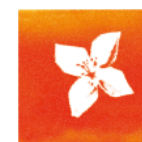




TO GROW NOW

1H21
BANCO BPI
CONSOLIDATED
RESULTS



BPI

Grupo  CaixaBank

30th JULY 2021

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BPI IN 1ST HALF 2021

Permanent support to Families, Businesses, and Society



Consolidated net income: 185 M.€
(vs 43 M.€ in 1H20)

Net income from the activity
in Portugal: 84 M.€ (vs 6 M.€ in 1H20)



Strong commercial dynamism,

in a very adverse environment; loans
grew by 5.9% YoY and total Customer
resources 8.4% YoY;



Gross income increased by 11.5% YoY,
net interest income up 3.2%, showing
notable resilience, and net fees and
commissions rose 11.0%;



**Digital transformation on track and
improved Customer experience:**

740 thousand digital clients, of which 495
thousand with BPI app (+65 thousand YoY).



Strong economic and financial position:

NPE of 1.5%, with 156% coverage; CET1 ratio
of 14.3% and total capital ratio of 17.4%;
investment grade ratings by the three main
international agencies;



**More social commitment, support to
innovation and sustainable development**

30 M.€ in 2021 in support to Society, with "la
Caixa" Foundation; 4 M.€ for BPI "la Caixa"
awards; 1 M.€ for the Decentralised Social
Initiative; BPI, "la Caixa" Foundation and FCT
commit 2.5 M.€ to the development of Portugal's
inland regions through the "Promove Programme";

#TodosJuntos Initiative raises 2.5 M.€ for food aid,
with the support of BPI, 9 other banks and more
than 30 companies.



BPI RESULTS IN 1ST HALF 2021



Net profit

- **Consolidated net profit of 185 M.€** in 1st half 2021 (vs. 43 M.€ in 1H20)
- **Activity in Portugal contributes with 84 M.€** (vs. 6 M.€ in 1H20)



Customer loans and resources increase

- **Total Customer resources increase 3.0 Bn.€ YoY (+8.4%); Deposits increase 10.5% YoY**
- **Loan portfolio increases 1.5 Bn.€ YoY (+5.9%)**



High asset quality

- **Non-performing exposures ratio (NPE EBA) decreases to 1.5%** in June 2021
- **NPE coverage** by impairments and collaterals **increases to 156%**
- **Cost of credit risk** of **0.04%** in 1H21 1st half 2021 (non annualised)



Strong capitalisation

- **Capital ratios** (phasing-in): **CET1 of 14.3%, T1 of 15.8% and total capital of 17.4%**
- **Leverage ratio** (phasing-in): of 7.2%



Investment grade rating

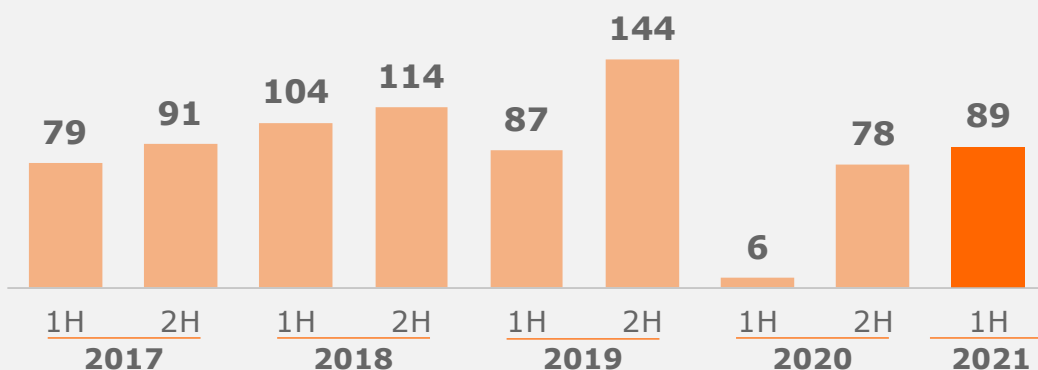
- **Senior debt:** Moody's upgraded the rating to **Baa2** in July; **BBB+** and **BBB** ratings by Fitch and S&P.
- **Deposits:** rated **Baa1** by Moody's and **BBB+** by Fitch

CONSOLIDATED NET PROFIT OF 185 M.€ IN 1ST HALF 2021

In M.€	Jun 20	Jun 21
Activity in Portugal		
Recurrent net profit	6	89
Non-recurrent impacts ¹⁾		-5
Net profit in Portugal	6	84
BFA and BCI contribution	36	101
Consolidated net profit	43	185

Of which	Δ YoY
▪ Commercial Banking Gross Income ⁽²⁾	+22 M.€
▪ Reduction in loan impairments	+73 M.€
▪ Gains / (losses) on financial assets and liabilities and other operating income and expenses	+14 M.€
▪ Costs reduction	+1 M.€
▪ Income tax and other	-28 M.€

Recurrent net profit in Portugal (M.€)



Activity in Portugal

	Jun 20	Jun 21
Recurrent ROTE (last 12 months)	5.4%	5.9%

BFA AND BCI CONTRIBUTION

BFA: distribution of dividends and reserves

In Q2 21, BFA's shareholders approved the **2020 ordinary dividend** and a **distribution of free reserves**, with payment to shareholders in 3 instalments ⁽¹⁾

> **119 M.€** ⁽²⁾ attributed to BPI:

- **40 M.€** of 2020 **ordinary dividend**
- **79 M.€** of **distribution of free reserves**
 - of which,
 - 50 M.€** accounted for in income statement
 - 29 M.€** booked directly to reserves

> The 119 M.€ will be recognised in **Common Equity T1 (CET1)** when received in Portugal

At 30 Jun.21, the **48.1%** stake in **BFA** was valued at **264 M.€**

BFA and BCI contribution to consolidated net profit

In M.€	Jun 20	Jun 21
BFA contribution	33	92
Of which,		
2020 ordinary dividend		40
distribution of free reserves taken to income statement		50
BCI contribution	3	9
Total	36	101

LOAN PORTFOLIO GROWS 5.9% YoY

Loans to Customers by segments

Gross portfolio, in M.€	Jun 20	Jun 21	YoY	YtD
I. Loans to individuals	13 311	14 222	6.8%	3.5%
Mortgage loans	11 638	12 454	7.0%	3.7%
Other loans to individuals	1 673	1 768	5.7%	1.8%
II. Loans to companies	9 788	10 216	4.4%	1.4%
III. Public sector	1 877	2 021	7.7%	7.6%
Total loans	24 977	26 459	5.9%	3.0%

Note:

Loan portfolio net of impairments	24 517	25 962	5.9%	3.0%
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Total loan portfolio grows **1.5 Bn.€** YoY

> **Mortgage loans** increase **7.0% YoY (+0.8 Bn.€)**

> **Loans to companies** increase **4.4% YoY (+0.4 Bn.€)**

Market share

of total loan
portfolio

10.8%

+0.2 p.p. YoY

(May 2021)

SUPPORT TO FAMILIES AND BUSINESSES

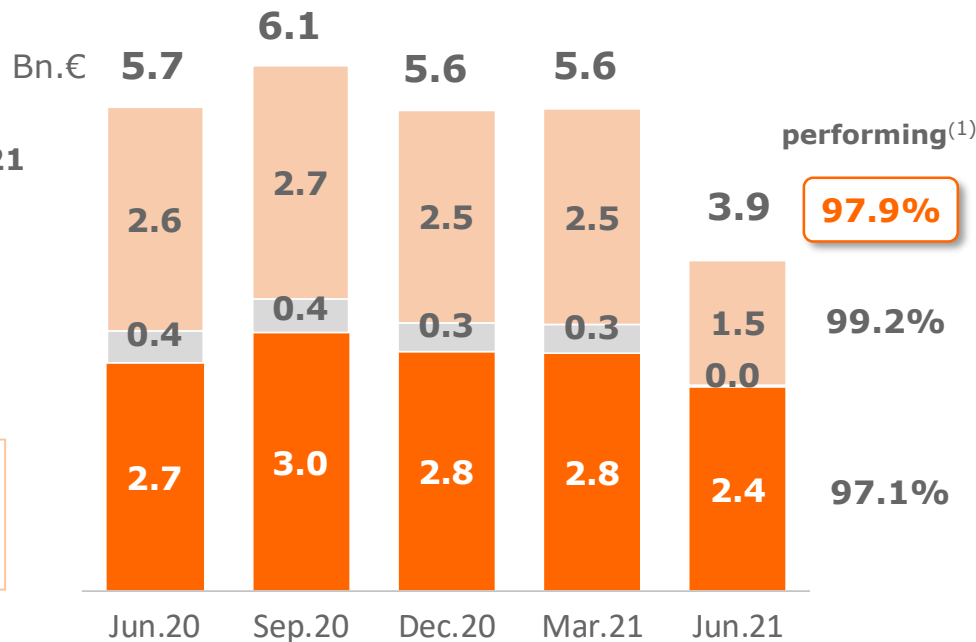
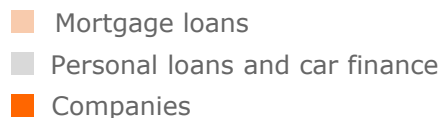
Moratoria

OUTSTANDING MORATORIA

> **1.2 Bn.€** moratoria ended at beginning of April (1.0 Bn.€ mortgages)

> **3.9 Bn.€** in outstanding moratoria at Jun.21 (of which 1.6 Bn.€ only in principal & interest), account for **15%** of loan portfolio

> **98%** are performing loans ¹⁾



1) Corresponds to loans classified in stage 1 and stage 2.

