collateral has been delivered. As at 30 June 2025, the accumulated value of irrevocable payment commitments amounts to 19 million euros (Note 25), and no amount has been recorded in the form of provisions.

21. OTHER LIABILITIES

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Liabilities for pensions and other benefits[1] (Note 22)		
Liabilities for past services		1 813 914
Asset value of the pension fund		(1 807 528)
		6 386
Charges payable		
Staff expenses	65 777	83 039
Other administrative expenses	41 906	75 287
Interest payable on Additional Tier 1 issue	2 449	5 733
Others	8 915	13 427
	119 047	**177 486**
Deferred income		
From guarantees given and other contingent liabilities	1 513	1 513
	1 513	**1 513**
Other adjustment accounts		
Foreign exchange transactions pending settlement	272	48
Liabilities pending settlement	95 260	94 532
Other transactions pending settlement	453 106	264 958
	548 638	**359 538**
	669 198	**544 923**

[1] As at 30 June 2025 it is recorded under 'Other assets'.

At 30 June 2025 and 31 December 2024, the 'staff expenses' item includes 16 970 th.euros and 20 016 th.euros, respectively, in liabilities for end-of-career bonuses and for medical services (SAMS) for former employees of the Bank. The main actuarial assumptions used to calculate these liabilities are the same as those used to calculate employee pension liabilities (Note 22). In 2025 and 2024, 818 th.euros and 765 th.euros, respectively, of actuarial deviations were recognised as a result of changes in the financial and demographic assumptions used to calculate these liabilities.

The balance of liabilities to be settled includes 30 June 2025 and 31 December 2024:

- 22 629 th.euros and 22 993 th.euros, respectively, relating to ATM transactions to be settled.
- 49 606 th.euros and 46 158 th.euros, respectively, relating to operations to be settled with SIBS.

The balance of other operations to be settled includes 30 June 2025 and 31 December 2024:

- 372 108 th.euros and 186 128 th.euros, respectively, relating to transfers within the scope of SEPA (Single Euro Payments Area).
- 1 051 th.euros and 3 612 th.euros, respectively, relating to securities transactions pending settlement.
- 9 618 th.euros and 24 082 th.euros, respectively, relating to operations to be settled under the Large Transaction Payments System.
- 4 179 th.euros and 18 808 th.euros, respectively, relating to amounts to be settled from leasing, ALD and factoring operations.

As at 30 June 2025, it also includes 16 203 th.euros related to financial market operations awaiting settlement.

22. LIABILITIES FOR PENSIONS AND OTHER BENEFITS

Liabilities for past services of pensioners, employees and directors who are or were employed by Banco BPI are calculated in accordance with IAS 19.

The pension benefits established by BPI are of the defined benefit type, based on the last salary earned and length of service, and include the payment of benefits in the event of retirement due to old age, disability and death. The rules applied in calculating the benefits are essentially the result of applying the provisions of the banking sector's Collective Labour Agreement (ACT), although there is a restricted group of senior managers who are also covered by a supplementary pension plan, which is of the defined benefit type based on the last salary earned and length of service.

With the publication of Decree-Law 1-A/2011 of 3 January, all bank workers who were beneficiaries of the CAFEB - Caixa de Abono de Família dos Empregados Bancários (Bank Employees' Family Allowance Fund) were integrated into the General Social Security Scheme from 1 January 2011, and are now covered by this scheme in terms of old age pensions and maternity, paternity and adoption benefits, the costs of which the Bank no longer bears. Given the complementary nature of the ACT rules, the Bank continues to guarantee the difference between the value of the benefits paid under the General Social Security Scheme for the integrated eventualities and those provided for under the terms of the Agreement.

Following instructions from the National Council of Financial Supervisors, the value of past service liabilities remained unchanged at 31 December 2010. The cost of current services was reduced from 2011 onwards and the Bank began to pay the Single Social Tax (SST) of 23.6%.

For these workers, the Bank will continue to be responsible for paying invalidity and survivors' pensions and sickness benefits.

Decree-Law 127/2011, of 31 December, determined the transfer to Social Security of the responsibilities for the costs of the retirement and survivors' pensions of pensioners who were in this situation on 31 December 2011 and were covered by the substitute social security scheme contained in the collective labour regulation instrument in force in the banking sector (Pillar 1), as well as the corresponding handover to the State of part of the assets of the pension funds that covered these responsibilities. Given that the transfer to Social Security constituted a liquidation, with the cancellation of the corresponding liabilities by Banco BPI, the negative difference (99,507 th.euros) between the value of the pension fund assets transferred to the Portuguese State and the value of the liabilities determined on the basis of actuarial assumptions used by Banco BPI was fully recognised as a cost in the 2011/12 financial year. For tax purposes, this cost is being recognised over a period of 18 years.

Banco BPI, through its pension fund, remains responsible for paying (i) the updates to the value of the pensions referred to above, in accordance with the criteria laid down in the ACT; (ii) the benefits of a complementary nature to retirement and survivor's pensions assumed by the ACT; (iii) the fixed cost for the Social-Medical Support Services (SAMS); (iv) the death grant; (v) the survivor's pension for children and surviving spouse, provided that it refers to the same worker and (vi) the survivor's pension due to a family member of a current pensioner, the conditions for which occur as of 1 January 2012.

BPI Vida e Pensões is the entity responsible for drawing up the actuarial valuations required to calculate the liabilities for retirement and survivors' pensions, as well as managing the respective pension funds.

The actuarial valuation methods used are "Projected Unit Credit", for calculating the normal cost and liabilities for past services due to old age, and Single Successive Premiums, for calculating the costs relating to disability and survivor benefits.

The commitments assumed in the regulations of Banco BPI's Pension Plans are financed by Pension Funds, which means that Banco BPI is exposed to the risks resulting from the valuation of the liabilities as well as the value of the pension funds allocated. Banco BPI's Pension Funds are identified in Note 37.

The Pension Fund's funding regime is defined in Bank of Portugal Notice no. 4/2005, which stipulates the obligation to fully fund (100%) pension liabilities in payment and a minimum funding level of 95% of liabilities for past services relating to active employees.

The main assumptions used in calculating pension liabilities for pensioners and employees are:

	30-06-2025	31-12-2024
Demographic assumptions:		
Mortality table	TV 88/90-H - 1 year [1] TV 99-01-M - 2 years [2]	TV 88/90-H - 1 year [1] TV 99-01-M - 2 years [2]
Staff turnover rate	0%	0%
Decreases	By mortality	By mortality
Financial assumptions:		
Discount rate		
Start of period	3.4%	3.2%
End of period	3.8%	3.4%
Growth rate of pensionable salaries [3]	1.25% [4]	1.25% [4]
Pension growth rate	0.75% [5]	0.75% [5]

[1] The average life expectancy for the male population was one year higher than the mortality table used.

[2] The average life expectancy for the female population was two years higher than the mortality table used.

[3] The compulsory promotions resulting from the current ACT and the projection of seniority bonuses are taken into account autonomously, directly in the estimate of salary evolution, equivalent to an increase of around 0.5%.

[4] Pensionable salaries growth rate estimate for 2027 and subsequent years. On 30 June 2025 and 31 December 2024, a rate of 3.0% was considered for 2025 and 2.0% for 2026.

