

A woman with long dark hair, wearing a black blazer over a white polka-dot top, stands in a modern office. The office features wooden walls, a mezzanine level, and several computer workstations with monitors. To the right, there is a white shelving unit filled with binders and small potted plants.

# ACCOMPLISH NOW

**3Q21**  
BANCO BPI  
CONSOLIDATED  
RESULTS



2 NOVEMBER 2021

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# BPI IN SEPTEMBER 2021

Permanent support to Families, Companies, and Society

30th Sep. 2021



## Consolidated net income: 242 M.€

(vs 86 M.€ in Sep.20)

Net income from the activity  
in Portugal: 127 M.€ (vs 47 M.€ in Sep.20)



## Strong commercial dynamism,

in a very adverse environment:  
loans grew by 7.5% YoY and total  
Customer resources by 9.2% YoY;



## Gross income increased by 10.2% YoY,

commissions grew significantly (+15.7%)  
and net interest income shows  
resilience (+2.8%);



## Focus on Digital transformation and Customer experience:

757 thousand digital clients, of which  
519 thousand with BPI app (+71 thousand YoY);



## Strong economic and financial position:

NPE of 1.5% and NPE coverage at 153%;  
cost of credit risk of 0.11% (non-annualised);

CET1 ratio of 14.5%; total capital of ratio 17.6%;

Investment grade ratings by the three main  
international agencies;



## Committed to People, Society and the Environment

Volunteering Program: +100 initiatives and  
+3 700 people impacted;

30 M.€ to support Society, with  
"la Caixa" Foundation;

Sustainable Financing operations:  
subscription / placement of +300 M.€

## Net profit

Consolidated **242** M.€

in Portugal **127** M.€

## Commercial activity (Δ YoY)

Loan portfolio **+1.9** Bi.€

Total Customer resources **+3.3** Bi.€

## Asset quality

NPE **1.5** %

Coverage **153** %

## Capitalisation

CET1 ratio **14.5** %

Total ratio **17.6** %

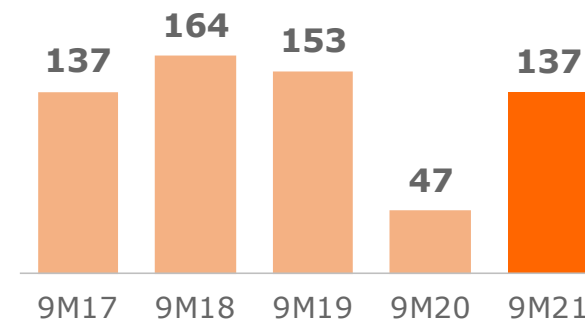
# CONSOLIDATED NET PROFIT OF 242 M.€ IN SEPTEMBER 2021

In M.€	Sep 20	Sep 21
<b>Activity in Portugal</b>		
<b>Recurrent net profit</b>	<b>47</b>	<b>137</b>
Non-recurrent impacts <sup>1)</sup>		-10
<b>Net profit in Portugal</b>	<b>47</b>	<b>127</b>
BFA contribution	31	100
BCI contribution	7	14
<b>Consolidated net profit</b>	<b>86</b>	<b>242</b>

Of which	Δ YoY
Commercial Banking Gross Income <sup>(2)</sup>	<b>+39 M.€</b>
Reduction in loan impairments	<b>+69 M.€</b>
Gains/(losses) on financial assets & liabilities and other operating income and expenses	<b>+12 M.€</b>
Costs reduction	<b>+3 M.€</b>
Income tax and other	<b>-33 M.€</b>

## Activity in Portugal

### Recurrent net profit (M.€)



### Recurrent ROTE (last 12 months)

Sep 20	Sep 21
<b>4.3%</b>	<b>6.0%</b>

## BFA and BCI contribution

- **BFA contribution of 100 M.€.** It includes 40 M.€ of 2020 ordinary dividend and 50 M.€ of free reserves distribution accounted for in income statement.
- **BCI contribution of 14 M.€**

# LOAN PORTFOLIO GROWS 7.5% YoY

## Loans to Customers by segments

Gross portfolio, in M.€	Sep 20	Sep 21	YoY	YtD
<b>I. Loans to individuals</b>	<b>13 504</b>	<b>14 533</b>	<b>7.6%</b>	<b>5.7%</b>
Mortgage loans	11 803	12 741	8.0%	6.1%
Other loans to individuals	1 701	1 791	5.3%	3.1%
<b>II. Loans to companies</b>	<b>9 923</b>	<b>10 461</b>	<b>5.4%</b>	<b>3.9%</b>
<b>III. Public sector</b>	<b>1 816</b>	<b>2 144</b>	<b>18.1%</b>	<b>14.1%</b>
<b>Total loans</b>	<b>25 243</b>	<b>27 137</b>	<b>7.5%</b>	<b>5.6%</b>
Note:				
Loan portfolio net of impairments	24 775	26 623	7.5%	5.6%

Total loan portfolio grows **1.9 Bi.€ YoY**

> Mortgage loans increase **8.0% YoY (+0.9 Bi.€)**

> Loans to companies increase **5.4% YoY (+0.5 Bi.€)**

## Market share

of total loan  
portfolio

**10.9%** +0.3 p.p. YoY

(Aug. 2021)



# SUPPORT TO FAMILIES AND BUSINESSES

## Moratoria

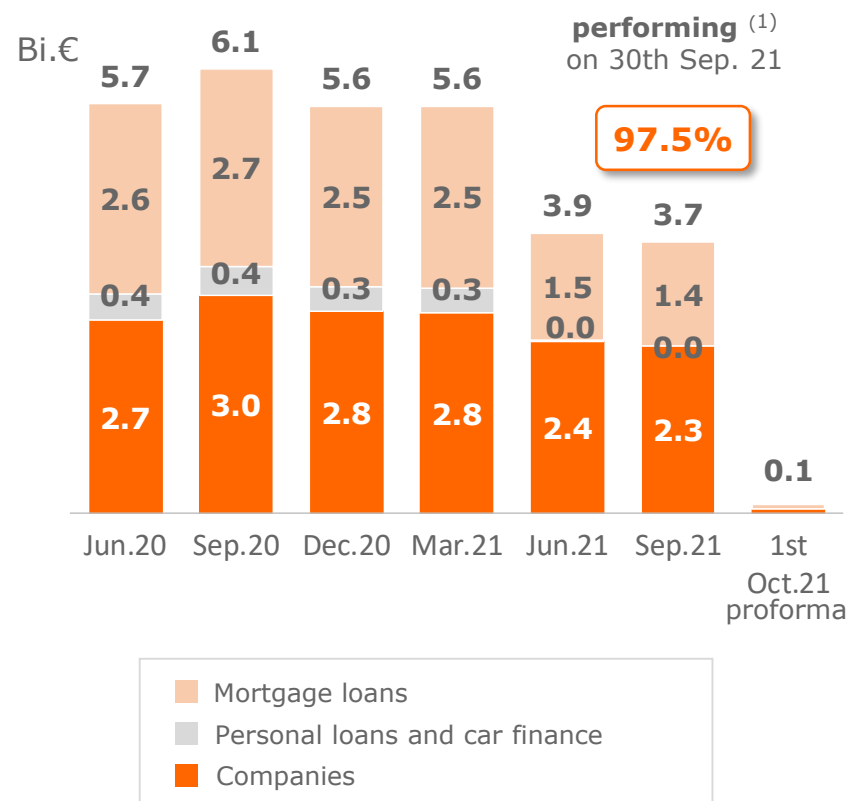
> **97.5% of moratoria were performing loans** <sup>1)</sup> on 30 September 2021

> **End of moratoria** on 30 September 2021

> **BPI maintained its credit quality and the NPL ratio**, even after the end of the APB moratoria at end-June 2021

> Given the behaviour up to date of loans that resume payment obligations at the end of September 2021, **a deterioration in the quality of BPI's loan portfolio is not expected.**

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



## Covid19 support lines <sup>2)</sup>

(cumulative up to September 2021)