ENDED MORATORIA

> **Good performance of loans after resuming payment obligations**

Covid19 support lines ²⁾

(cumulative up to Jun.2021)

Loans granted by BPI ³⁾

885 M.€

applications **11.0 thousand**

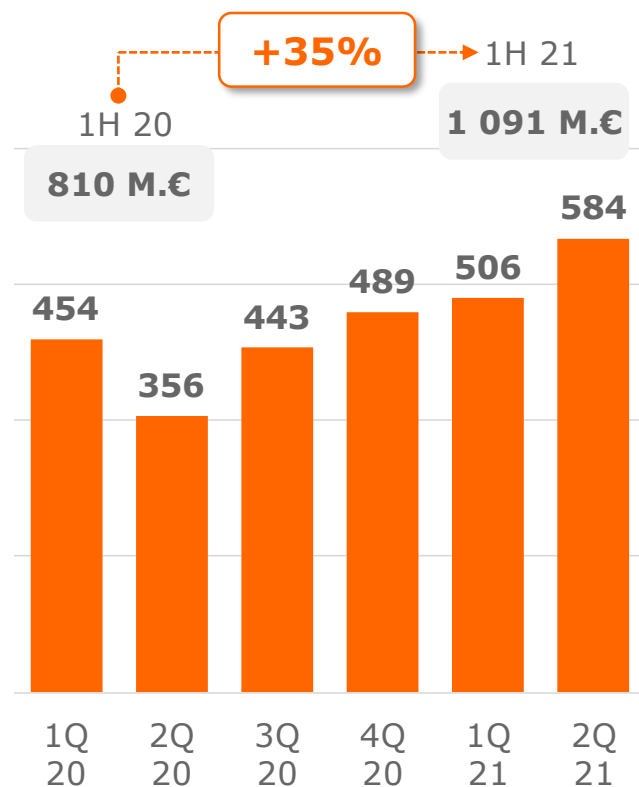
2) Covid lines of support to the economy with public guarantee (SGM) and EIF guaranteed Covid-19 related credit line of support to SMEs.

3) Covid Lines of which 827 M.€ drawn

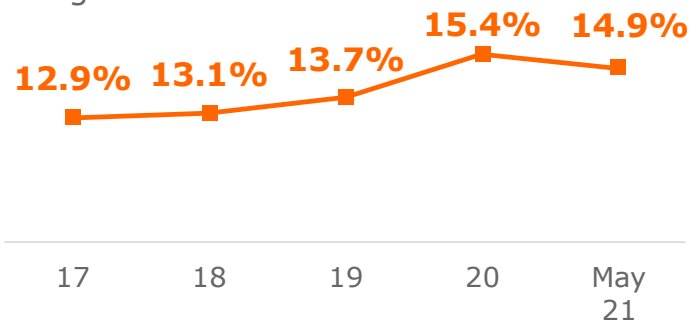
MORTGAGE LENDING ORIGINATION INCREASES 35% YoY

Mortgage loans

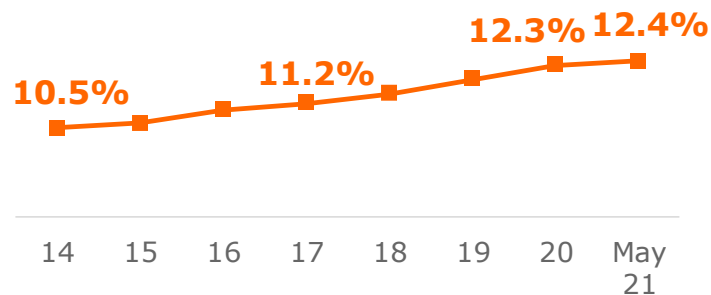
Loan origination M.€



Market share in origination

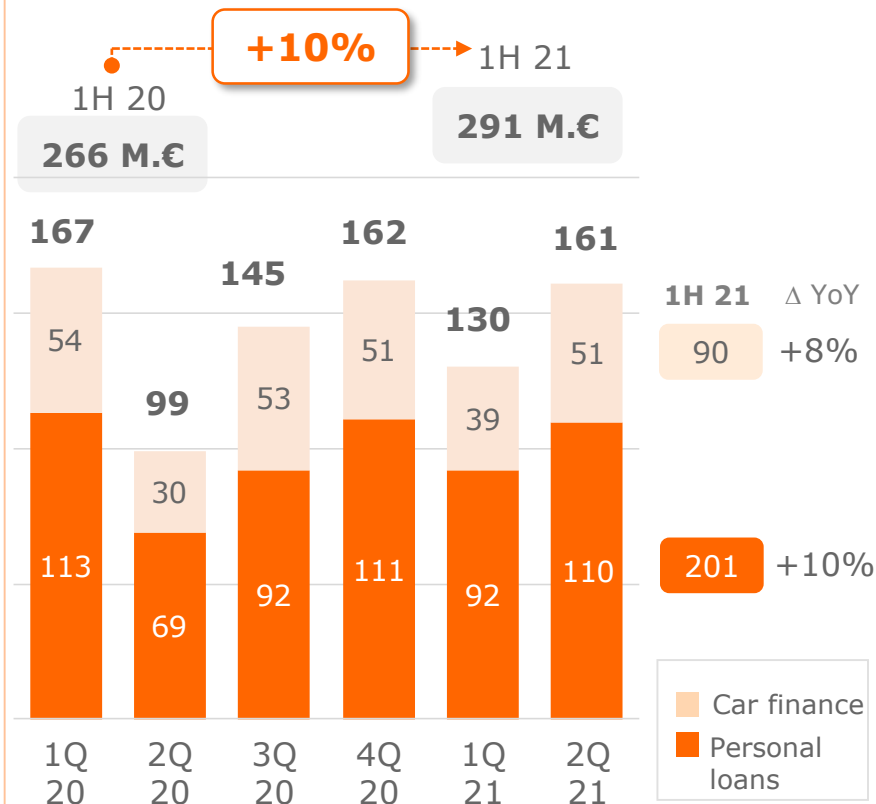


Market share in loan portfolio



Personal loans and Car finance

Loan origination M.€



BPI, A BANK FOR FAMILIES

With proposals and solutions for every moment of your life

Day-to-day



SOLUÇÕES PARA O DIA A DIA



Saiba mais em bancobpi.pt



My home



SOLUÇÕES DE CRÉDITO HABITAÇÃO TAXA FIXA

A mesma prestação durante todo o empréstimo

O BPI não cobra as comissões iniciais (inclui comissão de dossier, comissão de avaliação e comissão de preparação de minutos). Válido para propostas aprovadas até 31 de dezembro de 2021 e contratadas até 31 de março de 2022.

Saiba mais em bancobpi.pt



Enjoying Life



SOLUÇÕES DE CRÉDITO



No BPI encontra soluções de crédito para diversas finalidades que ajudam a concretizar os seus planos. Comprar um carro, renovar a sua casa ou adquirir painéis solares para a sua casa, são exemplos de projetos que pode agora realizar.

Sleeping Peacefully



SOLUÇÕES DE PROTEÇÃO



Saiba mais em bancobpi.pt



Looking to the Future



SOLUÇÕES DE POUPANÇA BPI

Defina os seus objetivos e constitua um plano de poupança à sua medida. Descubra uma forma simples de poupar.

inTouch SUCCESS OF NEW OMNICHANNEL SERVICE

New model of omnichannel customer relationship, through a remote personal account manager
(launched on 31 Jan. 20)



4

Centres

55

Account Managers



≈1.5 Bn€
Business Volume



71 th.

Customers

95%
Take-up rate



An innovative service that addresses the different needs of the various types of Clients

BPI, A BANK FOR COMPANIES

The partner for Companies and Small Businesses at the critical stages of their lives

Loans to companies (Δ YoY)

+0.4 Bn.€ +4.4%

(Jun.21)

Market share

10.2%

(May 21)



Increased proximity to the Clients

In the first half of 2021, BPI held
13 events for Clients, most in digital format

#2

"Agriculture
Now" Talks

#4

Thematic
Webinars

#4

"Resuming
Portugal"
Conferences

#1

Businesses
with the
World

#2

Award
events



New products / services



Seguro Vida Negócios
from BPI Vida e Pensões
New corporate life insurance



Instant Loan
100% digital solution to
contract loans up to
25 thousand euros



New APP BPI Empresas
Leaner and more intuitive
application, as safe as ever



BPI/EIF EGF Line
BPI and EIF sign an agreement
to provide 250 M.€ in loans
for Portuguese SMEs

BPI, A BANK FOR TOURISM

BPI continues to support companies in the tourism industry and to reward the most outstanding companies and projects



DEDICATED OFFERING



€1 100 M.€

- Industry and Tourism Exporters
- Event Staging



300 M.€

- Medium-sized and Large Tourism Companies



100 M.€

- Travel Agencies and Tour Operators

Major Cultural Events Line

30 M.€

- Available soon



300 M.€

- 'Apoio à Qualificação da Oferta' Line 2021– Turismo Portugal



NATIONAL TOURISM AWARD

Launch of 3rd edition



- Partnership with Impresa and sponsorship of the Ministry of Economy
- Rewards the best Tourism companies, practices and projects
- New edition will reward **local gastronomy**, the most **authentic** and **trust inspiring** tourism and the most **innovative** and **sustainable** projects



PARTNERSHIPS IN THE SEGMENT



- Official sponsor of **Bolsa de Viagens** powered by BTL



- Founding partner of **NEST**– Centro de Inovação do Turismo



- **BPI/Rota EN2 Line**: finance protocol



Covid-19 Lines

BPI, A BANK FOR AGRICULTURE

BPI continues to support companies in the agriculture sector and to reward the most outstanding companies and projects



DEDICATED OFFERING

BPI Empresas
95 MILHÕES PARA
APOIAR A AGRICULTURA.



BPI/EIF Credit Line for Agriculture

Guarantee agreement with the EIF - European Investment Fund



15 million euros for the purchase of new tractors

Under the Rural Development Programme ("PDR")

April 2021



LEADERSHIP IN AGRICULTURAL SECTOR

#1 by lending amount (IFAP)

#1 by no. of advances on subsidies (CAP)



NATIONAL AGRICULTURE AWARDS

9th edition



- Partnership with Cofina and sponsorship of the Ministry of Economy
- Distinction of 10 success stories in the national agricultural sector
- Debate with participation of Maria Céu Antunes, Minister of Agriculture, and Isabel Jonet, Chairman of the Food Bank Against Hunger



PARTNERSHIPS IN THE SEGMENT



BPI sponsors the main national agricultural fairs, for closer proximity with the sector's professionals.