[5] Pension growth rate estimate for 2027 and subsequent years. On 30 June 2025 and 31 December 2024, a rate of 2.5% was considered for 2025 and 1.5% for 2026

The liabilities for past services of BPI Pensioners and Employees and the respective coverage in the Pension Fund show the following evolution:

	30-06-2025	31-12-2024
Total past service liabilities	(1 668 878)	(1 763 197)
The Pension Fund's financial position	1 683 862	1 757 585
Coverage surplus / (shortfall)	14 984	(5 612)
Coverage ratio of liability	101%	100%

In the first half of 2025, the pension fund's return was -1.7% (not annualised).

The movement in actuarial deviations in 2024 and the first half of 2025 was as follows:

Amount at 31 December 2023	**(217 177)**
Deviation of pension funds return	2 156
ACTV Table update	(10 979)
Change in discount rate	45 552
Change in salary and pension growth rate	(30 817)
Impact on ACT table from the national minimum wage increase	(13 807)
Deviation in disability pensions	(1 849)
Deviation in mortality	(9 409)
Deviation in pensions paid	(4 510)
Deviation in pensions clause 98	(1 225)
Other deviations	(1 617)
Amount at 31 December 2024	**(243 682)**
Deviation of pension funds return	(59 034)
Change in discount rate	76 770
Deviation in pensions paid	773
Other deviations	64
Amount at 30 June 2025	**(225 109)**

The sensitivity analysis to a variation in the main financial assumptions for the entire period subject to the actuarial valuation (and not just for a variation in a given year) would lead to the following impacts on the present value of the liabilities for past services [1]:

	(decrease)/increase	
	in %	Amount
Change in discount rate		
0.25% increase	-3.0%	(49 914)
0.25% decrease	3.1%	52 535
Change in salaries growth rate [2]		
0.25% increase	0.7%	11 943
Change in pension growth rate [3]		
0.25% increase	3.3%	54 720
Mortality table		
+1 year	3.2%	53 547

[1] The same calculation methodology and assumptions were used to determine liabilities, with only the assumption being analysed varying.

[2] The variation in salary growth applies only to the pensionable salary component of the pension plan provided for in the banking sector ACT, without any modification to the growth rate of pensionable salaries for Social Security pension purposes, since this is the maximum risk in the salary evolution component.

[3] The variation in the growth of pensions applies to pensions and supplements that are the responsibility of the Bank, as well as pensions that have been transferred to Social Security, for which the Bank remains responsible for future updates.

The main assumptions used to calculate directors' pension liabilities are:

	30-06-2025	31-12-2024
Demographic assumptions:		
Mortality table	TV 88/90-H - 1 year [1] TV 99-01-M - 2 years [2]	TV 88/90-H - 1 year [1] TV 99-01-M - 2 years [2]
Staff turnover rate	0%	0%
Decreases	By mortality	By mortality
Financial assumptions:		
Discount rate		
Start of period	3.4%	3.2 %
End of period	3.8%	3.4 %
Pensionable salaries growth rate	0.75% [3]	0.75% [3]
Pension growth rate	0.75% [4]	0.75% [4]

[1] The average life expectancy for the male population was one year higher than the mortality table used.

[2] The average life expectancy for the female population was two years higher than the mortality table used.

[3] Pensionable salaries growth rate estimate for 2027 and subsequent years. On 30 June 2025 and 31 December 2024, a rate of 2.5% was considered for 2025, and 1.5% for 2026.

[4] Pension growth rate estimate for 2027 and subsequent years. For 2025, the CPI rate of 2.4% was considered, in accordance with the rules of the pension plan. For 2026, a rate of 1.5% was considered.

The liabilities for past services of Directors and the respective hedging of this plan show the following evolution:

	30-06-2025	31-12-2024
Present value of past services liabilities	(48 326)	(50 717)
Net assets of the Pension Fund	48 834	49 943
Contributions to be transferred to the Pension Fund		
Coverage surplus / (shortfall)	509	(774)
Coverage ratio of liability	101 %	98 %

In the first half of 2025, the pension fund's return was +0.6% (non-annualised).

The movement in actuarial deviations during 2024 and the first half of 2025 was as follows:

Amount at 31 December 2023	**(18 787)**
Deviation in pension funds return	1 711
Change in financial and demographic assumptions	
Change in discount rate	955
Change in salary and pension growth rates	(672)
ACT table update	(23)
Deviation in pensions paid	(305)
Other deviations	(2 132)
Amount at 31 December 2024	**(19 253)**
Deviation in pension funds return	(543)
Change in financial and demographic assumptions	
Change in discount rate	1 645
Deviation in pensions paid	(257)
Amount at 30 June 2025	**(18 408)**

The sensitivity analysis to a variation in the main financial assumptions for the entire period subject to the actuarial valuation (and not just for a variation in a given year) would lead to the following impacts on the present value of the liabilities for past services [1]:

	(decrease)/increase	
	in %	**Value**
Change in discount rate		
0.25% increase	-2.3 %	(1104)
0.25% decrease	2.4 %	1 149
Change in salaries' growth rate [2]		
0.25% increase	-0.1 %	(39)
Change in pensions' growth rate [3]		
0.25% increase	1.9 %	895
Mortality table		
+1 year	3.5 %	1 715

[1] The same calculation methodology and assumptions were used to determine liabilities, with only the assumption being analysed varying.

[2] The variation in salary growth applies only to the pensionable salary component of the pension plan provided for in the banking sector ACT, without any modification to the growth rate of pensionable salaries for Social Security pension purposes, since this is the maximum risk in the salary evolution component.

[3] The variation in the growth of pensions applies to pensions and supplements that are the responsibility of the Bank, as well as pensions that have been transferred to Social Security, for which the Bank remains responsible for future updates.

23. SHAREHOLDERS' EQUITY

Capital

At 30 June 2025 and 31 December 2024, Banco BPI's share capital totalled 1 293 063 th.euros, represented by 1 456 924 237 ordinary, no-par value, registered and book-entry shares.

Equity instruments issued other than capital

In 2019, Banco BPI issued 275,000 th.euros of perpetual subordinated bonds with a fixed rate of 6.5% (Additional Tier 1 (Undated Deeply Subordinated Notes) - Series 1132 of the EMTN Programme), which qualify for the Tier 1 capital ratio, as Additional Tier I Capital, under the terms of Directive 2013/36/EU (or CRD IV - Capital Requirements Directive). In 2024, Banco BPI exercised the early repayment option on this issue.

Also in 2024, Banco BPI made a new issue of a similar nature and amount to the refunded issue, with a fixed rate of 7.125% (Additional Tier 1 (Undated Deeply Subordinated Notes) - Series 1137 of the EMTN Programme). Repayment of these bonds is possible from 16 November 2029 (first early repayment date) and thereafter on any interest payment date, subject to authorisation by the competent authorities.

The interest on these bonds is recognised under "Other reserves" because their payment is discretionary. These bonds were fully acquired by Caixabank.

Other accumulated comprehensive income

The main movements in other accumulative comprehensive income are detailed in the Statement of Other Comprehensive Income.