**Loans granted by BPI** <sup>3)</sup>

**1.1 Bi.€**

# applications

**12.2**  
thousands

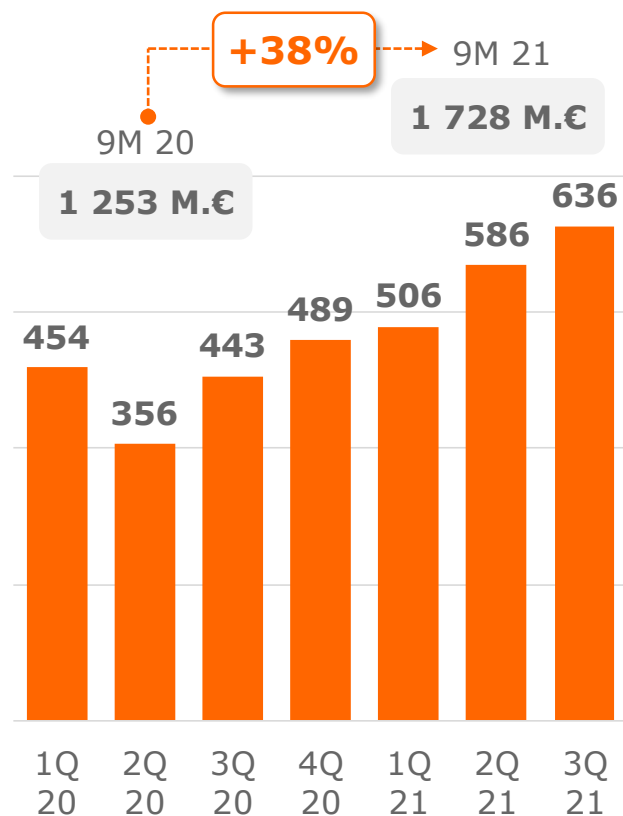
2) Covid lines of support to the economy with public guarantee (SGM) and EIF guaranteed Covid-19 related credit line of support to SMEs.

3) Covid Lines of which 1.0 Bi.€ drawn.

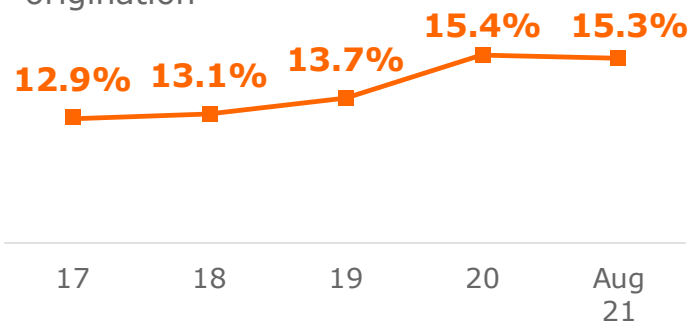
# MORTGAGE LENDING ORIGINATION INCREASES 38% YoY

## Mortgage loans

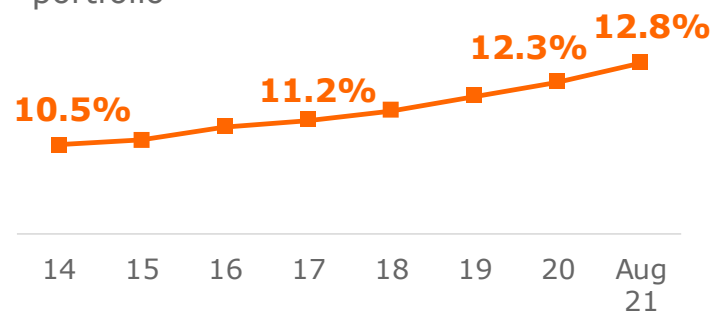
Loan origination M.€



Market share in origination

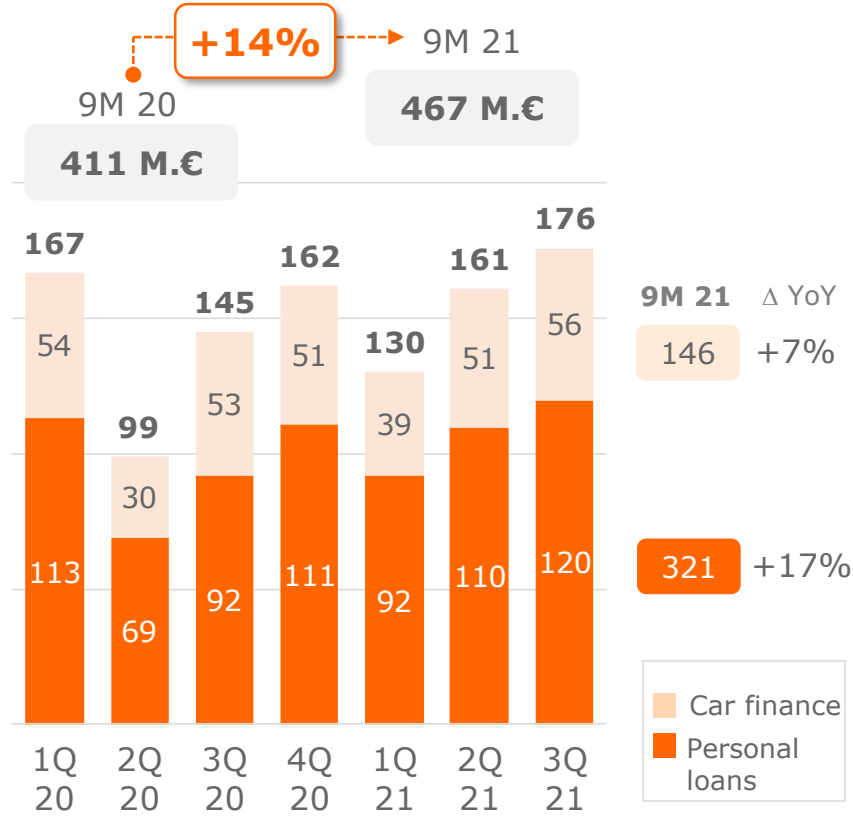


Market share in loan portfolio



## Personal loans and Car finance

Loan origination M.€



# TOTAL CUSTOMER RESOURCES INCREASE 9.2% YoY

Deposits **+10.9%** YoY and Assets under management **+11.9%** YoY

## Customer resources

In M.€	Sep 20	Sep 21	YoY	YtD
<b>I. Customer deposits</b>	<b>25 287</b>	<b>28 038</b>	<b>10.9%</b>	<b>7.8%</b>
<b>II. Assets under management</b>	<b>9 266</b>	<b>10 366</b>	<b>11.9%</b>	<b>7.5%</b>
Mutual funds	4 926	6 030	22.4%	13.6%
Capitalisation insurance	4 340	4 336	-0.1%	0.0%
<b>III. Public offerings</b>	<b>1 402</b>	<b>860</b>	<b>-38.7%</b>	<b>-35.7%</b>
<b>Total</b>	<b>35 954</b>	<b>39 263</b>	<b>9.2%</b>	<b>6.1%</b>

## Market shares

	Aug 21	Δ YoY
<b>Deposits</b>	<b>10.7%</b>	+0.2 p.p.
<b>Mutual funds</b>	<b>10.6%</b>	-0.1 p.p.
<b>Capitalisation insurance</b>	<b>17.8%</b>	+1.3 p.p.
<b>Retirement savings plans</b>	<b>11.6%</b>	+0.3 p.p.



# BPI, A BANK FOR FAMILIES AND BUSINESSES

With proposals and solutions for every moment of your life

## Simplification of Daily Routines



SOLUÇÕES PARA O DIA A DIA  
Saiba mais em [bancobpi.pt](https://www.bancobpi.pt)

- New accounts "Conta Valor+" and "Premier+"
- More than 250 partners with discounts

FamilyExperiências

**MAIS VANTAGENS  
NA SUA CONTA VALOR.**

A Conta Valor BPI tem associadas vantagens e descontos em mais de 250 marcas. Bem-vindo ao Family Experiências.

Saiba mais >



## My Home

- Launch of mortgage loans with fixed rate up to 40 years
- Faster response to Customers



## Enjoying Life

- Immediate loans for the acquisition of non-financial products

## Sleeping Peacefully

- Insurance: launch of security Check-up
- More information and process simplification in Insurance



## Looking to the Future

- Campaign for the Junior and Youth segment



POUPE PARA O FUTURO DOS SEUS FILHOS.



New **CITIZEN** segment  
for foreign residents



## A Bank for Businesses



POS: single contract with all  
services and competitive prices



# BPI, A BANK FOR FAMILIES AND BUSINESSES



Improvement in the  
**Advisory Sales** and  
**Consulting** service.