- **Ovibeja (since 2012)**
- **FNA - National Agricultural Fair (since 2014)**
- **Agroglobal**
- **Colóquio do Milho**

TOTAL CUSTOMER RESOURCES INCREASE 8.4% YoY

Deposits **+10.5%** YoY and Assets under management **+8.4%** YoY

Customer resources

In M.€	Jun 20	Jun 21	YoY	YtD
I. Customer deposits	24 933	27 543	10.5%	5.9%
II. Assets under management	9 288	10 068	8.4%	4.4%
Mutual funds	4 817	5 813	20.7%	9.5%
Capitalisation insurance	4 471	4 256	-4.8%	-1.8%
III. Public offerings	1 438	1 052	-26.8%	-21.3%
Total	35 658	38 664	8.4%	4.5%

Market shares

	May 21	Δ YoY
Deposits	10.8%	+0.3 p.p.
Mutual funds	10.8%	-0.5 p.p.
Capitalisation insurance	17.5%	+1.3 p.p.
Retirement savings plans	11.4%	+0.2 p.p.

BPI APP INCREASINGLY RELEVANT

More Clients, more sales and greater proximity



More Digital Clients

Mobile-focused growth

(1st half 2021)

+65 thousand

BPI App active users (Δ YoY)

90%

Digital individual Clients (1st account holders) use the BPI App



More Digital Sales

Increase in Digital Channels interactions, leading to sales and subscription of products

(1st half 2021)

71%

of sales are digitally initiated ¹⁾

+8 p.p.

(vs same period last year)



Greater proximity

Increase in digital interactions

(1st half 2021)

16 million

Average logins per month

71%

of logins are mobile

+14%

Logins Δ YoY

97%

transactions through digital channels ²⁾



Digital channels penetration

#2

"Net+Mobile" Individual Clients ³⁾

#2

Homebanking Corporate Clients ⁴⁾



Satisfaction with the digital channels

#2

Global Satisfaction Individual Clients ³⁾

#3

Homebanking Corporate Clients ⁴⁾

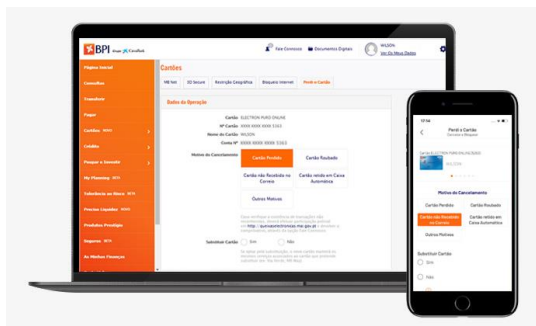
Greater proximity to the Clients and increase in Digital Sales

INNOVATION IN THE DIGITAL CHANNELS

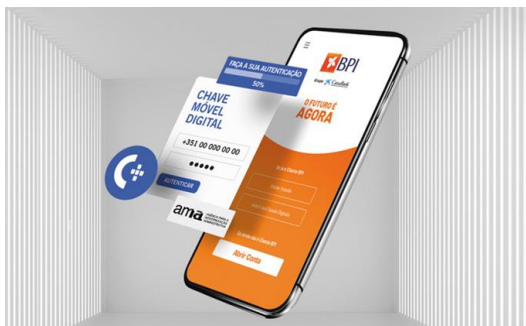
Enhanced Experience of Individual Clients

Simplification of Day-to-Day routines

- Increased support to Clients' financial management (**My Finance** service)
- **Financial Diary** with a simpler, more intuitive and integrated vision
- Improved payment experience and increase in **Credit Card** ceiling
- Simplification of **contracting, cancellation and replacement of Debit Cards** through the Digital Channels



- New **mobile responsive public website** bancobpi.pt
- Improvement of **digital documentation**
- **Easier and faster** access to **MB WAY Payments**
- **Online Account opening with Digital Mobile Key**



My Home

- **Mortgage Loan Simulator** in Digital Channels

Enjoying Life and Sleeping Peacefully

- **Life Insurance** linked to Mortgage and Personal Loans
- **Simulator** to define insured capital sum when taking out "BPI Family Life" insurance"
- Multi-Risk/Home Insurance **Claims Reporting**

Looking to the Future

- Launch of **BPI Broker** on BPI Net



INNOVATION IN THE DIGITAL CHANNELS

Strong investment in the transformation of Corporate and Small business clients' experience

New digital solutions for Companies

■ New **APP BPI Empresas:**

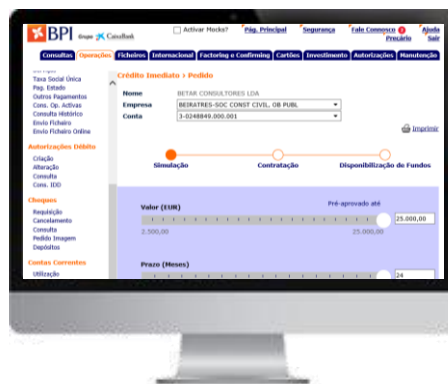
- ❑ Improved design and simpler browsing
- ❑ Biometric authentication
- ❑ New functionalities



■ Extension of **BPI Drive** solution to new commercial partners

■ **Instant Loans for companies,** 100% digital:

- ❑ Simulation and contracting on BPI Net Empresas
- ❑ Automated decision
- ❑ Funds made available on the spot



- Simplification of **Customer contact** with the Commercial Networks
- Support to **application to Moratoria**
- Improved support to **subscription of financial products**



GROSS INCOME INCREASES 11.5%

Commercial banking gross income increases **6.5%**

Gross income in the activity in Portugal

In M.€	Jun 20	Jun 21	Δ%
Net interest income	220	227	3.2%
Dividends and equity accounted income	10	12	24.5%
Net fee and commission income	117	130	11.0%
COMMERCIAL BANKING GROSS INCOME	347	370	6.5%
Other income (net) ¹	(33)	(20)	
Gross income	314	350	11.5%

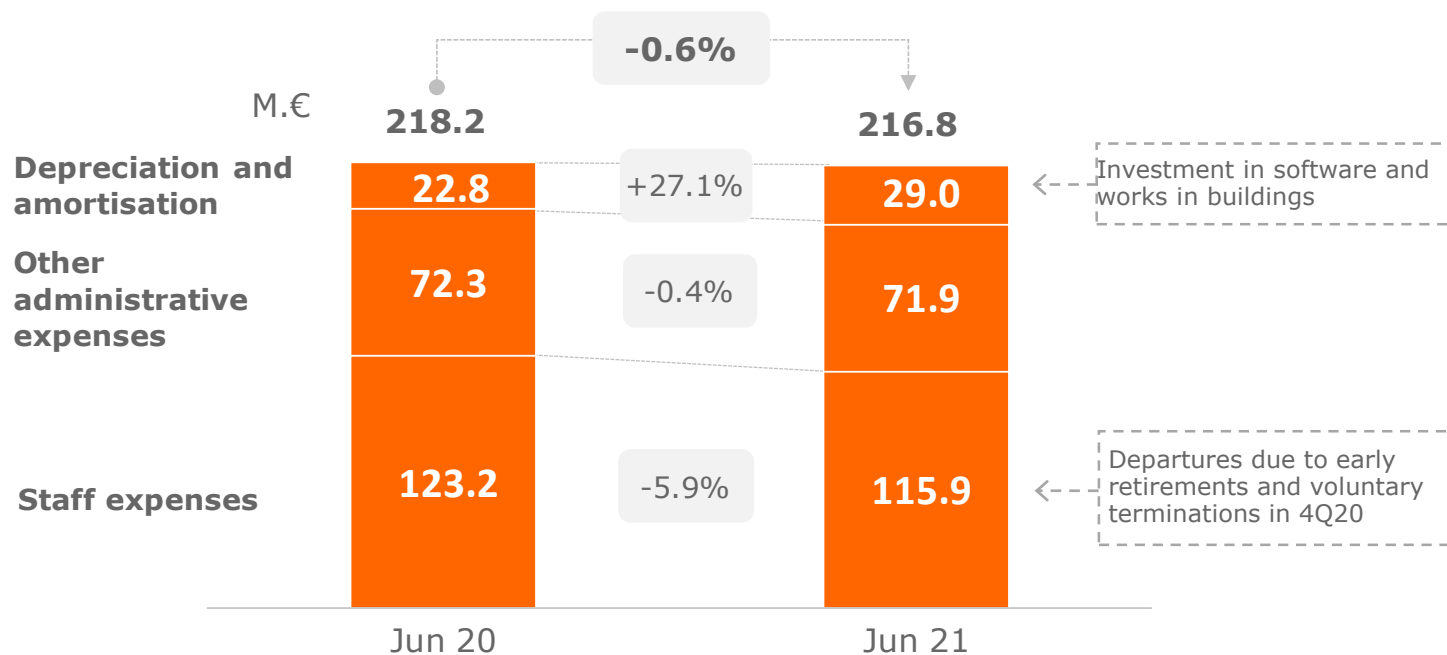
Resilience of net interest income, +3.2%

- ↑ Growth in loan volume
- ↑ ALCO management
- ↓ Intermediation margin narrowed

Net fee and commission income increases 11.0%

- ↑ Fees and commissions on loans; accounts and related services
- ↑ Fees and commissions from mutual funds and capitalisation insurance
- ↑ Insurance intermediation
- ↓ Fees and commissions on payment means