Retained earnings and other reserves

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Retained earnings		
Legal reserve	466 795	407 971
Other reserves and retained earnings	1 874 884	1 843 143
Profit / (loss) recognised in equity instruments at fair value through other comprehensive income	15 890	15 890
	2 357 569	**2 267 004**
Other reserves		
Merger reserve	1 665	1 665
Interest payable on Additional Tier 1 issue	(104 948)	(95 120)
Reserves of equity accounted companies	182 527	130 713
	79 244	**37 258**

24. TAX POSITION

24.1. Tax assets and liabilities

The detail of tax assets and liabilities is as follows:

Tax assets

	30-06-2025	31-12-2024
Current tax assets	154	144 749
VAT to be recovered	995	
Deferred tax assets	118 743	124 999
	119 892	**269 748**

Tax liabilities

	30-06-2025	31-12-2024
Current tax liabilities	106 954	252 939
Deferred tax liabilities	7 822	5 540
	114 776	**258 479**

The change in current tax assets and liabilities is due to the submission of Model 22 tax return for the year 2024 during the first half of 2025.

24.2. Income taxes

On June 30, 2025 and 2024, the cost of income tax recognised in the income statement, as well as the tax burden, measured by the ratio between the tax allocation and the profit for the year before tax[1], can be measured as follows:

	30-06-2025	30-06-2024
Profit or loss before tax	**362 689**	**453 542**
Profit or loss (-) of equity accounted companies	(19 538)	(28 724)
Profit or loss (-) for the period subject to tax	**343 151**	**424 818**
Current taxes	(86 688)	(123 100)
Deferred taxes	(1 474)	(3 374)
Recognition and reversal of temporary differences	(1 474)	(3 374)
Corrections of previous periods	(76)	(239)
Total taxes recognised in the income statement	**(88 238)**	**(126 713)**
Average tax rate [2]	**25.7 %**	**29.8 %**

[1] Excluding the results of companies accounted for using the equity accounted method.

[2] Corresponds to the amount of current and deferred taxes on taxable income for the year

24.3. Deferred tax assets and liabilities

In accordance with IAS 12, the recognition of deferred tax assets and liabilities presupposes that it is probable that future taxable profits will exist which will allow them to be utilised. In this regard, Banco BPI has made projections of future taxable profits which support the deferred tax assets recognised in the accounts, namely with regard to the use of tax losses carried forward.

Deferred tax assets and liabilities correspond to the amount of tax recoverable and payable in future periods resulting from temporary differences between the value of an asset or liability in the balance sheet and its tax base. Tax losses carried forward and tax credits also give rise to deferred tax assets.

Deferred tax assets and liabilities were calculated based on the expected tax rates for the period in which the respective asset or liability is expected to be realised. The tax rate applied to deferred taxes in 2024 and 2025 is 30%.

According to Law 45-A/2024 of 31 December, which approved the State Budget for 2025, from 1 January 2025 the general corporate income tax rate went from 21% to 20%. With this change, the Bank adjusted its deferred tax assets and liabilities from 31% to 30% in 2024.

The movement in deferred tax assets recorded during the first half of 2025 was as follows:

	31-12-2024	Increases	Decreases	30-06-2025
Taxed provisions and impairments	29 835	381	(1 084)	29 132
Tax deferral of the impact of the partial transfer of pension liabilities to Social Security	8 315		(830)	7 485
Early retirement	8 481		(1 169)	7 312
Actuarial deviations	47 316		(307)	47 009
Voluntary termination programme	3 553	78	(821)	2 810
End-of-career bonus	2 430	93	(264)	2 259
Financial instruments at fair value	9 576		(2 737)	6 839
Others	15 493	969	(565)	15 897
	124 999	**1 521**	**(7 777)**	**118 743**

The movement in deferred tax liabilities recorded during the first half of 2025 was as follows:

	31-12-2024	Increases	Decreases	30-06-2025
Taxable temporary differences in subsidiaries and associates (BCI)	3 535		(2 033)	1 502
Financial instruments at fair value	1 251	597		1 849
Pension Fund		3 755		3 755
Others	754		(38)	716
	5 540	**4 352**	**(2 071)**	**7 822**

25. OFF-BALANCE SHEET ITEMS

The detail of this heading is as follows:

	30-06-2025	31-12-2024
Loan Commitments given		
Irrevocable credit lines[1]	437 999	18 797
Securities subscribed	1 026 668	1 200 601
Revocable commitments	3 041 536	3 024 377
	4 506 203	**4 243 775**
Financial guarantees given		
Financial guarantees and sureties	84 729	76 009
Financial stand-by letters of credit	5 142	8 963
	89 871	**84 972**
Other commitments given		
Non-financial guarantees and sureties [2]	1 942 000	2 097 543
Non-financial stand-by letters of credit	75 406	80 367
Documentary credits	133 584	116 811
Term liabilities for annual contributions to the Single Resolution Fund	18 529	18 529
Potential liability to the Investor Compensation Scheme	10 037	9 829
Other irrevocable commitments	2 438	2 817
Other commitments given	61 163	61 551
	2 243 157	**2 387 447**
	6 839 231	**6 716 194**
Written-off loans	**638 099**	**637 960**
Assets pledged as collateral		
European System of Central Banks	5 408 256	6 067 668
Investor Compensation Scheme	5 448	5 407
European Investment Bank	340 241	325 413
Repos	239 505	
	5 993 450	**6 398 488**
Guarantees received		
No associated collateral	17 981 991	17 263 589
With real estate collateral	32 847 455	31 678 764
With other collateral	1 657 808	1 770 998
	52 487 254	**50 713 351**
Securities deposit and custody responsibilities	**37 158 726**	**36 723 465**

[1] Following the implementation of the new CRR 3 regulations (which came into force in January 2025), specifically Article 111(4), it was necessary to include commitments in the calculation of credit risk capital requirements. Commitments are contractual agreements proposed by an institution but not yet accepted by the customer, which will become commitments if accepted by the customer.

[2] As at 30 June 2025 and 31 December 2024, this heading includes 895 468 th.euros and 829 688 th.euros, respectively, of performance guarantees.

As at 30 June 2025 and 31 December 2024, the securities pledged as collateral are detailed as follows:

	30-06-2025			31-12-2024		
	Nominal value	**Valorisation**	**Fair value**	**Nominal value**	**Valorisation**	**Fair value**
Securities pledged as collateral	6 043 511	(60 275)	5 983 236	6 414 417	(26 311)	6 388 106

Note: As at 30 June 2025 and 31 December 2024, this does not include 10 214 th.euros and 10 382 th.euros, respectively, of loans secured by collateral.

Details of the exposure and impairment of guarantees and commitments by stage at 30 June 2025 are as follows:

	Exposure				Impairments			
	Stage 1	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loan commitments given	4 426 150	65 305	14 748	4 506 203	803	586	1 111	2 500
Financial guarantees given	87 873	1 657	341	89 871	221	33	332	586
Other commitments given	2 144 318	56 318	13 955	2 214 591	1 360	944	3 851	6 155
	6 658 341	123 280	29 044	6 810 665	2 384	1 563	5 294	9 241

Note: Excludes term liabilities for annual contributions to the Resolution Fund and potential liability to the Investor Compensation Scheme.