**# 208**

Financial Advisors at  
Branches and Premier Centres

**~9.9 Bi€**

Business volume



*Personalised Financial Advisory Service,  
especially aimed at Customers with high  
net worth or potential for accumulation.*



**Success of new omnichannel  
service,** with remote personal  
account manager



**4** Centres  
**56** Account  
managers

**78 mil**  
Customers

**~1.7 Bi€**  
Business volume

**95%**  
Acceptance  
rate

# BPI, A BANK FOR COMPANIES

**BPI**Empresas

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

## Loans to companies

**+0.5 Bi.€** +5.4%  
(Sep.21, Δ YoY)

## Market share

**10.4%**  
(Aug.21)

## BPI is the Companies' partner in the Resilience and Recovery Plan (RRP)



Resiliência  
€ 11.125 Milhões



Transição Climática  
€ 3.059 Milhões



Transição Digital  
€ 2.460 Milhões



## DISCLOSURE OF THE PRR



### INTERNAL COMMUNICATION

- ✓ Creation of **internal know-how** and **training** for the Commercial Network
- ✓ **Intranet** aggregating portal
- ✓ **Specialist team**



### EXTERNAL COMMUNICATION

- ✓ **Dedicated page** on BPI Empresas website
- ✓ **Conference and Webinars for Clients**
- ✓ **Press and Digital Ads**
- ✓ "Recover Now" **Video and Podcasts**
- ✓ **Newsletters** to Customers
- ✓ **Social networks**



## New Offer in 3rd Quarter

### BPI/RRP Credit Line

Launch of support line for entities that applied to funds under the RRP



### BPI/EIF EGF Line

Support line to Portuguese SMEs raised to 500 M.€



# INTERVENTION IN THE STRATEGIC SEGMENTS OF AGRICULTURE AND TOURISM



## NATIONAL AGRICULTURE AWARDS

### Launch of 10th edition

- The main national award distinguishing the best practices in the agricultural sector
- **Applications until 30th October** at [www.premioagricultura.pt](http://www.premioagricultura.pt)

Partnership with **Cofina** and institutional support from the **Ministry of Agriculture**



### Events in 3Q21

8 Sep.	16 Sep.	13 Oct.	25 Oct.
<ul style="list-style-type: none"> <li>✓ Launch of <b>10th edition</b>, with Debate on the Challenges of Agriculture</li> <li>✓ <b>Official sponsor of National Agricultural Fair</b></li> </ul>	Webinar with interviews <b>"Agriculture NOW"</b>	Webinar with debate on <b>Digital Innovation and Renewal</b>	Webinar with debate on <b>Water: sustainable irrigation</b>



## NATIONAL TOURISM AWARDS

### 3rd edition receives 439 applications

- The main national award distinguishing the best companies in the sector
- **Winners to be announced in December**

Partnership with **Impresa** and institutional support from the **Ministry of Economy**



### Events in 3Q21

Aug. / Sep.	9 Sep.	Dec.
<b>5 interviews with sector specialists</b> published in Expresso weekly newspaper, including with Luís Araújo, from Turismo de Portugal	Launch of <b>awards' 3rd edition</b> , with TV coverage	<b>Awards ceremony</b>

### Next events:

# ENTREPRENEURSHIP AND INNOVATION

Activity in the 3rd quarter



**BPI Woman  
Entrepreneur  
Awards**

Recognising the  
career of  
Portuguese women,  
an initiative for  
**diversity and  
inclusion**

## 2021 | 4th edition in Portugal

- ◇ **IWEC Awards, an initiative** launched in 2007 by the Barcelona Chamber of Commerce, with the **support of CaixaBank**
- ◇ **Winner: Sandra Santos, CEO of BA Glass**



**COTEC Innovator  
Status**

Distinguishing  
companies that  
stand out for their  
performance in  
**innovation** and  
**sustainability**

## 2021 | 1st edition

- ◇ **BPI joined the COTEC Innovator Status**, launched at the beginning of the year
- ◇ **More than 1,000 applications**, 18.5% of which through BPI.
- ◇ **572 companies awarded status**



# BPI APP INCREASINGLY RELEVANT

More Clients, more sales and greater proximity



## More Digital Clients

Mobile-focused growth

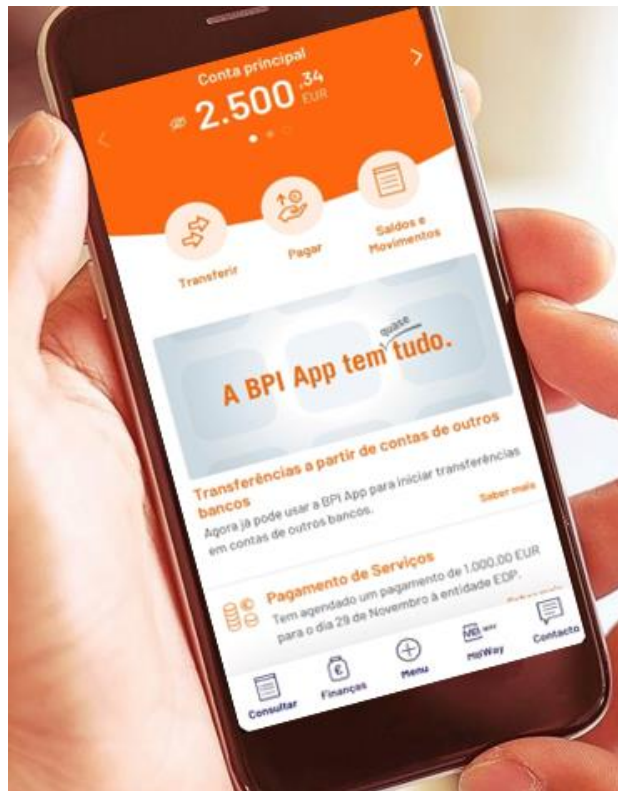
(30th Sep. 2021)

**+71 thousand**

BPI App active users  
(Δ YoY)

**93%**

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

(Jan.- Sep. 2021)

**71%**

of sales are digitally  
initiated <sup>1)</sup>

**+7 p.p.**

versus same  
period last year



## Greater proximity

Increase in digital interactions

(Jan.- Sep. 2021)

**16 million**

Average logins  
per month

**71%**

of logins are mobile

**+14%**

Logins Δ YoY

**97%**

transactions made  
through digital channels<sup>2)</sup>



## Digital channels penetration

**#2**

"Net+Mobile"  
Individual Clients <sup>3)</sup>

**#2**

Homebanking  
Corporate Clients <sup>4)</sup>



## Satisfaction with the digital channels

**#2**

Global Satisfaction  
Individual Clients <sup>3)</sup>

**#3**

Homebanking  
Corporate Clients <sup>4)</sup>

**Greater proximity to the Clients and increase in Digital Sales**



# INNOVATION IN THE DIGITAL CHANNELS

## Enhanced Experience of Individual Clients

(new in 2021)

### Simplification of Daily Routines

- **Digital Mobile Key** now used to **open an account and update personal details** NEW 3Q
- **Easier and faster access to MB WAY Payments**
- Simplification of **contracting, cancellation and replacement of Debit Cards** through the Digital Channels
- Continuous evolution of **Self Service Cashiers**: NEW 3Q
  - ❑ Cards activation
  - ❑ Multi-language interface (PT, EN, FR, ES)

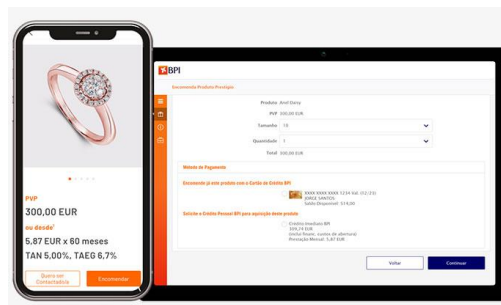


### My Home

- **Mortgage Loan Simulator**
- Start of **Mortgage Loan contracting** with **online decision** NEW 3Q

### Enjoying Life

- Acquisition of **Prestige Products** through **Immediate Loans** NEW 3Q

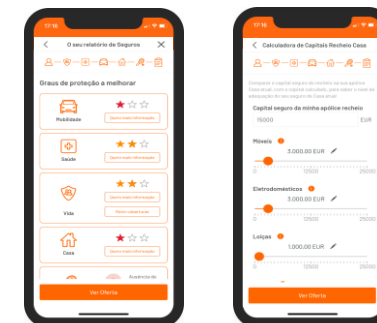


### Looking to the Future

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

### Sleeping Peacefully

- **Life Insurance** linked to Mortgage and Personal Loans
- **Simulator** to define insured capital when taking out "BPI Family Life" insurance"
- **Security Check-up** to assess the Client's level of protection NEW 3Q
- Multi-Risk/Home Insurance **Claims Reporting**