OPERATING EXPENSES DECREASE



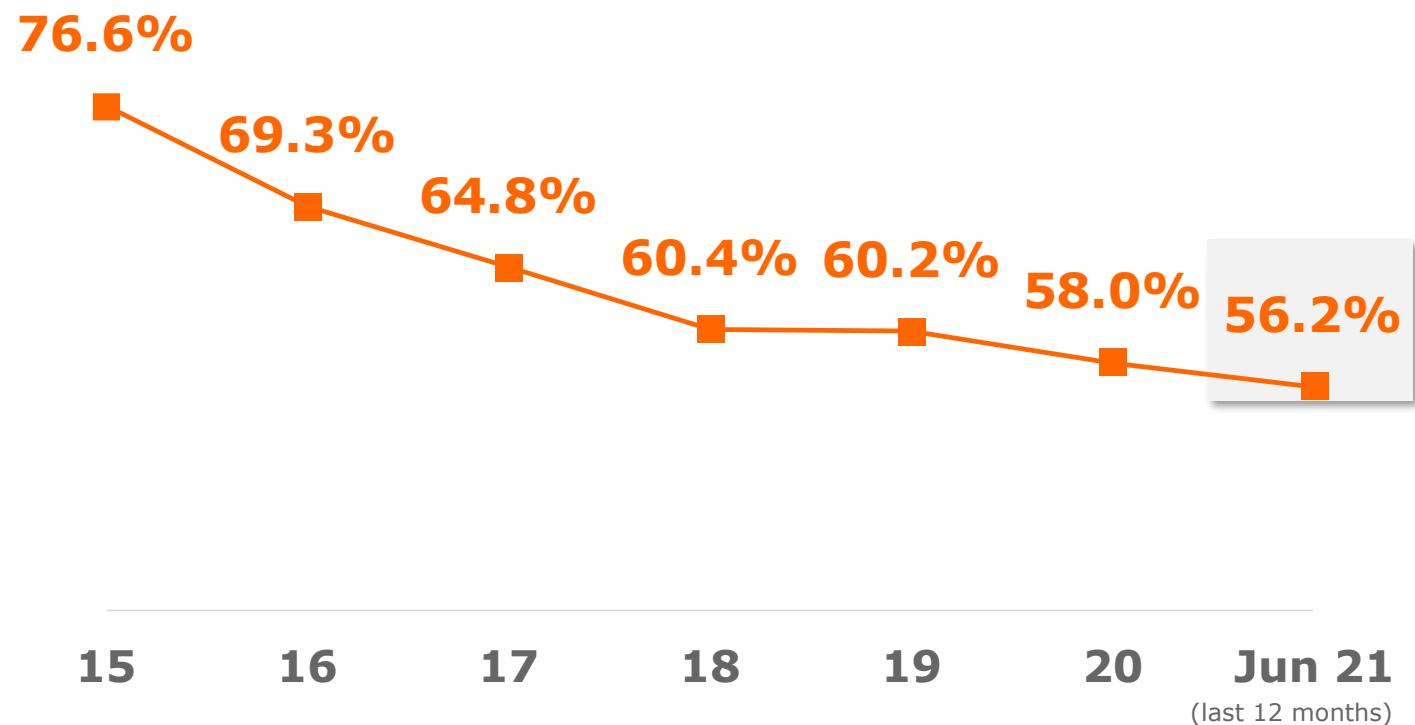
Non recurrent impacts	0.0		6.6	← 37 early retirements and voluntary terminations contracted in 1H21
Costs "as reported"	218.2	2.4%	223.5	

	Jun 21	Δ YtD
Staff	4 562	-60
Distribution network	386	-36
Of which:		
Retail branches	326	-34
Premier Centres	25	-2
Mobile branch	1	-
Corporate and Institutionals Centres	34	-