Details of the exposure and impairment of off-balance sheet items by stage at 31 December 2024 are as follows:

	Exposure				Impairments			
	Stage 1	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loan commitments given	4 141 266	99 393	3 116	4 243 775	864	626	984	2 474
Financial guarantees given	83 363	1 268	341	84 972	778	44	332	1 154
Other commitments given	2 304 529	43 074	11 485	2 359 088	1 290	1 475	3 404	6 169
	6 529 158	143 735	14 942	6 687 835	2 932	2 145	4 720	9 797

Note: Excludes term liabilities for annual contributions to the Deposit Guarantee Fund and Resolution Fund and potential liability to the Investor Compensation Scheme.

The amounts shown under Guarantees received correspond to the amounts offered to guarantee the credit initially granted, in the case of real estate guarantees and/or personal guarantees. Securities given as collateral are recorded at their current revaluation value. In note 3.2 Credit risk, the value of Guarantees received is classified by *stage*, and is shown up to the value of the loan net of associated impairments.

26. NET INTEREST INCOME

The detail of this heading is as follows:

	30-06-2025	30-06-2024
Interest income		
Financial assets held for trading	46 695	43 766
Financial assets at fair value through other comprehensive income	8 049	4 511
Financial assets at amortised cost		
Debt securities	85 234	85 327
Loans and advances - Central banks and credit institutions	17 250	31 038
Loans and advances - Customers	527 500	619 393
Derivatives - Hedge accounting, interest rate risk		
Asset hedging operations	7 843	14 290
Interest on demand deposits at Central Banks	35 820	41 348
Interest on deposits of Credit Institutions (liabilities)	373	
Interest on pension liabilities net of the amount of the fund		1 305
Others	817	957
Commissions received at amortised cost	8 469	10 129
	738 050	**852 064**
Interest expenses		
Financial liabilities held for trading	(42 947)	(41 344)
Financial liabilities at amortised cost		
Deposits - Central banks		(14)
Deposits - Credit institutions	(11 763)	(21 467)
Deposits - Customers	(151 631)	(185 542)
Debt securities issued	(80 222)	(69 285)
Interest on lease liabilities (IFRS 16)	(1 237)	(1 467)
Derivatives - Hedge accounting, interest rate risk		
Liability hedging operations	(7 577)	(40 849)
Interest on deposits at Credit Institutions and others (assets)	(49)	
Others	(593)	(333)
Commissions paid at amortised cost	(81)	(112)
	(296 100)	**(360 413)**
Net interest income	**441 950**	**491 651**

27. DIVIDEND INCOME

The detail of this heading is as follows:

	30-06-2025	30-06-2024
Financial assets at fair value through other comprehensive income		
Banco de Fomento Angola, S.A.	49 587	45 185
Unicre - Instituição Financeira de Crédito, S.A.	2 425	4 110
SIBS - Sociedade Interbancária de Serviços	4 507	3 788
Others	169	392
	56 688	**53 475**

28. FEE AND COMMISSION INCOME AND EXPENSES

The detail of this heading is as follows:

	30-06-2025	30-06-2024
Fee and commission income		
On guarantees given	7 603	7 089
On commitments to third parties	1 595	3 300
On insurance brokerage services	41 325	58 718
On other banking services provided	103 928	98 728
On operations performed on behalf of third parties	6 234	6 712
Others	2 621	2 275
Refund of expenses	3 137	3 132
Income from provision of sundry services	2 549	2 547
	168 992	**182 501**
Fee and commission expenses		
On guarantees received	(165)	(55)
On financial instruments transactions	(155)	(136)
On banking services provided by third parties	(6 162)	(4 199)
On operations performed by third parties	(1 443)	(951)
Commission-equivalent expenses	(4 525)	(2 803)
Others	(6 660)	(6 425)
	(19 110)	**(14 569)**

In the first half of 2024, the item "Commissions for insurance brokerage services" includes 16 097 th.euros relating to the early settlement of Allianz's participation in the results of mortgage insurance policies.

29. GAINS OR (-) LOSSES ON FINANCIAL ASSETS AND LIABILITIES

The detail of these items is as follows:

	30-06-2025	30-06-2024
Gains or (-) losses on derecognition of financial assets & liabilities not measured at fair value through profit or loss, net	**(16)**	**177**
Financial assets at amortised cost		
Debt securities	(38)	167
Others	22	10
Gains or (-) losses on financial assets and liabilities held for trading, net	**2 924**	**3 172**
Trading derivatives	836	869
Debt securities	2 088	2 303
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	**(930)**	**(1 796)**
Debt securities	438	1
Equity instruments	(1 368)	(1 797)
Gains or (-) losses from hedge accounting, net	**2 134**	**7 506**
Hedging derivatives	11 473	13 444
Hedged items	(9 339)	(5 938)
Exchange differences [gain or (-) loss], net	**1 896**	**6 029**
	6 008	**15 088**

At 30 June 2025 and 2024, exchange rate differences include (3 540) th.euros and (1 312) th.euros, resulting from the revaluation of the exposure in kwanzas relating to dividends from Banco de Fomento Angola, between the date of allocation and the date of transfer to Portugal.

30. OTHER OPERATING INCOME AND EXPENSES

The detail of these items is as follows:

	30-06-2025	30-06-2024
Other operating income		
Service provision agreements with Caixabank Group companies	2 334	4 043
Gains on finance leases	7 082	7 483
Additional solidarity contribution on the banking sector	18 242	
Other operating income	3 330	1 806
	30 988	**13 332**
Other operating expenses		
Special tax on banks	(19 407)	(19 146)
Additional solidarity contribution on the banking sector		(3 491)
Contributions to the Deposit Guarantee Fund	(129)	(122)
Contributions to the Resolution Fund	(7 089)	(4 511)
Contributions to the Investor Compensation Scheme	(3)	(3)
Losses on finance leases	(6 787)	(6 170)
Other operating expenses	(2 104)	(3 649)
Taxes on dividends and interest	(4 031)	(3 734)
Other taxes	(128)	(165)
	(39 678)	**(40 991)**

At 30 June 2025 and 2024, the item Taxes on dividends and interest includes 3 967 th.euros and 3 615 th.euros, respectively, relating to the tax on BFA dividends withheld in Angola.

In the first half of 2025, rulings 477/2025 and 478/2025 of the Constitutional Court declared unconstitutional with general binding force and without restriction of effects various rules of the Additional Solidarity Contribution on the Banking Sector. Since there was no restriction of effects and the Bank litigated in good time against the self-assessments in question, relating to the years 2020 to 2024, the State was obliged to return to Banco BPI the Additional Solidarity Contribution on the Banking Sector paid in those years, in the amount of EUR 18 242 th.euros in capital, plus interest. Therefore, in the first half of 2025, Banco BPI recognised the reversal of the cost of the Additional Solidarity Contribution on the Banking Sector (18 242 th.euros) under 'Other operating income'. For the same reason, the cost that had been recorded in Q1 2025 in relation to the Additional Solidarity Contribution on the Banking Sector for 2025 was also cancelled (Note 17).