# INNOVATION IN THE DIGITAL CHANNELS

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

(new in 2021)

## Larger offer

- **Credit Cards** offer and **Prestige Products catalogue** available on BPI Net Empresas
- Closing data inquiries on the new **POS** (acquiring Visa/MasterCard) at BPI Net Empresas
- **Instant Loans for companies**, 100% digital at BPI Net Empresas:
  - ❑ Simulation and contracting on BPI Net Empresas
  - ❑ Automated decision
  - ❑ Funds made available on the spot

NEW  
3Q

NEW  
3Q



## Better experience

- New **APP BPI Empresas**:
  - ❑ Improved design and simpler browsing
  - ❑ Biometric authentication
  - ❑ New functionalities
- Simplification of Customer contact with the Commercial Networks

# GROSS INCOME INCREASES 10.2%

Commercial banking gross income increases **7.4%**

## Gross income in the activity in Portugal

In M.€	Sep 20	Sep 21	Δ%
Net interest income	331	340	2.8%
Dividends and equity accounted income	16	18	11.0%
Net fee and commission income	177	204	15.7%
<b>COMMERCIAL BANKING GROSS INCOME</b>	<b>523</b>	<b>562</b>	<b>7.4%</b>
Other income (net) <sup>1)</sup>	( 30)	( 18)	
<b>Gross income</b>	<b>494</b>	<b>544</b>	<b>10.2%</b>

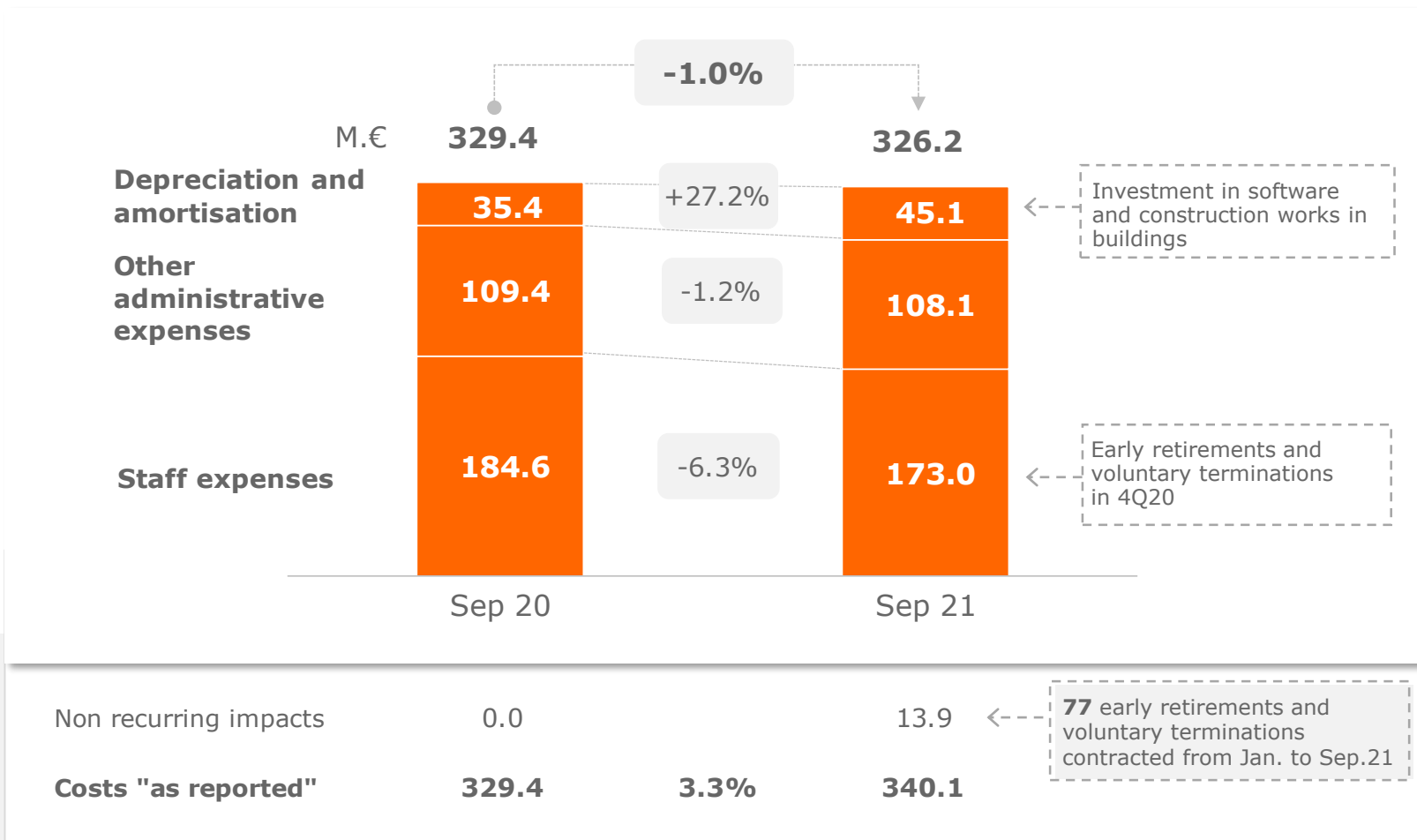
### Resilience of net interest income, +2.8%

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

### Net fee and commission income increases 15.7%

- ↑ 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 1%

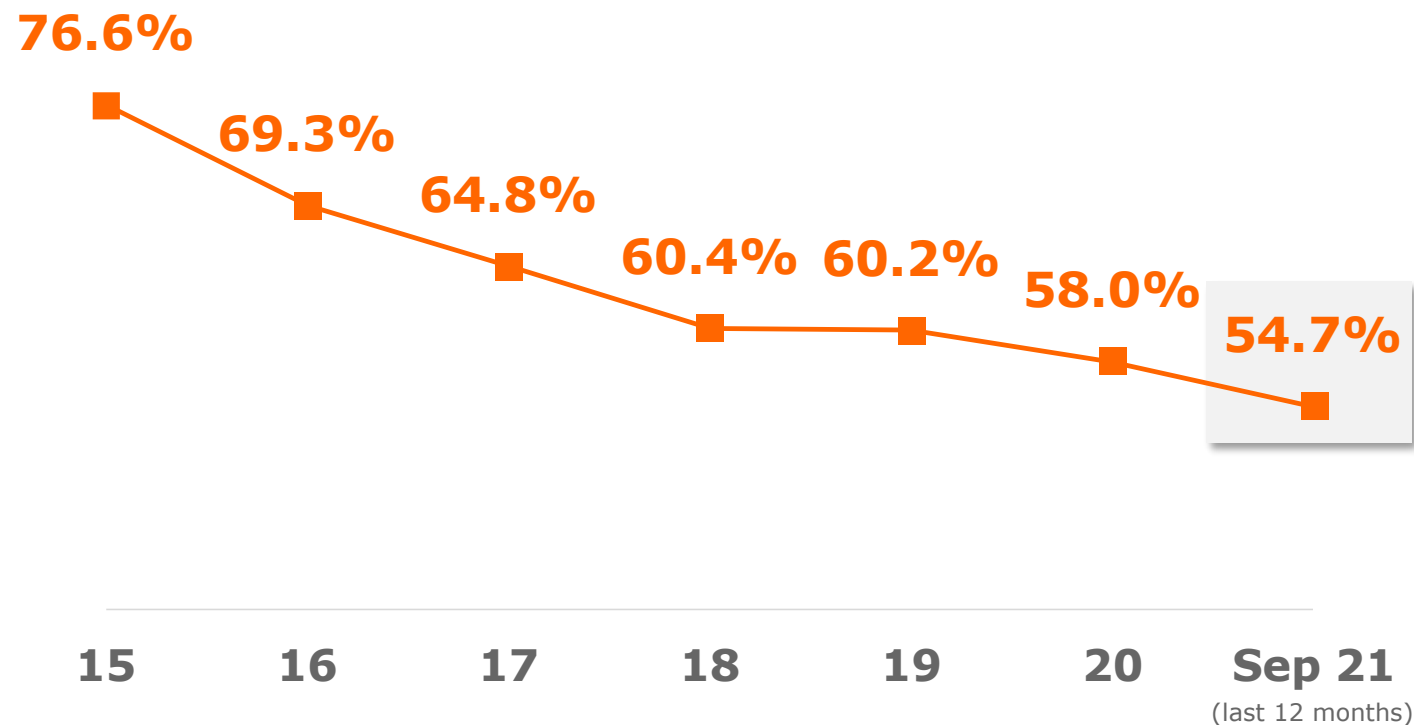


	Sep 21	Δ YtD
<b>Staff</b>	<b>4 538</b>	<b>-84</b>
<b>Distribution network</b>	<b>375</b>	<b>-47</b>
Of which:		
Retail branches	316	-44
Premier Centres	24	-3
Mobile branch	1	-
Corporate and Institutionals Centres	34	-