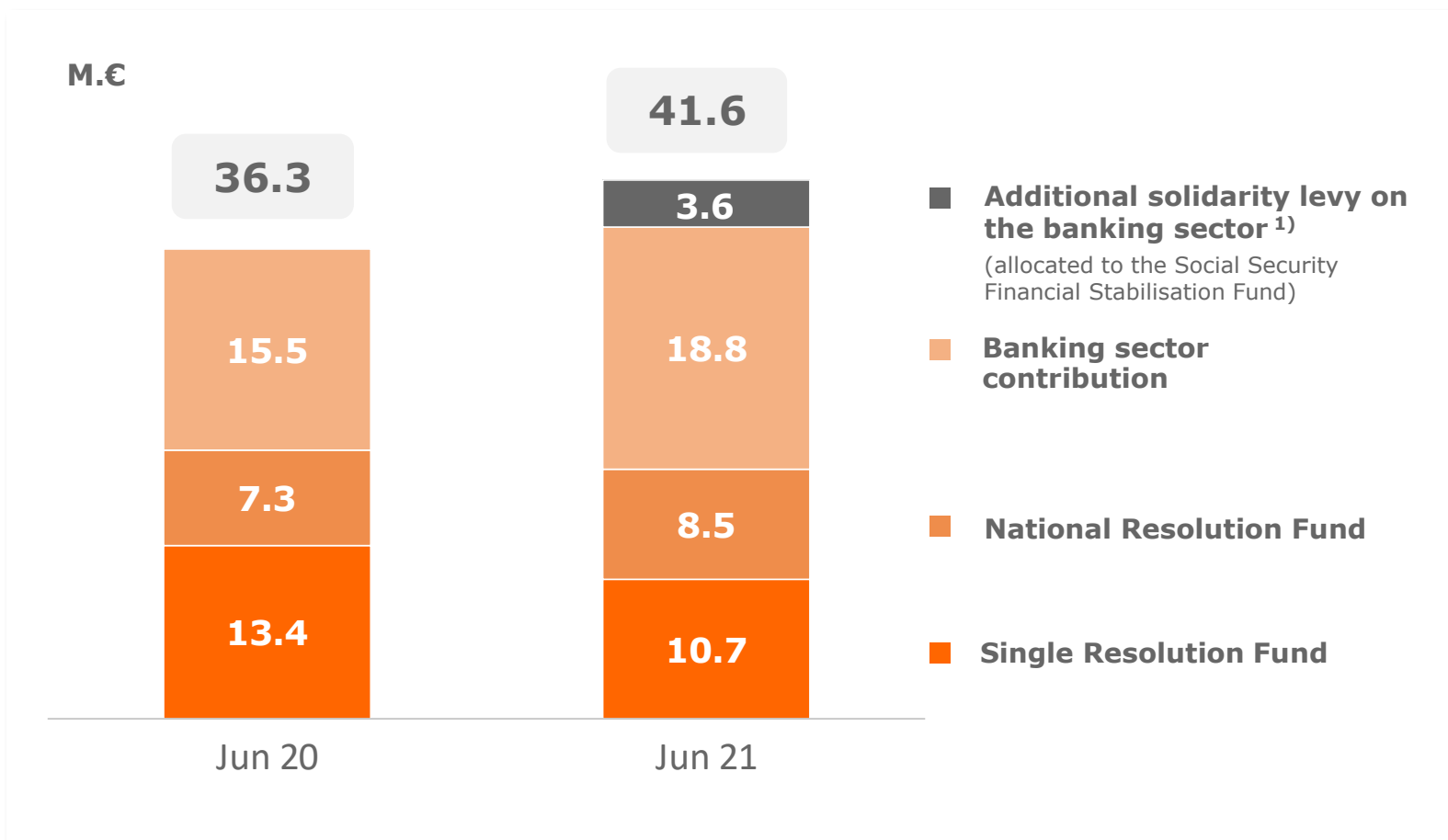
CORE COST-TO-INCOME IMPROVES TO 56.2%

Core cost-to-income

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



REGULATORY COSTS OF 41.6 M.€ IN 2021



COST OF CREDIT RISK FALLS TO ZERO %

Impairments: 39 M.€ in 1H21

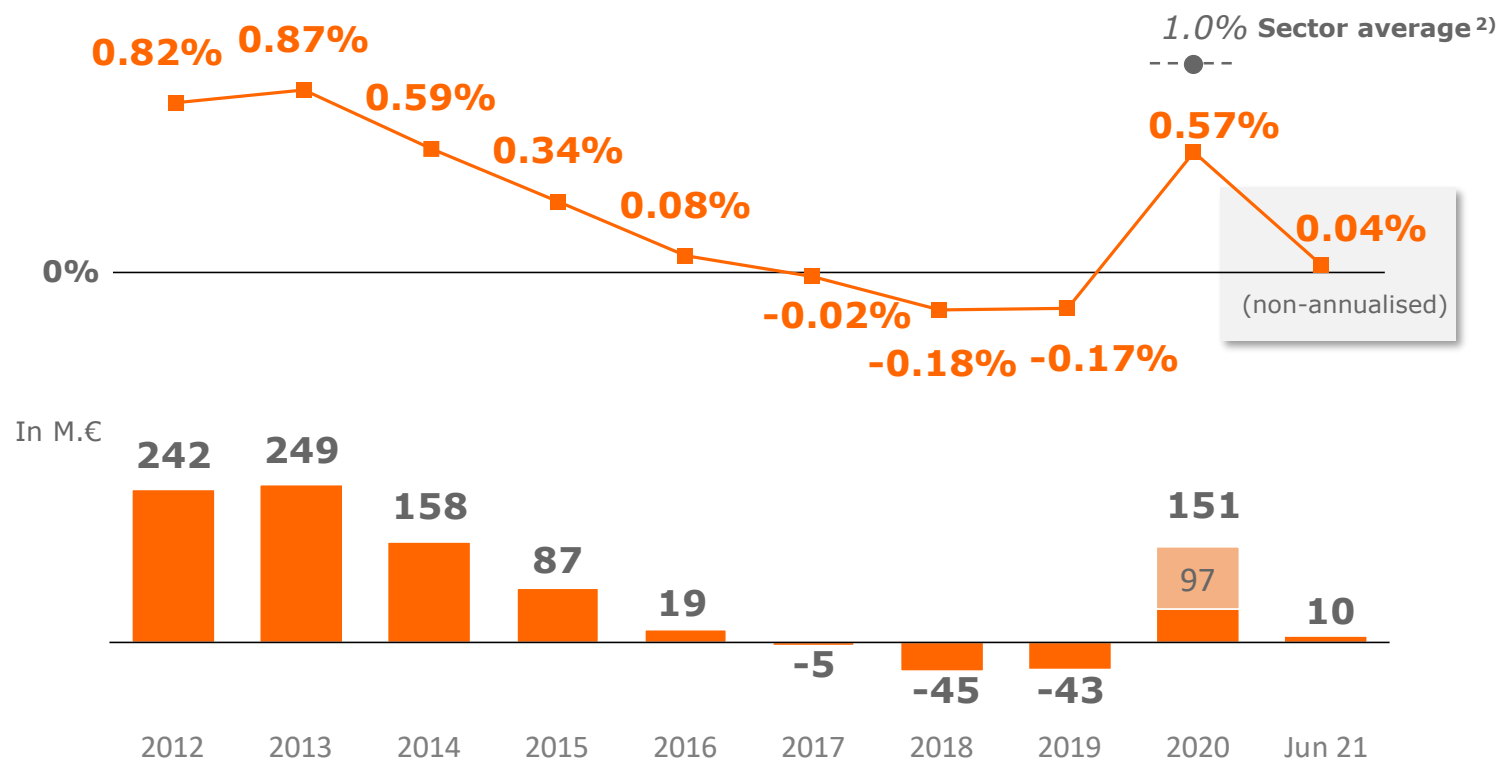
Credit recoveries: 29 M.€ in 1H21

- Includes a **23 M.€ gain** (pre tax) ¹⁾ on the sale in Jan.21 of 30 M.€ of non-performing loans and 266 M.€ of written off loans

On-balance sheet cumulative balance of **non-allocated impairments: 75 M.€** in Jun.21

Loan impairments net of recoveries

as % of gross loans and guarantees



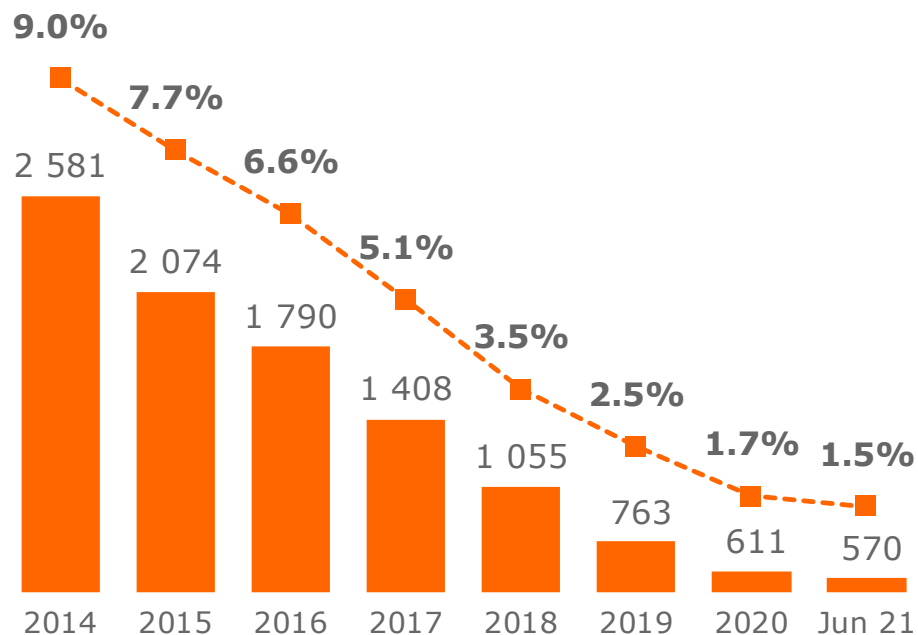
97 M.€ of non-allocated impairments in 2020 (Covid19)

BPI MAINTAINS LOW RISK PROFILE AND INCREASES COVERAGE

Non-Performing Exposures – NPE

(EBA criteria)

M.€



Coverage:

by impairments	38%	43%	39%	43%	53%	54%	83%	91%
by impairments and collaterals		110%	117%	127%	124%	140%	156%	

Jun.21

NPL ratio

(EBA criteria)

1.8%

Non-Performing Loans (NPL)

558 M.€

NPL coverage

by impairments and collaterals

157%

Foreclosed properties

(net book value)

5 M.€

Corporate restructuring and recovery funds

(book value)

39 M.€

107% PENSION COVERAGE

Employee pension liabilities

M.€	Dec 20	Jun 21
Total past service liability	1 907	1 785
Net assets of the pension funds	1 873 ⁽¹⁾	1 903
Level of coverage of pension liabilities	98%	107%
Pension fund return (YtD, non annualised)	2.7%	3.2%
Discount rate	1.01%	1.33%



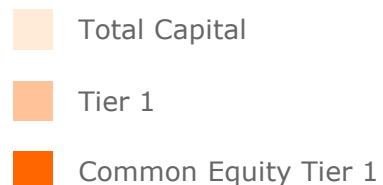
Actuarial deviations (M.€)	1H 21
+ Income from investment portfolio	47
+ Change in the discount rate	103
Other	-1
+ Actuarial deviations	150

1) Includes contribution made in Jan. 2021.

BPI MAINTAINS HIGH CAPITALISATION

Consolidated capital ratios

(phased-in)



MDA Buffer

(Capital buffer without limitations on results distribution)

Leverage ratio

4.4%

4.5%

7.3%

7.2%

MREL Ratios

MREL as % of RWA

19.8%

19.8%

MREL as % of LRE

9.3%

9.1%

Capital requirements (SREP)

in 2021

Total Capital

12,875%

T1

10,375%

CET1

8.50%

Leverage

3.0%

MREL requirement

≥ 1 Jan.2022

≥ 1 Jan.2024

19.05% ¹⁾

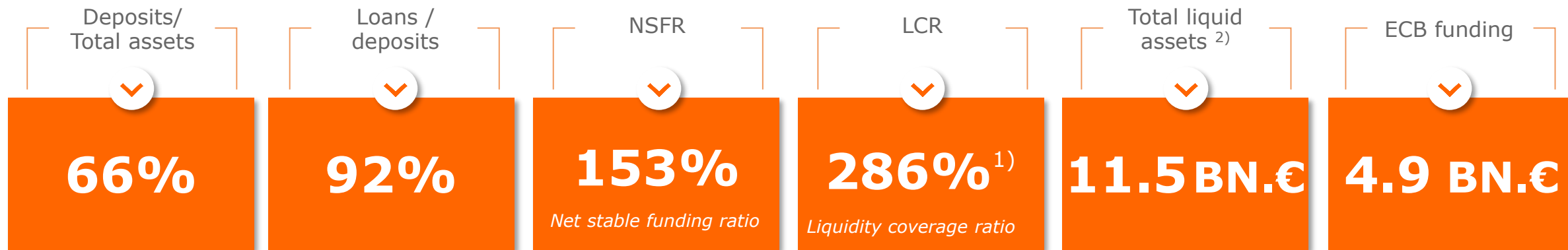
23.95% ¹⁾

5.91%

BALANCED FUNDING AND COMFORTABLE LIQUIDITY

Customer resources are the main source of balance sheet funding

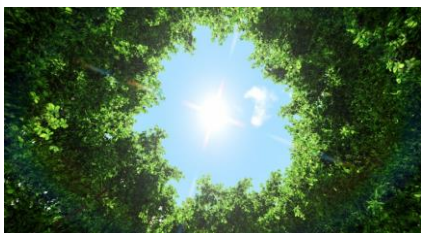
30 June 2021



SUSTAINABILITY AND INNOVATION



SUSTAINABILITY



EIB and BPI finance EDP Renováveis

112 M.€

- The loan is intended to finance the construction of two wind farms, in the North and Centre of Portugal
- The wind farms will help Portugal meet its targets under the European Climate Pact*

BA Glass, BPI and CaixaBank launch sustainable finance operation

75 M.€

- Commercial Paper
- Conditions linked to 2 sustainability indicators: water consumption and carbon emissions reduction

NOS, BPI and CaixaBank launch sustainable finance operation

30 M.€

- Commercial Paper and Bond Loan
- Conditions linked to 2 sustainability indicators: consumption of renewable electricity and reduction of greenhouse gas emissions



INNOVATION



Entrepreneur Awards XXI

- More than 170 national applications. **BestHealth4U** and **Advertio** win Territorial Awards,
- ANI - Agência Nacional de Inovação, through the Born from Knowledge (BfK) programme, distinguished **AgroGrIN Tech**, a start-up that submitted the best national project, "born from scientific and technological knowledge".
- The award ceremony featured a real-life testimonial from **Feedzai**, one of the 4 Portuguese unicorns

BPI'S QUALITY, INNOVATION AND DEDICATION TO ITS CLIENTS CONTINUE TO BE DISTINGUISHED



Bank of the Year



Large Banks
2nd consecutive year



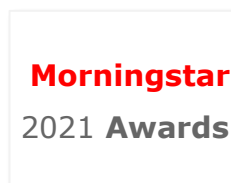
Banking
8th consecutive year



Salary Account



Best Treasury and Cash
Management Provider Awards



Best National Equity Funds Manager
BPI Gestão de Ativos (CaixaBank Group)



Brand of Excellence
8th consecutive year



Market in Bonds
BPI and CaixaBank



Best Private Bank for digitally empowering
relationship managers in Europe 2021



BPI and the "la Caixa" Foundation win in
"Equal Opportunities and Diversity"
category

BPI "la Caixa" Foundation Awards

28 editions
(11 years)