31. STAFF EXPENSES

The detail of this heading is as follows:

	30-06-2025	30-06-2024
Staff expenses		
Remuneration	(99 444)	(96 494)
Other mandatory social costs	(25 628)	(26 058)
Pension costs		
Current service cost (Note 22)	2 217	2 383
Others	(304)	(186)
Other staff costs	(3 225)	(4 432)
	(126 384)	**(124 787)**
Costs with early retirement and termination		
Early retirement	(112)	(18 324)
Voluntary terminations	(102)	(4 534)
	(214)	**(22 858)**
	(126 598)	**(147 645)**

In the first halves of 2025 and 2024, the average number of staff is as follows:

	30-06-2025		30-06-2024	
	Men	**Women**	**Men**	**Women**
Directors[1]	4	2	4	1
Senior management	377	285	425	286
Other management staff	1 327	1 914	1 298	1 983
Other employees	131	262	94	176
	1 839	**2 463**	**1 821**	**2 446**

[1] Executive directors of Banco BPI.

In the first half of 2025 and 2024, the number of staff is as follows:

	30-06-2025		30-06-2024	
	Men	Women	Men	Women
Directors[1]	4	2	3	1
Senior management	376	282	422	286
Other management staff	1 354	1 940	1 293	1 973
Other employees	131	265	95	182
	1 865	**2 489**	**1 813**	**2 442**

[1]Executive directors of Banco BPI

32. OTHER ADMINISTRATIVE EXPENSES

The detail of this heading is as follows:

	30-06-2025	30-06-2024
General administrative expenses		
Supplies		
Water, energy and fuel	(2 945)	(3 177)
Consumables	(704)	(811)
Others	(214)	(227)
Services		
Rents and leases [1]	(8 876)	(9 389)
Communications and IT	(34 381)	(34 849)
Travel, accommodation and representation	(2 041)	(1 880)
Advertising and publishing	(6 124)	(6 996)
Maintenance and repair	(7 917)	(7 898)
Insurances	(871)	(666)
Fees	(1 006)	(790)
Legal Expenses	(867)	(1 001)
Security and cleaning	(2 908)	(2 833)
Information services	(2 071)	(1 999)
Studies, consultancy and auditing	(6 534)	(6 546)
Clearing and ATM system	(1 235)	(1 276)
Outsourcing	(8 980)	(7 781)
Subscriptions and donations	(510)	(359)
Other taxes	(1 341)	(1 051)
Others	(3 964)	(4 601)
	(93 489)	**(94 130)**

[1] As at 30 June 2025 and 2024, the item includes 494 th.eur and 397 th.eur, respectively, related to rents and leases not considered under IFRS 16.

33. IMPAIRMENT OR (-) REVERSAL OF IMPAIRMENT ON FINANCIAL ASSETS NOT MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

The detail of this heading is as follows:

	30-06-2025	30-06-2024
Financial assets at amortised cost		
Loans and advances		
Net allowances		
Credit Institutions	(93)	(64)
Customers	(30 292)	(12 134)
Recovery of loans written off from assets	3 079	5 398
Expenses on recovery of loans	(935)	(734)
Debt securities		
Net allowances	(331)	1 648
	(28 572)	**(5 886)**

In 2025, Banco BPI sold a portfolio of non-performing loans totalling 27 million euros, of which 9 million euros were written off (recorded off-balance sheet), 0.4 million euros were other off-balance sheet balances and 18 million euros were loans net of impairment losses (of which 73 million euros in loans and 55 million euros in impairments) (Note 12). This transaction generated a profit of 6 million euros, of which 4.8 million was from the reversal of impairments and 1.2 million euros was from the recovery of loans written off from assets, net of expenses associated with this transaction.

In 2024, Banco BPI sold a portfolio of non-performing loans with a total value of 28 million euros, of which 21 million euros in loans written off (recorded in off-balance sheet), 1 million euros in other off-balance sheet balances and 6 million euros in loans net of impairments (of which 51 million euros in loans and 45 million in impairments) (Note 12). This operation generated a profit of 13 million euros, of which 9 million euros from the reversal of impairments and 4 million euros from the recovery of loans written off.

34. PROFIT OR (-) LOSS FROM NON-CURRENT ASSETS AND DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE NOT QUALIFYING AS DISCONTINUED OPERATIONS

The detail of this heading is as follows:

	30-06-2025	30-06-2024
Profits or loss (-) on assets received in settlement of defaulting loans		
Real Estate	237	658
Equipment	(89)	(108)
Impairment on assets received in settlement of defaulting loans		
Real Estate	200	279
Equipment and others	(2)	9
	346	**838**

35. PROFIT

In the first half-years of 2025 and 2024, the detail of the results of Banco BPI and its associates is as follows:

	30-06-2025	30-06-2024
Banks		
Banco BPI, S.A.	275 120	298 701
Banco Comercial e de Investimentos, S.A.R.L.	(10 177)	17 860
Insurances		
Companhia de Seguros Allianz Portugal, S.A.	9 508	10 268
	274 451	**326 829**

Banco Comercial e de Investimentos' contribution in the first half of 2025 corresponds to the appropriation of results recognised through the equity accounted income, 10 030 th.euros, impairment of (21 565) th.euros recorded by Banco BPI in the context of the impairment tests on the holding (Note 14) and 1 358 th.euros relating to exchange rate impact and taxes.

36. INFORMATION ON FAIR VALUE

36.1. Fair value of financial instruments recognised at fair value

The detail of financial assets measured at fair value on Banco BPI's balance sheet, broken down by level, is as follows:

	30-06-2025					31-12-2024				
	Book value	Fair value				Book value	Fair value			
		Total	Level 1	Level 2	Level 3		Total	Level 1	Level 2	Level 3
Financial assets held for trading	**60 049**	**60 049**		**60 049**		**55 465**	**55 465**		**55 465**	
Derivatives	60 049	60 049		60 049		55 465	55 465		55 465	
Debt securities										
Non-trading financial assets mandatorily recognised at fair value through profit or loss	**41 219**	**41 219**	**3 345**		**37 874**	**44 928**	**44 928**	**2 911**		**42 017**
Equity instruments	41 219	41 219	3 345		37 874	44 878	44 878	2 911		41 967
Debt securities						50	50			50
Financial assets at fair value through other comprehensive income	**1 733 525**	**1 733 525**	**1 283 993**		**449 532**	**1 379 801**	**1 379 801**	**941 239**		**438 562**
Equity instruments	450 381	450 381	849		449 532	439 244	439 244	682		438 562
Debt securities	1 283 144	1 283 144	1 283 144			940 557	940 557	940 557		
Derivatives - hedge accounting	**4 887**	**4 887**		**4 887**		**1 305**	**1 305**		**1 305**	
Total	**1 839 680**	**1 839 680**	**1 287 338**	**64 936**	**487 406**	**1 481 499**	**1 481 499**	**944 150**	**56 770**	**480 579**

The detail of financial liabilities measured at fair value on Banco BPI's balance sheet, broken down by level, is as follows:

	30-06-2025					31-12-2024				
	Book value	Fair value				Book value	Fair value			
		Total	Level 1	Level 2	Level 3		Total	Level 1	Level 2	Level 3
Financial liabilities held for trading	**64 985**	**64 985**		**64 985**		**57 232**	**57 232**		**57 232**	
Derivatives - hedge accounting	**8 346**	**8 346**		**8 346**		**6 032**	**6 032**		**6 032**	
Total	**73 331**	**73 331**		**73 331**		**63 264**	**63 264**		**63 264**	

The movement in the first half of 2025 and in the financial year 2024 in financial assets at fair value and in financial liabilities held for trading, classified as level 3, is as follows:

	30-06-2025					31-12-2024				
	Financial assets and liabilities held for trading		Non-trading financial assets mandatorily recognised at fair value through profit or loss		Financial assets at fair value through other comprehensive income	Financial assets and liabilities held for trading		Non-trading financial assets mandatorily recognised at fair value through profit or loss		Financial assets at fair value through other comprehensive income
	Debt securities	Trading derivatives[1]	Equity instruments	Debt securities	Equity instruments	Debt securities	Trading derivatives[1]	Equity instruments	Debt securities	Equity instruments
Balance at beginning of the period			**41 967**	**50**	**438 562**	**4 238**		**53 833**	**47**	**468 292**
Total profit or (-) loss			4 687	438	11 010	(7)		(5 595)	3	(26 349)
Losses or gains			4 687	438		(7)		(5 595)	3	1 831
Adjustments to equity					11 010					(28 180)
Purchases			6960		590					430
Reclassification to/from level 3										
Liquidations and other			(15 740)	(488)	(630)	(4 231)		(6 271)		(3 811)
Balance at end of the period			**37 874**		**449 532**			**41 967**	**50**	**438 562**

[1] Net value

Note 37 to Banco BPI's financial statements at 31 December 2024 describes the criteria for classifying financial instruments by level in accordance with the hierarchy laid down in IFRS 13, depending on the methodology used to calculate their fair value. There were no significant changes to the criteria described in the notes to the financial statements for the previous year.

36.2. Fair value of financial instruments recognised at amortised cost

The fair value of financial assets at amortised cost on Banco BPI's balance sheet, broken down by level, is as follows:

	30-06-2025					31-12-2024				
	Book value	Fair value				Book value	Fair value			
		Total	Level 1	Level 2	Level 3		Total	Level 1	Level 2	Level 3
Financial assets at amortised cost										
Debt securities	8 866 863	8 745 532	4 102 299	113 680	4 529 553	8 070 354	7 921 021	3 371 420	329 958	4 219 643
Loans and advances	28 624 454	29 663 732			29 663 732	27 275 482	29 387 598			29 387 598
Central banks and credit institutions	1 258 720	1 314 007			1 314 007	897 370	970 398			970 398
Customers	27 365 734	28 349 725			28 349 725	26 378 112	28 417 200			28 417 200
Total	**37 491 317**	**38 409 264**	**4 102 299**	**113 680**	**34 193 285**	**35 345 836**	**37 308 619**	**3 371 420**	**329 958**	**33 607 241**

The fair value of financial liabilities at amortised cost on Banco BPI's balance sheet, broken down by level, is as follows:

	30-06-2025					31-12-2024				
	Book value	Fair value				Book value	Fair value			
		Total	Level 1	Level 2	Level 3		Total	Level 1	Level 2	Level 3
Financial liabilities measured at amortised cost										
Deposits	32 671 570	31 688 575			31 688 575	31 219 488	30 106 364			30 106 364
Credit institutions	791 579	806 087			806 087	718 148	752 097			752 097
Customers	31 879 991	30 882 488			30 882 488	30 501 340	29 354 267			29 354 267
Debt securities issued	4 231 281	4 413 227			4 413 227	4 693 788	4 887 938			4 887 938
Other financial liabilities	251 285	251 285			251 285	232 477	232 477			232 477
Total	**37 154 136**	**36 353 087**			**36 353 087**	**36 145 753**	**35 226 779**			**35 226 779**

37. RELATED PARTIES

In accordance with IAS 24, these are considered to be entities related to Banco BPI:

- those in which the Bank directly or indirectly exercises significant influence over their management and financial policy (associated companies) and Pension Funds;
- Caixabank, which holds the entire share capital of Banco BPI, and companies controlled by the Caixabank Group;
- the members of Banco BPI's key management personnel, considering for this purpose the Members of the Board of Directors (executive and non-executive) and of the Supervisory Board and persons (natural and legal) related to them.

According to these criteria, as at 30 June 2025, BPI's related entities are as follows:

Name of related organisation	Registered Office	Effective holding	Direct holding
Banco BPI shareholders			
CaixaBank Group	Spain	100.0 %	
Associated entities of Banco BPI			
Banco Comercial e de Investimentos, S.A.	Mozambique	35.7 %	35.7 %
Companhia de Seguros Allianz Portugal, SA	Portugal	35.0 %	35.0 %
Pension Funds of BPI Employees			
Fundo de Pensões Banco BPI	Portugal	100.0 %	
Fundo de Pensões Aberto BPI Ações	Portugal	4.1 %	
Fundo de Pensões Aberto BPI Valorização	Portugal	24.9 %	
Fundo de Pensões Aberto BPI Segurança	Portugal	10.0 %	
Fundo de Pensões Aberto BPI Garantia	Portugal	5.6 %	
Members of the Board of Directors of Banco BPI			
Fernando Ulrich			
Cristina Rios Amorim			
Afonso Fuzeta Eça			
Ana Rosas Oliveira			
António Lobo Xavier			
Diogo Sousa Louro			
Fátima Barros			
Francisco Artur Matos			
Gonzalo Gortázar Rotaeche			
Inês Valadas			
Javier Pano Riera			
Joana Oliveira Freitas			
João Pedro Oliveira e Costa			
Natividad Capella			
Susana Trigo Cabral			
PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda. represented by José Manuel Henriques Bernardo and Cláudia Sofia Parente Gonçalves da Palma			

As at 31 December 2024, BPI's related entities are as follows:

Name of related organisation	Head Office	Effective holding	Direct holding
Banco BPI shareholders			
CaixaBank Group	Spain	100.0%	
Associated entities of Banco BPI			
Banco Comercial e de Investimentos, S.A.	Mozambique	35.7%	35.7%
Companhia de Seguros Allianz Portugal, SA	Portugal	35.0%	35.0%
Pension Funds of BPI Employees			
Fundo de Pensões Banco BPI	Portugal	100.0%	
Fundo de Pensões Aberto BPI Ações	Portugal	5.5%	
Fundo de Pensões Aberto BPI Valorização	Portugal	29.5%	
Fundo de Pensões Aberto BPI Segurança	Portugal	14.9%	
Fundo de Pensões Aberto BPI Garantia	Portugal	6.2%	
Members of the Board of Directors of Banco BPI			
Fernando Ulrich			
Cristina Rios Amorim			
Afonso Fuzeta Eça			
Ana Rosas Oliveira			
António Lobo Xavier			
Diogo Sousa Louro			
Fátima Barros			
Francisco Artur Matos			
Gonzalo Gortázar Rotaeche			
Inês Valadas			
Javier Pano Riera			
Joana Oliveira Freitas			
João Pedro Oliveira e Costa			
Natividad Capella			
Susana Trigo Cabral			
PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda. represented by José Manuel Henriques Bernardo and Cláudia Sofia Parente Gonçalves da Palma			