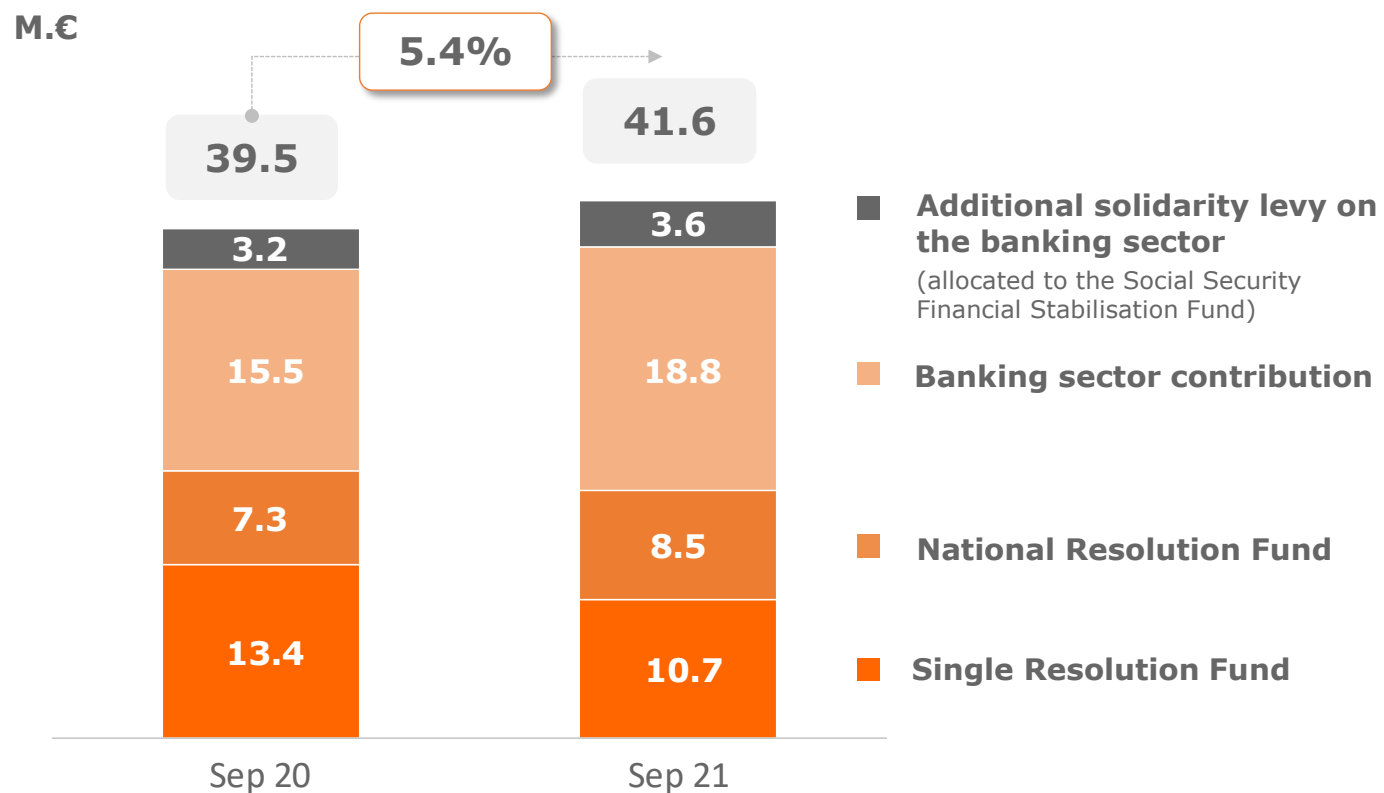
# COST-TO-CORE INCOME IMPROVES TO 54.7%

## Cost-to-core income

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



# REGULATORY COSTS OF 41.6 M€ IN 2021





# COST OF CREDIT RISK OF 0.11%

— **Impairments: 61.5 M.€** in 9M.21

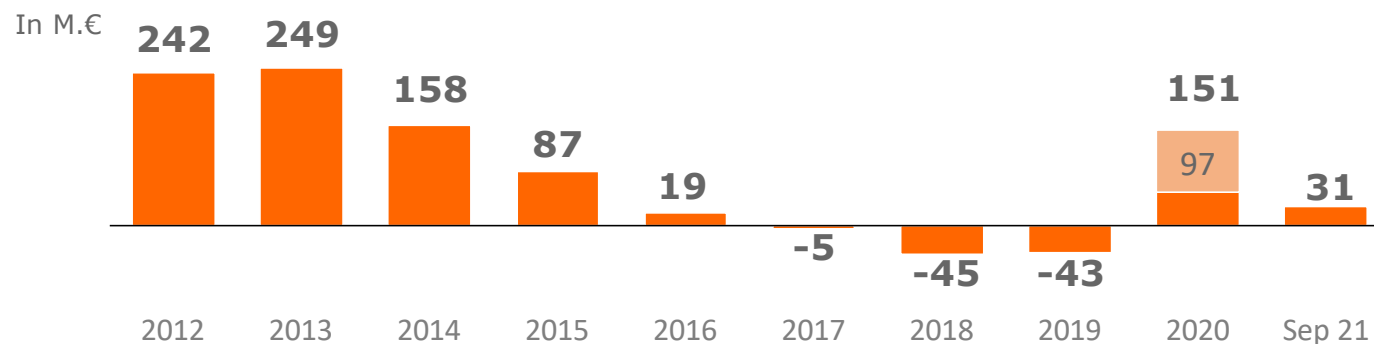
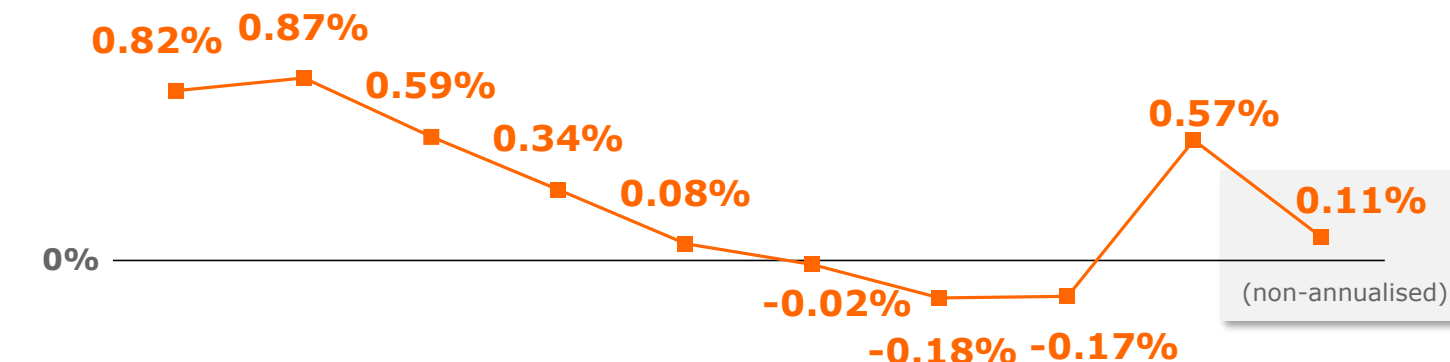
+ **Credit recoveries: 30.1 M.€** in 9M.21