~20 M.€

600 projects
supported

150 th.
beneficiaries

SOCIAL COMMITMENT 30 M.€ TO SUPPORT SOCIETY IN 2021

"la Caixa" Foundation initiative with the collaboration of BPI



> Social Programmes

- *Humaniza* Programme
- *Incorpora* Programme
- *Proinfância* Programme
- Seniors - Always with Company Programme
- *Promove* Programme
- BPI "la Caixa" Foundation Awards
- Volunteer Evaluators of the BPI "la Caixa" Foundation Awards
- CooperantesCaixa Voluntary service
- Decentralised Social Initiative
- Partis & Art for Change
- Social Science Research
- Social Equity Initiative-Nova SBE
- Global Platform for Syrian Students



> Culture and Science

- Creativity and Itinerant Exhibitions, Participative and School Concerts
- Support to Creation Programme
- Serralves Foundation
- Casa da Música
- Museu Nacional de Arte Antiga
- Porto University Museum of Natural History and Science
- Coimbra University Science Museum / Cabinet of Curiosities
- Casa da Arquitetura
- Casa de São Roque
- Elvas Contemporary Art Museum
- Caramulo Museum
- Teatro Nacional D. Maria II
- Teatro Nacional S. João
- Espaço do Tempo
- Orquestra XXI
- Orquestra Sem Fronteiras
- Matosinhos Jazz Orchestra



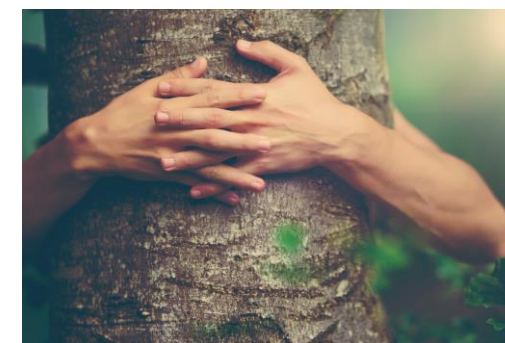
> Research and Health

- Health Research
- CaixaImpulse



> Education and scholarships

- Post-graduation scholarships
- PhD and post-doctoral fellowships for outstanding researchers
- Young Entrepreneur Programme



**4 Theme
AREAS of
intervention**

SUPPORT TO SOCIETY

Joint Action BPI "la Caixa" Foundation



2.5 M.€
raised

#TODOSJUNTOS

- BPI, 9 other banks and more than 30 companies joined forces in a solidarity initiative to support the most vulnerable families.
- 2.5 M.€ for the purchase of basic foodstuffs and 20% of the total amount for medicines.
- Aid distributed by the Food Emergency Network.



Decentralised Social Initiative

Support to local social projects through BPI's Commercial Networks.

1st Half 2021 Results

1 M.€
in 2021

- 85 projects
- 611 th€
- 20 511 direct beneficiaries



4 M.€
in 2021

5 BPI "la Caixa" Foundation Awards

improve the quality of life of people with social vulnerability.

- Capacitar
- Solidary
- Seniors
- Childhood
- Rural



2.5 M.€
Promove 3rd edition

Winners of 3rd Edition of Promove Programme

- BPI, "la Caixa" Foundation and the Foundation for Science and Technology allocate more than 2.5 M.€ for the development of Portugal's inland regions
- The 3rd edition of the Promove Programme will support 10 pilot projects, 6 innovative ideas and 3 mobilising research and development projects, focusing on the transformation and development of inland regions.

SUPPORT TO SOCIETY

Joint Action BPI "la Caixa" Foundation



Portugal Social Balance 2020

The "la Caixa" Foundation, BPI, and Nova SBE launched the report "Portugal, Social Balance 2020" - A portrait of the country and the effects of the pandemic.



Access to healthcare - citizens' choices 2020

The "la Caixa" Foundation, BPI and Nova SBE launched the Report "Access to healthcare - Citizens' choices 2020". The report aims to draw a portrait of access to healthcare by the Portuguese population.



Window of Hope

BPI, la Caixa Foundation, the Calouste Gulbenkian Foundation and SIC Esperança have launched the largest platform for stories about the third sector.



Volunteering

Launch and implementation of various initiatives, from financial literacy and entrepreneurship in schools, to capacity building of institutions, and care for the elderly living alone.

1st Half 2021 Results

- +700 enrolled
- + 100 initiatives carried out
- +3 300 people impacted



Support to Mozambique – Beira Central Hospital

The Neonatology Unit of the Beira Central Hospital in Mozambique was inaugurated in May. In 2020, BPI contributed 100 th.€ towards the acquisition and installation of equipment for this unit, which had been heavily affected by the destruction wrought by Cyclone Idai in 2019.

The sum was applied by Health4Moz, a Portuguese NGDO that works in the promotion of child and family health in Mozambique.

PORTUGAL NOW

BPI and students from the Loures Arts Conservatory launch Hymn of support to the National Team

Loures Arts Conservatory is a social solidarity institution supported by BPI and "la Caixa" Foundation since 2020, with the objective of promoting social inclusion, through art, of children and young people in vulnerable situations.

As the "Official Teams Bank", BPI challenged 30 students and teachers from the Loures Arts Conservatory ("CAL") to create an anthem in support of the Portuguese national football team.

The song "Portugal NOW" was part of BPI's communication campaign for the European Football Championship. The young artists had the support of Fred Ferreira, a musician of the Orelha Negra band.



HIGHLIGHTS OF 1ST HALF 2021 RESULTS



Strong commercial dynamism, despite the adverse economic environment



High capitalisation, low risk profile and **comfortable liquidity** position



Gross income growth and **efficiency improvement**



Reinforcement of social commitment under joint intervention with "la Caixa" Foundation



Digital transformation and **innovation on track**

BPI will continue to be **a partner for families and companies** and to **support the recovery of the Portuguese economy**

BPI RESULTS

in 1st half of 2021

Commercial activity in Portugal

Loan portfolio

+1.5 BN.€

+5.9% Δ YoY

Customer resources

+3.0 Bn.€

+8.4% Δ YoY

Gross income

> +11.5%

Net Interest Income

+3.2%

Fee & commission income

+11.0%

Δ YoY

Digital Banking

Regular users

740 th.

BPI app users

+ 65 th. Δ YoY

Risk and capitalisation

NPE ratio (EBA)

1.5%

NPE coverage

156%

(by impairments and collaterals)

Cost of Risk

0.04%

(as % of loans and guarantees; non- annualised)

CET1 > 14.3%

T1 > 15.8%

Total > 17.4%

(Phasing-in)

Profit and profitability

Net profit in Portugal

84 M.€

Recurring ROTE in Portugal

5.9%

(last 12 months)

Cost-to-income in Portugal

56.2%

(last 12 months)

Consolidated net profit

185 M.€

ANNEXES

- 01** **BPI Ratings**
versus peers
- 02** **Income Statements and Balance sheet** in accordance with IAS / IFRS and consolidated indicators
- 03** **Reconciliation** between BPI reported figures and BPI Segment contribution to CaixaBank Group
- 04** **Alternative Performance Measures**

MOODY'S UPGRADES BPI RATING

As of 28th July 2021

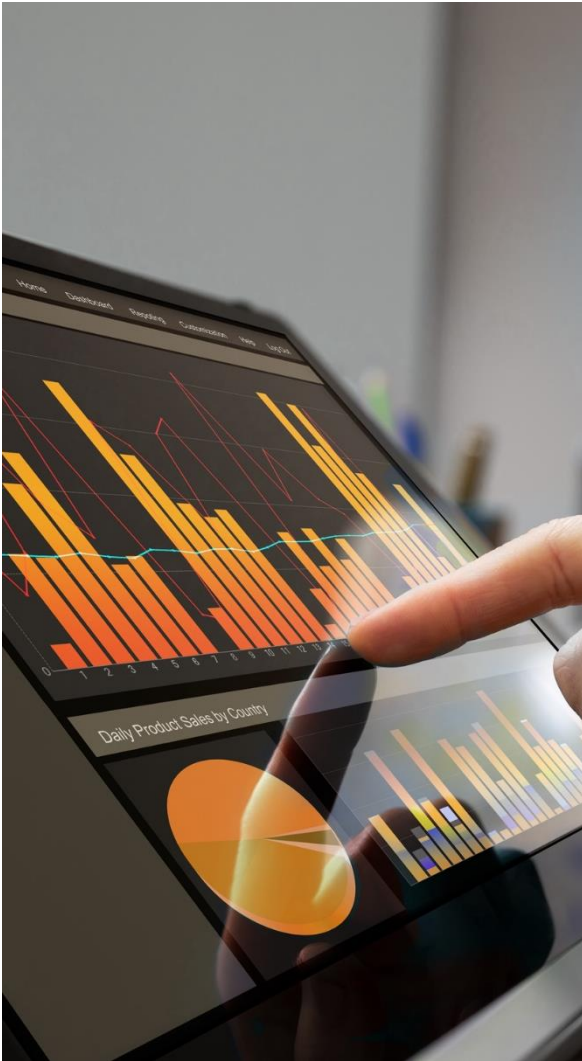
	S&P Global (Long Term Debt/ Issuer Credit Rating)	Moody's (Long Term Debt/ Issuer rating)	FitchRatings (Issuer Default Rating)	DBRS (Long-Term Debt/ Issuer Rating)
Investment Grade	...AA, AA+ e AAA	...Aa2, Aa1, e Aaa	...AA, AA+ e AAA	...AA, AA (high), AAA
	AA-	Aa3  Mortgage bonds	AA-	AA (low)  Mortgage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

> **S&P** (20 out.20) reaffirmed **BPI** and its **long term senior debt** rating of **BBB**, with Stable outlook.

> **Moody's** (13 Jul.21) has upgraded **BPI** and its **long term senior debt** ratings from Baa3 to **Baa2**, with a stable outlook, and reaffirmed the **LT deposit** rating of **Baa1**, improving the outlook on the deposit's rating to positive.

> **Fitch** (19 out.20) reaffirmed BPI's **LT senior debt** and **LT deposits** ratings of **BBB+** and **BPI** rating of **BBB**, with Negative outlook.