As at 30 June 2025, the overall amount of assets, liabilities, capital and off-balance sheet responsibilities relating to operations carried out with Banco BPI Shareholders, associated companies, BPI employee pension funds, members of the Board of Directors and companies in which they have significant influence is as follows:

	Banco BPI shareholder [1]	Associated companies	BPI Employee Pension Funds	Members of the Board of Directors and Supervisory Board	Companies where members of the Board of Directors have significant influence [2]
Assets					
Cash, cash balances at central banks and other demand deposits	1 255				402
Financial assets held for trading	16 037				14
Non-trading financial assets mandatorily recognised at fair value through profit or loss - Equity instruments	3 345				70
Financial assets at fair value through other comprehensive income - Equity instruments	560				96 800
Financial assets at amortised cost					
Debt securities					548 264
Loans and advances - Central banks and credit institutions	213 915				
Loans and advances - Customers	102 391			1 143	33 822
Derivatives - Hedge accounting	479				
Other assets	29 868	29 150			69
	367 850	**29 150**		**1 143**	**679 441**
Liabilities					
Financial liabilities held for trading	25 520				504
Financial liabilities measured at amortised cost					
Deposits - Credit institutions	4 172	577			37
Deposits - Customers	194 207	12 462	32 303	23 023	8 945
Debt securities issued	2 405 494				
Other financial liabilities	(117)	5			(41)
Derivatives - Hedge accounting	5 144				
Provisions - Commitments and guarantees given					36
Other liabilities	15 027			4 843	29
Liabilities included in disposal groups classified as held for sale					
	2 649 447	**13 044**	**32 303**	**27 866**	**9 510**
Capital					
Equity instruments issued other than capital	275 000				
	275 000				
Off balance sheet items					
Loan commitments given					
Revocable commitments	34 350			59	35 201
Irrevocable commitments					203 600
Financial guarantees given					
Financial guarantees and sureties	242	623			43 740
Other commitments given					
Guarantees received					60 000
Liability for services provided					
Deposits and safekeeping of valuables	10 014 615	791 741	2 065 310	2 024	69 227
Foreign exchange transactions and derivative instruments					
Purchase	3 115 439				215 000
Sale	(1 924 381)				(215 000)
	11 240 265	**792 364**	**2 065 310**	**2 083**	**411 768**

[1] Includes CaixaBank Group and its subsidiaries.

[2] Includes companies where members of the Board of Directors have significant influence not included in other categories.

As at 31 December 2024, the total amount of assets, liabilities, capital and off-balance sheet responsibilities relating to operations carried out with Banco BPI Shareholders, associated companies, BPI employee pension funds, members of the Board of Directors and companies in which they have significant influence is as follows:

	Banco BPI shareholder [1]	Associated companies	BPI Employee Pension Funds	Members of the Board of Directors and Supervisory Board	Companies where members of the Board of Directors have significant influence [2]
Assets					
Cash and cash balances at central banks and other demand deposits	823				230
Financial assets held for trading	16 419				
Non-trading financial assets mandatorily at fair value through profit or loss - equity instruments	2 911				
Financial assets at fair value through other comprehensive income - equity instruments	560				88 234
Financial assets at amortised cost					
Debt securities					431 920
Loans and advances - central banks and other credit institutions	209 723				
Loans and advances - Customers	91 937			1 173	36 863
Derivatives - Hedge accounting	1 010				
Tangible assets	119				58
Other assets	54 507	41 932			
	378 009	**41 932**		**1 173**	**557 305**
Liabilities					
Financial liabilities held for trading	18 223				
Financial liabilities at amortised cost					
Deposits - Credit Institutions	4 435	1 604			24
Deposits - Customers	150 509	19 129	23 242	20 174	32 432
Debt securities issued	2 867 767				
Other financial liabilities	(45)	61			13
Derivatives - Hedge accounting	2 603				
Provisions - Commitments and guarantees given		1			44
Other provisions	32 666	12		5 402	1 113
	3 076 158	**20 807**	**23 242**	**25 576**	**33 626**
Capital					
Equity instruments issued other than capital	275 000				
	275 000				
Off-balance sheet items					
Loan commitments given					
Revocable commitments	28 015			65	33 718
Irrevocable commitments					297 300
Financial guarantees given					
Guarantees and sureties given	240	1 296			38 630
Other commitments given					
Guarantees received					45 000
Liabilities for services provided					
Deposits and safekeeping of valuables	10 350 384	915 257	2 112 854	2 499	77 985
Other					
Foreign exchange transactions and derivative instruments					
Purchase	2 896 195				200 000
Sale	(1 766 704)				(200 000)
	11 508 130	**916 553**	**2 112 854**	**2 564**	**492 633**

[1] Includes CaixaBank Group and its subsidiaries.

[2] Includes companies where members of the Board of Directors have significant influence not included in other categories.

As at 30 June 2025, the global amount of the results relating to operations carried out with Banco BPI's Shareholders, associated companies, BPI employees' Pension Funds, members of the Board of Directors and companies in which they have significant influence is as follows:

	Banco BPI shareholder [1]	Associated companies	BPI Employee Pension Funds	Members of the Board of Directors and Supervisory Board	Companies where members of the Board of Directors have significant influence [2]
Interest expenses recognised in Shareholders' equity					
Interest on equity instruments issued, except capital	(9 828)				
	(9 828)				
Results					
Net interest income	(44 108)	(120)	4	(340)	(357)
Dividend income					4 507
Fee and commission income	27 646	20 723			173
Fee and commission expenses	(8 056)				(1 379)
Gains or (-) losses on financial assets and liabilities held for trading, net	(5 087)				
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	174				
Gains or (-) losses from hedge accounting, net	9				
Other operating income	2 541				
Other operating expenses	4 486	1			(1 690)
Administrative expenses					
Staff expenses				(3 912)	7
Other	(19 804)	(3)	(5 194)	(883)	(1 211)
Provisions or (-) reversal of provisions - Commitments and guarantees given		1			9
Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss					4
	(42 199)	**20 602**	**(5 190)**	**(5 135)**	**63**

[1] Includes CaixaBank Group and its subsidiaries.

[2] Includes companies where members of the Board of Directors have significant influence not included in other categories.

As at 30 June 2024, the global amount of the results relating to operations carried out with Banco BPI's Shareholders, associated companies, BPI employees' Pension Funds, members of the Board of Directors and companies in which they have significant influence is as follows:

	Banco BPI shareholders [1]	Associated entities	Pension Funds of BPI Employees	Members of the Board of Directors of Banco BPI	Companies in which the members of the Board of Directors of Banco BPI have significant influence [2]
Interest expenses recognised in Shareholders' equity					
Interest on equity instruments issued other than capital	(8 882)				
	(8 882)				
Results					
Net interest income	(35 667)	(20)		(158)	(184)
Fee and commission income	25 986	39 335			137
Fee and commission expenses	(7 644)				
Gains or (-) losses on financial assets and liabilities held for trading, net	8 049				
Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net	397				
Gains or (-) losses from hedge accounting, net	744				
Other operating income	3 869	5			
Other operating expenses	6 202				
Administrative expenses					
Staff expenses				(3 912)	
Other	(18 154)	(12)	4 726	(804)	(9)
Provisions or (-) reversal of provisions - Commitments and guarantees given					(26)
Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss					191
	(16 218)	**39 308**	**4 726**	**(4 874)**	**109**

[1] Includes CaixaBank Group and its subsidiaries.