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

On-balance sheet **non-allocated impairments: 69.5 M.€** in Sep.21

## Loan impairments net of recoveries

— as % of gross loans and guarantees



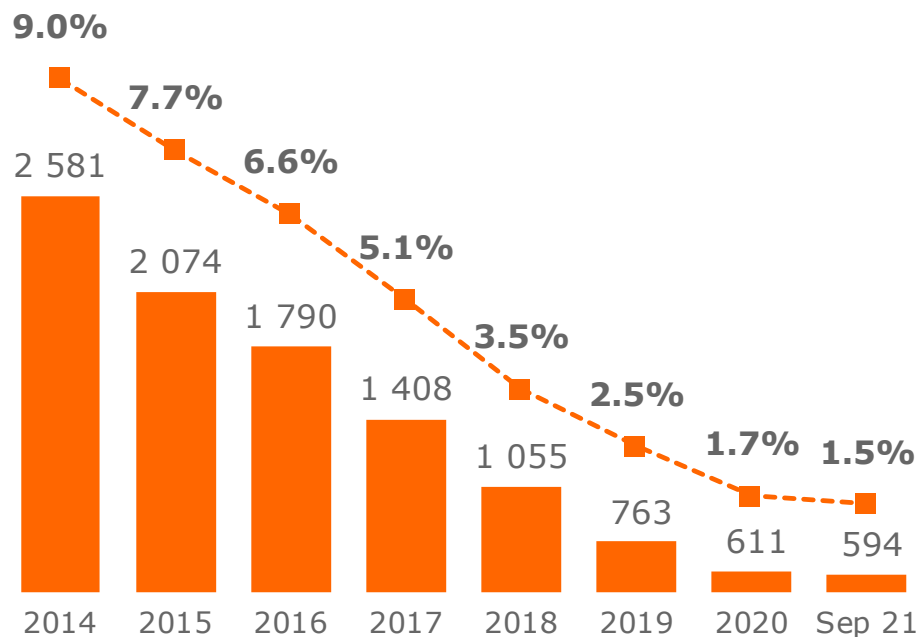
97 M.€ of non-allocated impairments in 2020 (Covid19)

# 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%	90%
by impairments and collaterals		110%	117%	127%	124%	140%	153%	

Sep. 21

### NPL ratio

(EBA criteria)

1.8%

Non-Performing Loans (NPL)

582 M.€

### NPL coverage

(by impairments and collaterals)

155%

### Foreclosed properties

(net book value)

5 M.€

### Corporate restructuring and recovery funds

(book value)

38 M.€

# 109% PENSION COVERAGE

## Employee pension liabilities

M.€	Dec 20	Sep 21
Total past service liability	1 907	1 765
Net assets of the pension funds	1 873 <sup>(1)</sup>	1 931
<b>Level of coverage of pension liabilities</b>	<b>98%</b>	<b>109%</b>
<b>Pension fund return</b> (YtD, non annualised)	<b>2.7%</b>	<b>5.5%</b>
<b>Discount rate</b>	<b>1.01%</b>	<b>1.37%</b>

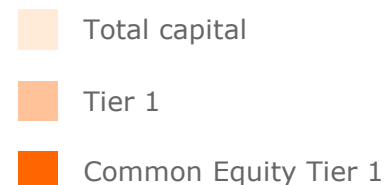


Actuarial deviations (M.€)	Sep 21 YtD
+ Income from investment portfolio	81
+ Change in the discount rate	115
Other	-1
<b>+ Actuarial deviations</b>	<b>195</b>

# BPI MAINTAINS HIGH CAPITALISATION

## Consolidated capital ratios

(phasing-in)



17.3%

15.6%

14.1%

Dec 20

17.6%

16.0%

14.5%

Sep 21

### MDA Buffer

(Capital buffer without limitations on results distribution)

4.4%

4.7%

### Leverage ratio

7.3%

7.2%

## MREL ratios

### MREL as % of RWA

19.8%

20.1%

Sep. 21  
proforma <sup>1)</sup>

23.9%

### MREL as % of LRE

9.3%

9.0%

10.8%

## 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% <sup>2)</sup>

23.95% <sup>2)</sup>

5.91%

1) Considering the issuance of 700 M.€ of senior non-preferred debt on the 6<sup>th</sup> October.

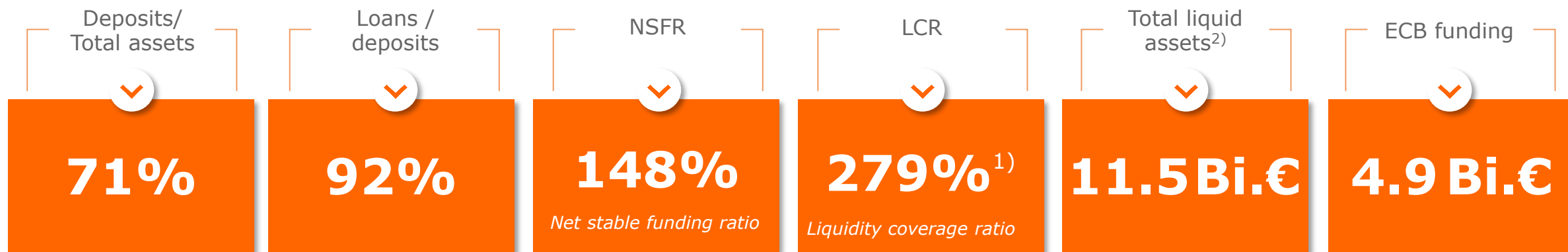
2) Includes combined capital buffer requirement.

RWA – Risk Weighted Assets ; LRE – Leverage Ratio Exposure.

# BALANCED FUNDING AND COMFORTABLE LIQUIDITY LEVELS

Customer resources are the main source of balance sheet funding

30th September 2021



# COMMITTED TO PEOPLE, SOCIETY AND THE ENVIRONMENT

## Committed to People

### > Employee health and well-being

"More movement, more health" program.

### > Balance between professional, personal and family life

Conect@r for greater balance.

MásFamilia conciliation (efr).

### > Diversity and Inclusion

"Unconscious Biasing" training.

"Gender Diversity" Guide.

### > Attracting and retaining talent

University events.

Best reputation as an employer in the banking sector (OnStrategy).

### > Human capital development

Specific training and self-learning.

BPI Talks (digital format).

## Committed to Society

## Committed to Environment

### > Volunteering

Results	■ ~ 800 people signed up
Jan. – Sep.	■ + 100 initiatives carried out
2021	■ + 3 700 people impacted

Financial literacy, entrepreneurship, capacity building of institutions, math's tutoring, support for the elderly, support for the homeless, fighting against food waste, raising first aid products, home maintenance and repair, vaccination support, among other initiatives.

**1st Volunteering Week**  
18 to 24 October – up to half a working day per Employee



# COMMITTED TO PEOPLE, SOCIETY AND THE ENVIRONMENT

Committed to People

Committed to Society

Committed to Environment

**30 M.€ in 2021**

"la Caixa" Foundation initiative  
with the collaboration of BPI



> Social  
Programmes



> Education  
and  
Scholarships



> Culture  
and Science



> Research  
and Health



## BPI's adhesion to initiatives for Sustainability

*BPI Gestão de Ativos*  
*UN Principles for Responsible*  
*Investment-PRI*

April 2019

*BPI Gestão de Ativos*  
*Climate Action*  
*100+*

December 2019

Lisbon European Green  
Capital 2020 – Lisbon  
Climate Action 2030

January 2020

**UN Global  
Compact**  
*(with BPI Gestão Ativos)*

January 2021

**SDG Ambition  
Programme**  
*(with BPI Gestão Ativos)*

1st half 2021

**UN Women's  
Empowerment  
Principles**

September 2021

# COMMITTED TO PEOPLE, SOCIETY AND THE ENVIRONMENT

## Committed to People

## Committed to Society

## Committed to Environment



**4 M.€**  
in 2021

### 5 BPI "la Caixa" Foundation Awards

To improve the quality of life of people with social vulnerability.

**Portugal Social Innovation:** submission of 9 applications to European funding, to expand the impact of 2020 prize-winning innovative projects by an additional €900 thousand in non-repayable grants, which required the mobilisation of another 45 social investors.



**1.4 M.€**  
in 2021

### Decentralised Social Initiative

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

Results January – September 2021

- 116 projects supported with €835 thousand
- 42 048 direct beneficiaries

### SDO Observatory in the Portuguese Companies

Launched by the Católica Lisbon School of Business & Economics, in partnership with BPI and "la Caixa" Foundation, to monitor the implementation of the United Nations Agenda 2030 in a representative group of large and medium-sized Portuguese companies.