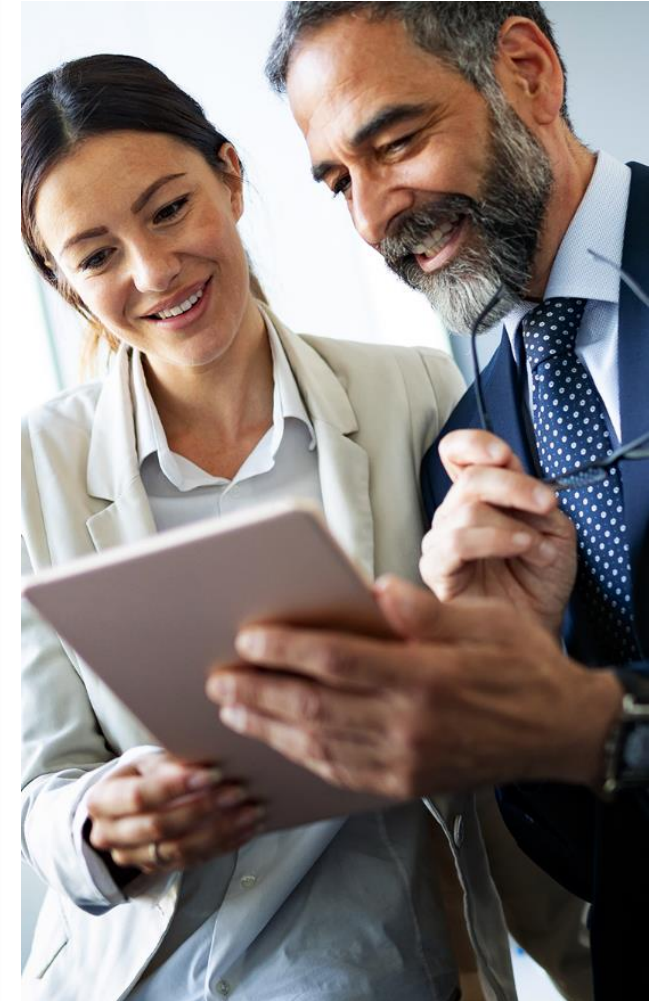
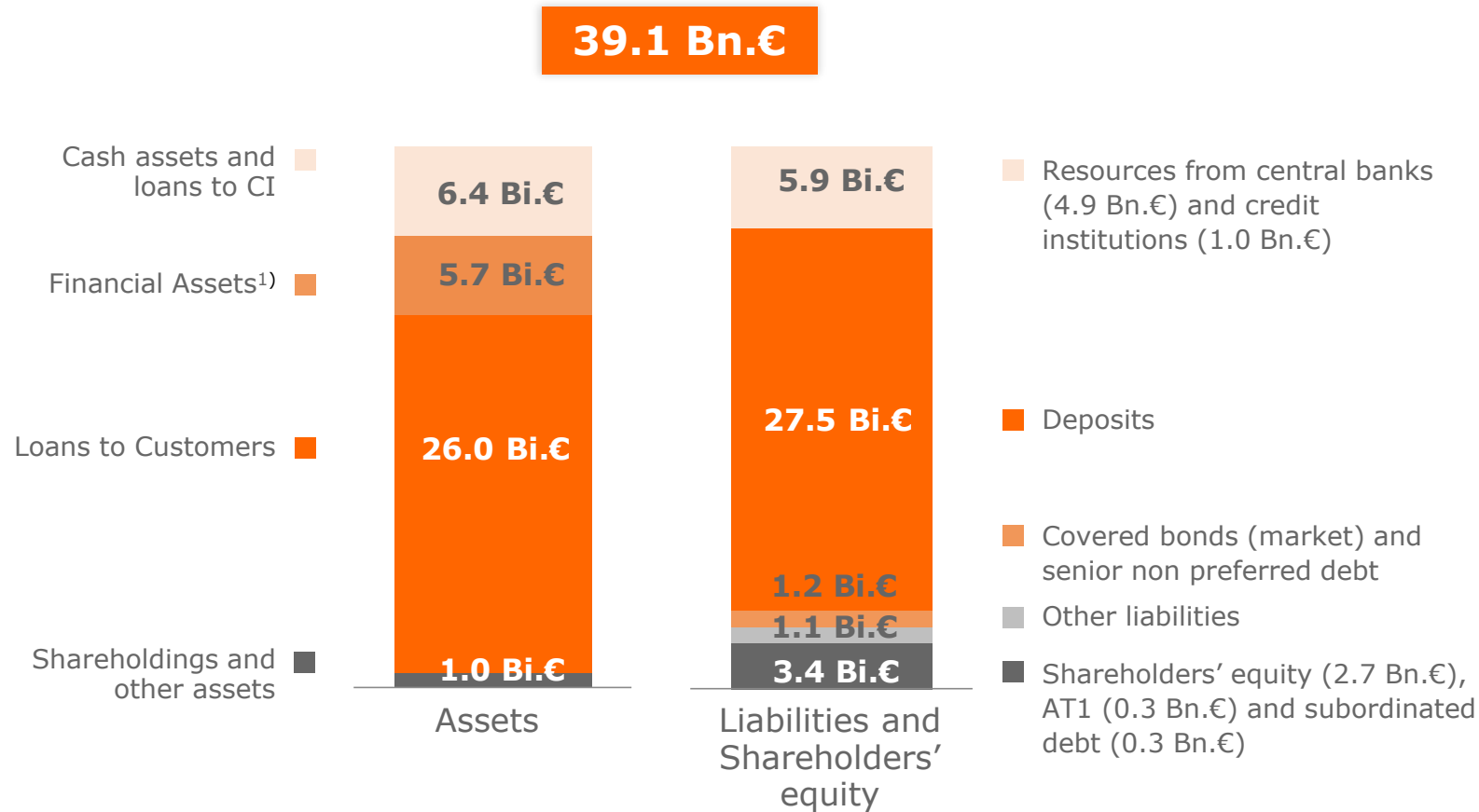
INCOME STATEMENT OF THE ACTIVITY IN PORTUGAL



In M.€	Jun 20	Reclassif. (1)	Jun 20 adjusted	Jun 21	Δ% Jun21 /Jun20 ajust
Net interest income	220.0		220.0	227.1	3.2%
Dividend income	2.1		2.1	1.7	-16.2%
Equity accounted income	7.9		7.9	10.7	35.1%
Net fee and commission income	118.1	-0.8	117.4	130.2	11.0%
Gains/(losses) on financial assets and liabilities and other	-12.4		-12.4	12.1	-
Other operating income and expenses	-23.9	3.2	-20.8	-31.7	-52.5%
Gross income	311.8	2.4	314.2	350.2	11.5%
Recurrent staff expenses	-122.4	-0.8	-123.2	-115.9	-5.9%
Other administrative expenses	-70.7	-1.6	-72.3	-71.9	-0.4%
Depreciation and amortisation	-22.8		-22.8	-29.0	27.1%
Recurring operating expenses	-215.9	-2.4	-218.2	-216.8	-0.6%
Non-recurrent costs				-6.6	-
Operating expenses	-215.9	-2.4	-218.2	-223.5	2.4%
Net operating income	95.9		95.9	126.7	32.1%
Impairment losses and other provisions	-84.0		-84.0	-10.2	-87.9%
Gains and losses in other assets	0.7		0.7	0.3	-54.2%
Net income before income tax	12.7		12.7	116.8	-
Income tax	-6.2		-6.2	-32.5	-
Net income	6.5		6.5	84.4	-

BALANCE SHEET OF THE ACTIVITY IN PORTUGAL

30 Jun. 2021



CONSOLIDATED INCOME STATEMENTS



In M.€	jun 20	Reclassif. (1)	Jun 20 adjusted	Jun 21
Net interest income	220.0		220.0	227.1
Dividend income	42.3		42.3	99.7
Equity accounted income	11.3		11.3	20.7
Net fee and commission income	118.1	-0.8	117.4	130.2
Gains/(losses) on financial assets and liabilities and other	-17.9		-17.9	14.1
Other operating income and expenses	-27.1	3.2	-24.0	-39.5
Gross income	346.6	2.4	349.0	452.3
Staff expenses	-122.4	-0.8	-123.2	-122.6
<i>Of which: Recurrent staff expenses</i>	-122.4	-0.8	-123.2	-115.9
<i>Non-recurrent costs</i>				-6.6
Other administrative expenses	-70.7	-1.6	-72.3	-71.9
Depreciation and amortisation	-22.8		-22.8	-29.0
Operating expenses	-215.9	-2.4	-218.2	-223.5
Net operating income	130.8		130.8	228.8
Impairment losses and other provisions	-84.0		-84.0	-10.2
Gains and losses in other assets	0.7		0.7	0.3
Net income before income tax	47.5		47.5	219.0
Income tax	-5.0		-5.0	-33.9
Net income	42.6		42.6	185.1
EARNINGS PER SHARE			Jun 20	Jun 21
Earnings per share (€)			0.02	0.12
Average weighted nr. of shares (in millions)			1 456.9	1 456.9

CONSOLIDATED BALANCE SHEET



In M.€	Dec 20	Jun 21
ASSETS		
Cash and cash balances at central banks and other demand deposits	4 535.2	5 083.0
Financial assets held for trading, at fair value through profit or loss and at fair value through other comprehensive income	2 258.5	2 068.8
Financial assets at amortised cost	30 004.0	31 220.4
Loans to Customers	25 207.8	25 961.9
Investments in joint ventures and associates	238.2	253.9
Tangible assets	152.9	194.4
Intangible assets	87.0	89.6
Tax assets	271.0	239.7
Non-current assets and disposal groups classified as held for sale	7.9	6.3
Other assets	231.0	433.1
Total assets	37 785.6	39 589.3
LIABILITIES		
Financial liabilities held for trading	141.3	120.0
Financial liabilities at amortised cost	33 695.7	35 341.2
Deposits - Central Banks and Credit Institutions	5 504.3	5 763.3
Deposits - Customers	26 008.6	27 660.6
Debt securities issued	1 804.9	1 502.6
Memorandum items: subordinated liabilities	304.3	304.3
Other financial liabilities	378.0	414.7
Provisions	48.7	49.3
Tax liabilities	23.2	22.6
Other liabilities	620.3	514.6
Total Liabilities	34 529.3	36 047.6
Shareholders' equity attributable to the shareholders of BPI	3 256.3	3 541.7
Non controlling interests	0.0	0.0
Total Shareholders' equity	3 256.3	3 541.7
Total liabilities and Shareholders' equity	37 785.6	39 589.3