[2] Includes companies where members of the Board of Directors have significant influence not included in other categories.

Operations with CaixaBank Group companies are part of normal business and are carried out under market conditions. The most significant operations included in this note are as follows:

- In 2019, Banco BPI approved an overdraft from Caixabank Payments & Consumer E.F.C. E.P., S.A. with a limit of 175 000 th.euros, a 0.40% immobilisation commission and an interest rate of EURIBOR 12 months + 0.80%. At 30 June 2025 and 31 December 2024 the amount of unused credit is recorded under off-balance sheet revocable commitments and amounts to 21 350 th.euros and 15 015 th.euros respectively.
- In March 2020, Banco BPI issued 450 000 th.euros of non-preferred senior debt with a coupon rate of 0.875% and an interest rate equivalent to the 5-year swap rate plus a spread of 130 basis points, fully underwritten by CaixaBank. The issue ended in March 2025. As at 31 December 2024, this issue was recorded under "Financial liabilities measured at amortised cost - Debt securities issued", for an amount of 453 188 th.euros (Note 19.3).
- In October 2021, Banco BPI issued non-preferred senior bonds totalling 700 000 th.euros with a variable rate, Euribor 6 months + 0.95% and maturity in 2027, fully subscribed by the shareholder Caixabank. This operation is recorded under financial liabilities measured at amortised cost - debt securities issued and at 30 June 2025 and 31 December 2024 amounts to 705 376 th.euros and 706 724 th.euros respectively (Note 19.3).
- In the first half of 2022, Banco BPI made an early repayment of a subordinated bond issue fully subscribed by the shareholder Caixabank, in the amount of 300 000 th.euros, maturing in 2027. On the other hand, a subordinated bond issue of 425 000 th.euros was made, with a variable rate, Euribor 6 months + 3.30% and maturity in 2032, fully subscribed by the shareholder Caixabank. These operations are recorded under financial liabilities measured at amortised cost - debt securities issued and at 30 June 2025 and 31 December 2024 amount to 432 596 th.euros and 433 969 th.euros respectively (Note 19.3).
- In March 2024, Banco BPI issued non-preferential senior debt totalling 700 000 th.euros with a fixed rate of 4.182%, fully subscribed by CaixaBank. This operation is recorded under financial liabilities measured at amortised cost - debt securities issued and at 30 June 2025 and 31 December 2024 amounts to 708 341 th.euros and 723 098 th.euros respectively (Note 19.3).
- In September 2024, Banco BPI exercised the early repayment option of 275 000 th.euros of Additional Tier 1 (AT1) capital instruments and carried out a new issue of a similar nature and amount with a fixed rate of 7.125%, fully subscribed by Caixabank. The value of this operation is recognised under equity instruments issued, except capital, and its remuneration is recognised under other reserves (Note 23).
- In December 2024, Banco BPI issued non-preferential senior debt totalling 550 000 th.euros at a fixed rate of 3.077%, fully subscribed by CaixaBank. This operation is recorded under financial liabilities measured at amortised cost - debt securities issued and at 30 June 2025 and 31 December 2024 amounts to 559 180 th.euros and 550 788 th.euros, respectively (Note 19.3).

38. SUBSEQUENT EVENTS

Banco BPI is carrying out a process to sell a portfolio of non-performing corporate loans, with a gross amount of 83 million euros. The completion of this transaction (and the recognition of the reversal of impairments) is expected in the third quarter of 2025.

39. NOTE ADDED FOR TRANSLATION

These financial statements are a translation of financial statements originally issued in Portuguese in conformity with the International Financial Reporting Standards (IFRS) as endorsed by the European Union, some of which may not conform to or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

Review Report on the Condensed Financial Statements

(Free translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail)

Introduction

We have reviewed the accompanying condensed financial statements of Banco BPI, S.A. (“Banco BPI”), which comprise the condensed interim balance sheet as at 30 June 2025 (which shows total assets of Euros 41.913.002 thousand and total shareholder's equity of Euros 3.848.126 thousand, including a net profit of Euros 274.451 thousand), the condensed interim statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, and the accompanying explanatory notes to these condensed financial statements.

Management’s responsibility

The Management is responsible for the preparation of the condensed financial statements in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union, as well as to create and maintain appropriate systems of internal control to enable the preparation of condensed financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express a conclusion on the accompanying condensed financial statements. We conducted our review in accordance with ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and other technical and ethical standards and recommendations issued by the Institute of Statutory Auditors. Those standards require that we conduct the review in order to conclude whether anything has come to our attention that causes us to believe that the condensed financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union.

A review of financial statements is a limited assurance engagement. The procedures performed mainly consist of making inquiries and applying analytical procedures, and evaluating the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (ISAs). Accordingly, we do not express an opinion on these financial statements.

PricewaterhouseCoopers & Associados – Sociedade de Revisores Oficiais de Contas, Lda.
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Inscrita na lista das Sociedades de Revisores Oficiais de Contas sob o nº 183 e na CMVM sob o nº 20161485

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that accompanying condensed financial statements of Banco BPI, S.A. as at 30 June 2025 are not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting as adopted by the European Union.

30 July 2025

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda
represented by:

José Manuel Henriques Bernardo, ROC. no. 903
Registered with the Portuguese Securities Market Commission under no. 20160522

(This is a translation, not to be signed)

Statement

DECLARATION REFERRED TO IN ARTICLE 29-J (1) C) OF THE SECURITIES CODE

Article 29-J (1) (c) of the Securities Code prescribes that each one of the persons responsible for the company issues a declaration, the content of which is defined therein.

The Members of the Executive Committee of Banco BPI's Board of Directors, identified here by name, individually subscribe to the declaration transcribed as follows:

"I declare in the terms and for the purposes of article 29-J (1) (c) of the Securities Code that, to the best of my knowledge, the financial statements and the directors' report of Banco BPI, S.A., relating to the 1st half of 2025, were prepared in conformity with the applicable accounting standards, giving a true and fair view of the assets and liabilities, the financial situation and the results of that company, and that the directors' report contains an indication of the important events which occurred in the 1st half of 2025 and their impact on the respective financial statements, as well as a description of the principal risks and uncertainties for the six following months."

EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS

Chairman	João Pedro Oliveira e Costa
Members	Afonso Fuzeta Eça
	Ana Rosas Oliveira
	Diogo Sousa Louro
	Francisco Artur Matos
	Susana Trigo Cabral

29 July 2025

This is a translation from the Portuguese original. In the event of any inconsistency the Portuguese version shall prevail.

BPI

Grupo CaixaBank

BANCO BPI, S.A.
Registered at Commercial Registry of Porto
under registration number PTIRNMJ 501 214 534
and tax identification number 501 214 534
Registered office: Avenida da Boavista 1117, 4100-129 Porto, Portugal
Share capital: € 1 293 063 324.98