### ODSLocal Platform

Initiative of Lisbon University Institute of Social Sciences, with the support of BPI and the "la Caixa" Foundation, to monitor the progress made by Municipalities towards the SDOs.

# COMMITTED TO PEOPLE, SOCIETY AND THE ENVIRONMENT

## Committed to People

## Committed to Society

## Committed to Environment

### Environmental management system

- **ISO 14001** certification in Central Buildings (in progress).
- **Environmental Information Map** available to all Employees.
- Reduction of **energy and paper consumption**, more efficient **use of water** and promotion of **sustainable mobility**.
- **100% green energy** consumption.
- **Carbon neutrality** (in progress).
- **Awareness actions** for Employees.
- **Products and services with environmental criteria** (for Companies and Individuals).

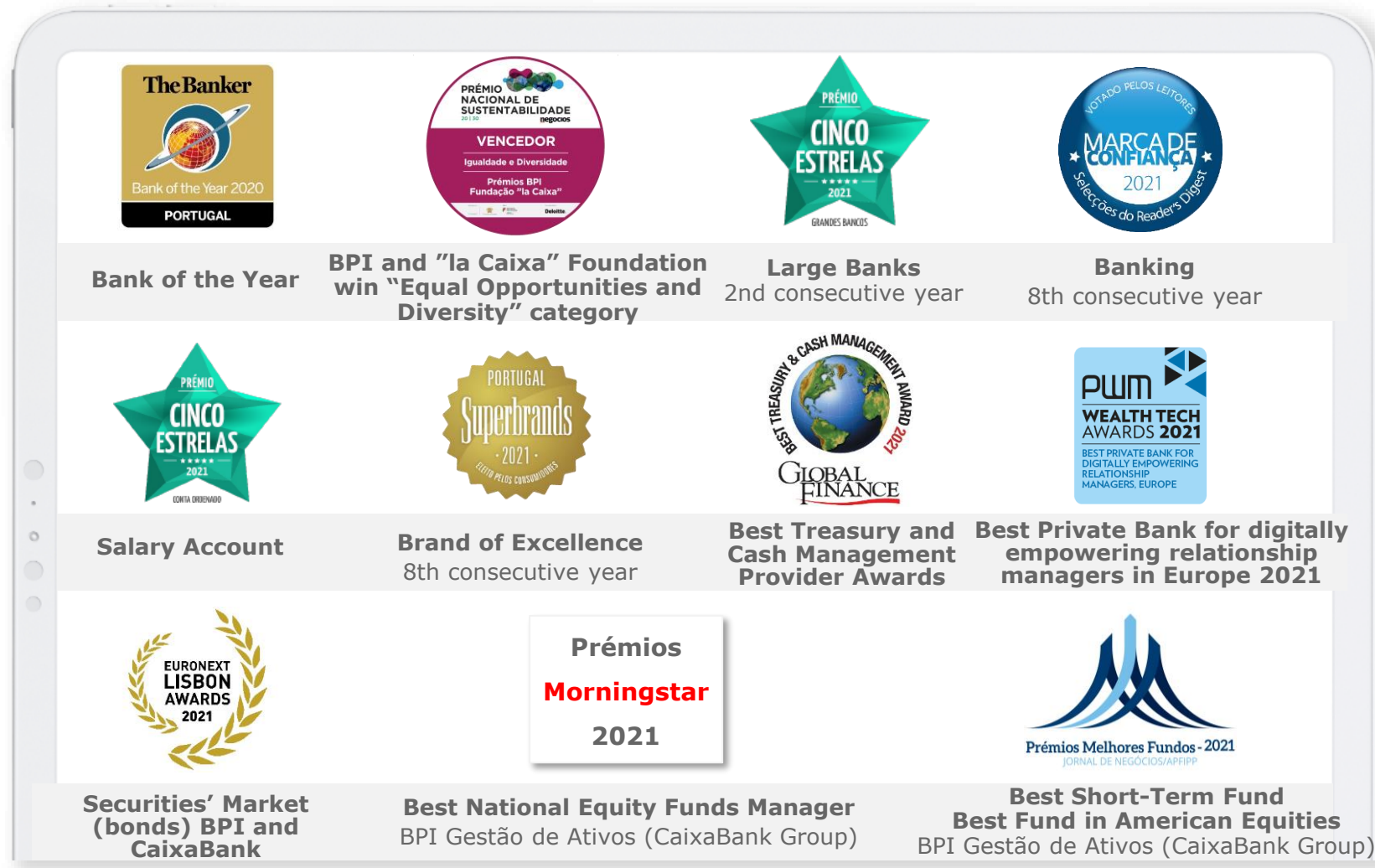


**CUIDAR AGORA**

**COMPROMETIDOS COM O AMBIENTE**

<b>SUSTAINABLE FINANCING OPERATIONS IN 2021</b>	<b>112 M.€</b>	<b>EDP Renováveis</b> (2021) BPI 47 M.€ and EIB 65 M.€
	<b>750 M.€</b>	<b>EDP</b> (Jan.21) BPI/CaixaBank part of the Syndicate (Joint Bookrunner)
	<b>75 M.€</b>	<b>BA Glass</b> (Mar.21) Organisation, BPI underwrote 100%
	<b>30 M.€</b>	<b>NOS</b> (Jun.21) Organisation, BPI underwrote 100%
	<b>100 M.€</b>	<b>Navigator</b> (Jul.21) Co-organiser, BPI underwrote 50%
	<b>41 M.€</b>	<b>Sonae Capital</b> (Oct.21) Co-organiser, BPI underwrote 50%

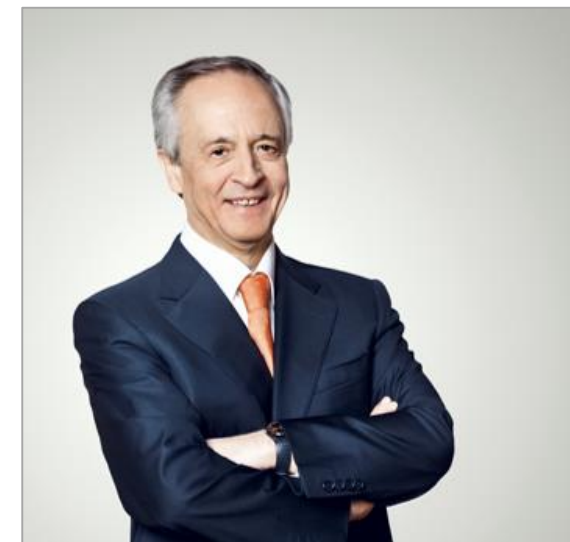
# BPI'S QUALITY, INNOVATION AND DEDICATION TO ITS CLIENTS CONTINUE TO BE DISTINGUISHED



**Fernando Ulrich**

**"Personality of the Year"**

for APFIPP - Portuguese Association of  
Investment Funds, Pensions and  
Wealth Management



# HIGHLIGHTS OF 9 MONTHS 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**



**Firmly committed to sustainable development**



**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

January to September 2021



## Commercial activity in Portugal

Loan portfolio

**+1.9 Bi.€**

**+7.5%**  $\Delta$  YoY

Customer resources

**+3.3 Bi.€**

**+9.2%**  $\Delta$  YoY

Gross income

**> +10.2%**

Net Interest Income

**+2.8%**

Fee & commission income

**+15.7%**  $\Delta$  YoY

Digital Banking

Regular users

**757 th.**

BPI app users

**+71 th.**  $\Delta$  YoY

## Risk and capitalisation

NPE ratio (EBA)

**1.5%**

NPE coverage

**153%**

(by impairments and collaterals)

Cost of Risk

**0.11%**

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

CET1 **> 14.5%**

T1 **> 16.0%**

Total **> 17.6%**

(Phasing-in)

## Profitability

Net profit in Portugal

**127 M.€**

Recurrent ROTE in Portugal

**6.0%**

(last 12 months)

Cost-to-income in Portugal

**54.7%**

(last 12 months)