CONSOLIDATED INDICATORS

Profitability, Efficiency and Liquidity Indicators

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

	Jun 20	Jun 21
Gross income / ATA	2.1%	2.3%
Net income before income tax and income attributable to non-controlling interests / ATA	0.3%	1.1%
Net income before income tax and income attributable to non-controlling interests / average shareholders' equity (including non-controlling interests)	2.8%	12.8%
Staff expenses / Gross income ¹⁾	35.3%	25.6%
Operating expenses / Gross income ¹⁾	62.5%	47.9%
Loans (net) to deposits ratio	99%	94%

NPE ratio and forborne (according to the EBA criteria)

	Jun 20	Jun 21
Non-performing exposures - NPE (M.€)	696	570
NPE ratio	2.0%	1.5%
NPE coverage by impairments	69%	91%
NPE coverage by impairments and collaterals	134%	156%
Ratio of forborne not included in NPE ²⁾	0.5%	0.5%

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

	Jun 20	Jun 21
"Crédito duvidoso" (M.€) ³⁾	738	587
"Crédito duvidoso" ratio	2.8%	2.1%
"Crédito duvidoso" coverage by impairments	65%	88%
"Crédito duvidoso" coverage by impairments and collaterals	125%	147%



1) Excluding early-retirement costs.

2) Forborne according to EBA criteria and considering the scope of prudential supervision. On jun.21, the forborne was 460 M.€ (forborne ratio of 1.1%), of which 218 M.€ was performing loans (0.5% of the gross credit exposure) and 242 M.€ was included in NPE (0.6% of the gross credit exposure).

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

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

Profit & loss account

Jun 21 (M.€)	As reported by BPI	Adjustments ¹⁾	BPI contribution to CABK Group	BPI segment	Equity investments and other segment
Net interest income	227	(5)	222	223	(1)
Dividends	100		100	2	98
Equity accounted income	21	(1)	20	10	10
Net fees and commissions	130		130	130	
Trading income	14	1	15	13	2
Other operating income & expenses	(40)		(40)	(32)	(8)
Gross income	452	(4)	448	347	101
Recurrent operating expenses	(217)	(6)	(223)	(223)	
Extraordinary operating expenses	(7)	6	(1)	(1)	
Pre-impairment income	229	(6)	223	122	101
[Pre-impairment income without extraordinary expenses]	236	(11)	225	123	102
Impairment losses on financial assets	(10)	18	8	8	
Other impairments and provisions		(6)	(6)	(6)	
Gains/losses on disposals & others					
Pre-tax income	219	7	226	125	101
Income tax	(34)	2	(32)	(31)	(1)
Profit for the period	185	9	194	94	100
Minority interests & other					
Net income	185	9	194	94	100

Loan portfolio & customer resources

June 2021 (M.€)	As reported by BPI	Adjustments	BPI contribution to CABK Group (BPI segment)
Loans and advances to customers, net	25 962	(30)	25 932
Total customer funds	38 664	(4 292)	34 372

> Profit & loss account

The difference between the earnings released by BPI and the earnings attributable to CaixaBank Group is largely a result of consolidation adjustments and the net change in the fair value adjustments generated from the business combination.

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

> Loan portfolio & customer funds

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

- In **loans and advances to customers, net**, by the associated fair value adjustments generated by the business combination at 30 June 2021 and consolidation adjustments (elimination of intra-group balances: BPI credit to CaixaBank Payments);
- In **total customer funds**, by the liabilities under insurance contracts and their fair value adjustments at 30 June 2021, as generated by the business combination, which have been reported in the banking and insurance business segment of CaixaBank following the sale of BPI Vida to VidaCaixa de Seguros y Reaseguros.

1) Consolidation, standardisation and net fair value adjustments in the business combination.

ALTERNATIVE PERFORMANCE MEASURES

Reconciliation of the profit & loss account structure

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

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

Adopted acronyms and designations

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

Units, conventional sings and abbreviations

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

ALTERNATIVE PERFORMANCE MEASURES

Reconciliation of the consolidated profit & loss account structure

Structure used in the Results' Presentation	Jun 21	Jun 21	Structure presented in the financial statements and respective notes
Net interest income	227.1	227.1	Net interest income
Dividend income	99.7	99.7	Dividend income
Equity accounted income	20.7	20.7	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	130.2	142.1	Fee and commission income
		-11.8	Fee and commission expenses
Gains/(losses) on financial assets and liabilities and other	14.1	0.0	Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net
		3.4	Gains or (-) losses on financial assets and liabilities held for trading, net
		4.4	Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net
		-1.1	Gains or (-) losses from hedge accounting, net
		7.4	Exchange differences [gain or (-) loss], net
Other operating income and expenses	-39.5	19.6	Other operating income
		-59.1	Other operating expenses
Gross income	452.3	452.3	GROSS INCOME
Staff expenses	-122.6	-122.6	Staff expenses
Other administrative expenses	-71.9	-71.9	Other administrative expenses
Depreciation and amortisation	-29.0	-29.0	Depreciation
Operating expenses	-223.5	-223.5	Administrative expenses and depreciation
Net operating income	228.8	228.8	
Impairment losses and other provisions	-10.2	-1.1	Provisions or (-) reversal of provisions
		-9.1	Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss
Gains and losses in other assets	0.3		Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates
			Impairment or (-) reversal of impairment on non-financial assets
		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	219.0	219.0	PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS
Income tax	-33.9	-33.9	Tax expense or income related to profit or loss from continuing operations
Net income from continuing operations	185.1	185.1	PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS
Net income from discontinued operations			Profit or (-) loss after tax from discontinued operations
Income attributable to non-controlling interests			Profit or (-) loss for the period attributable to non-controlling interests
Net income	185.1	185.1	PROFIT OR (-) LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT

ALTERNATIVE PERFORMANCE MEASURES

EARNINGS, EFFICIENCY AND PROFITABILITY INDICATORS

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

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

BALANCE SHEET AND FUNDING INDICATORS

On-balance sheet Customer resources²⁾	Deposits + Capitalisation insurance of fully consolidated subsidiaries + Participating units in consolidated mutual funds ▪ Deposits = Demand deposits and other + Term and savings deposits + Interest payable + Retail bonds (Fixed rate bonds placed with Customers) ▪ Capitalisation insurance of fully consolidated subsidiaries (BPI Vida e Pensões sold on Dec.17)
Assets under management³⁾	Mutual funds + Capitalisation insurance + Pension plans ▪ Mutual funds = Unit trust funds + Real estate investment funds + Retirement-savings and equity-savings plans (PPR and PPA) + Hedge funds + Assets from the funds under BPI Suisse management + Third-party unit trust funds placed with Customers. ▪ Capitalisation insurance⁴⁾ = Third-party capitalisation insurance placed with Customers ▪ Pension plans⁴⁾ = Pension plans under BPI management (includes BPI pension plans)
Subscriptions in public offerings	Customers subscriptions in third parties' public offerings

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

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

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

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

ALTERNATIVE PERFORMANCE MEASURES

BALANCE SHEET AND FUNDING INDICATORS (continuation)

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

ASSET QUALITY INDICATORS

Impairments and provisions for loans and guarantees (income statement)	Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss relative to loans and advances to Customers and to debt securities issued by Customers (financial assets at amortised cost), before deduction of recoveries of loans previously written off from assets, interest and others + Provisions or reversal of provisions for commitments and guarantees
Cost of credit risk	Impairments and provisions for loans and guarantees - Recoveries of loans previously written off from assets, interest and other
Cost of credit risk as % of loan portfolio⁽¹⁾	(Impairments and provisions for loans and guarantees - Recoveries of loans previously written off from assets, interest and other) / Average value in the period of the gross loans and guarantees portfolio.
Performing loans portfolio	Gross Customer loans - (Overdue loans and interest + Receivable interests and other)
NPE Ratio	Ratio of non-performing exposures (NPE) in accordance with the EBA criteria (prudential perimeter)
Coverage of NPE	[Impairments for loans and advances to Customers (financial assets at amortised cost) + Impairments for debt securities issued by Customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments] / Non-performing exposures (NPE)
Coverage of NPE by impairments and associated collaterals	[Impairments for loans and advances to Customers (financial assets at amortised cost) + Impairments for debt securities issued by Customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments + Collaterals associated to NPE] / Non-performing exposures (NPE)
Non-performing loans ratio ("credito dudoso", Bank of Spain criteria)	Non performing loans ("credito dudoso", Bank of Spain criteria) / (Gross Customer loans + guarantees)
Non-performing loans coverage ratio	[Impairments for loans and advances to Customers (financial assets at amortised cost) + Impairments for debt securities issued by Customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments] / Non performing loans ("credito dudoso", Bank of Spain criteria)
Coverage of non-performing loans by impairments and associated collaterals	[Impairments for loans and advances to Customers (financial assets at amortised cost) + Impairments for debt securities issued by Customers (financial assets at amortised cost) + Impairments and provisions for guarantees and commitments + Collateral associated to credit] / Non performing loans ("credito dudoso", Bank of Spain criteria)
Impairments cover of foreclosed properties	Impairments for real estate received in settlement of defaulting loans / Gross value of real estate received in settlement of defaulting loans

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



Grupo  CaixaBank

BANCO BPI, S.A.

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