Consolidated net profit

**242 M.€**



## CONSOLIDATED RESULTS













Unaudited accounts

# 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**

# BPI RATINGS VS. PEERS

On 27th October 2021

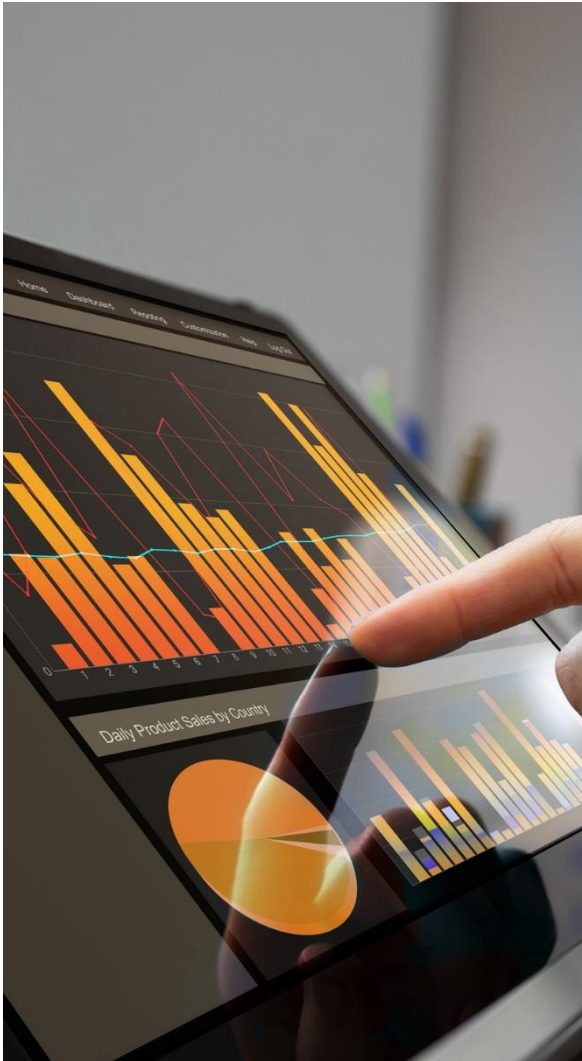
	<b>S&amp;P Global</b> (Long Term Debt/ Issuer Credit Rating)	<b>MOODY'S</b> (Long Term Debt/ Issuer rating)	<b>FitchRatings</b> (Issuer Default Rating)	 (Long-Term Debt/ Issuer Rating)
Investment Grade	...AA+ e AAA	...Aa1, e Aaa	...AA, AA+ e AAA	...AA, AA (high), AAA
	AA	Aa2  Mortgage bonds	AA	AA
	AA-	Aa3	AA-	AA (low)  Mortgage bonds
	A+	A1	A+	A (high)
	A	A2	A	A Bank 1
	A-	A3  Deposits	A-	A (low)
	BBB+	Baa1	BBB+ Bank 1  Deposits Senior debt	BBB (high) 
	BBB   Bank 1	Baa2   Bank 1 Bank 3	BBB  	BBB Bank 3
Non-Investment grade	BBB-	Baa3	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** (21 Oct.21) reaffirmed **BPI** and its **long term senior debt rating of BBB**, with Stable outlook.

**Moody's** (21 Sep.21) **upgraded the rating on BPI long term deposits to A3** and maintained the rating on BPI and its LT senior debt at Baa2. The outlook on ratings is Stable.

**Fitch** (8 Sep.21) **improved the Outlook on BPI** from negative to **stable**, following the same move for CaixaBank, and reaffirmed the ratings on BPI (BBB) and its senior debt and deposits (BBB+).

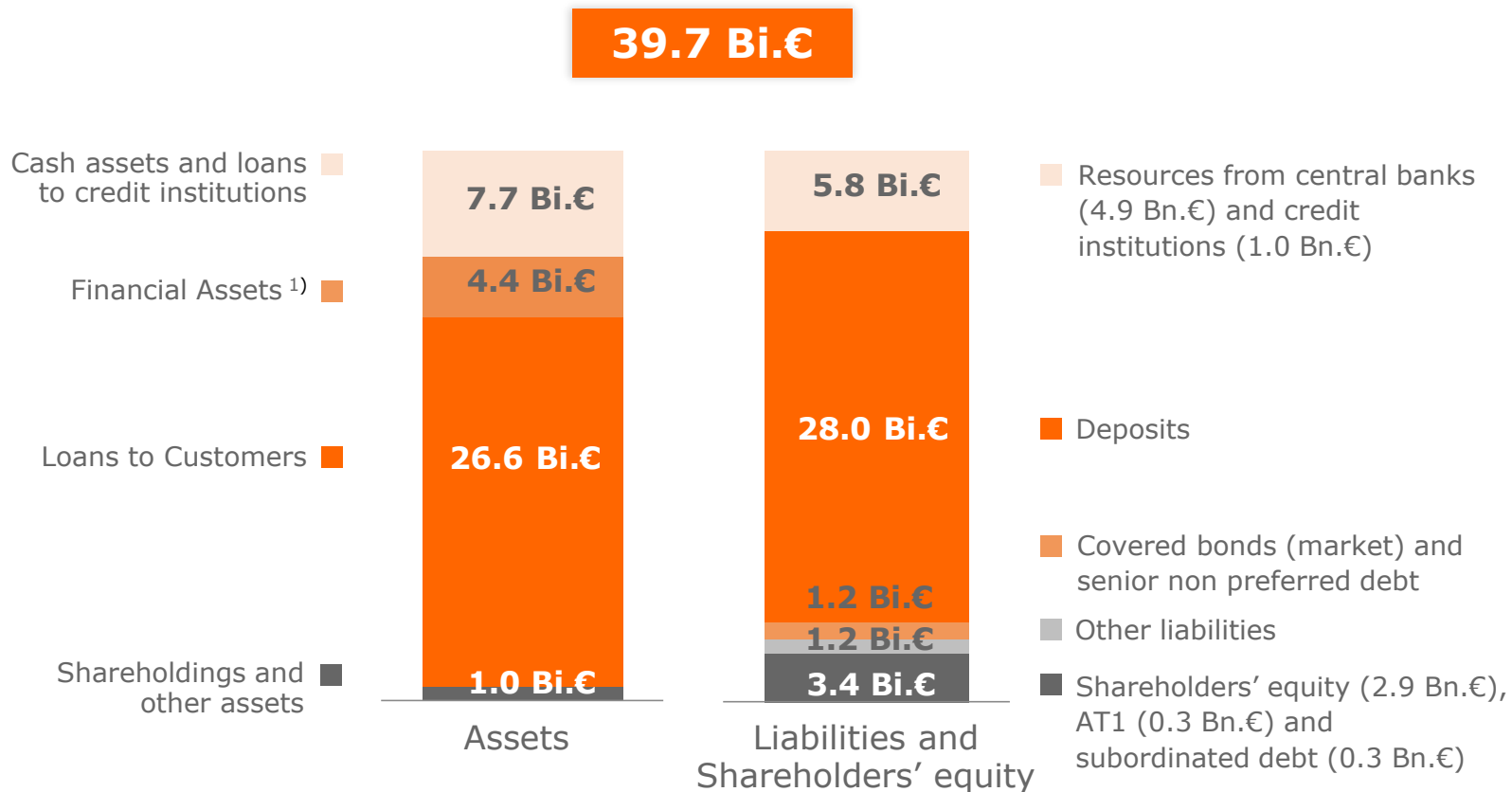
# INCOME STATEMENT OF THE ACTIVITY IN PORTUGAL



In M.€	Sep 20	Reclassif. (1)	Sep 20 adjusted	Sep 21	Δ% Sep21 /Sep20 ajust
Net interest income	330.8		330.8	340.1	2.8%
Dividend income	2.1		2.1	1.7	-16.5%
Equity accounted income	13.9		13.9	16.0	15.2%
Net fee and commission income	177.5	-0.9	176.6	204.3	15.7%
Gains/(losses) on financial assets and liabilities and other	-7.6		-7.6	12.6	-
Other operating income and expenses	-26.3	4.3	-22.0	-30.6	-38.7%
<b>Gross income</b>	<b>490.3</b>	<b>3.4</b>	<b>493.7</b>	<b>544.2</b>	<b>10.2%</b>
Recurrent staff expenses	-183.4	-1.2	-184.6	-173.0	-6.3%
Other administrative expenses	-107.2	-2.2	-109.4	-108.1	-1.2%
Depreciation and amortisation	-35.4		-35.4	-45.1	27.2%
<b>Recurring operating expenses</b>	<b>-326.0</b>	<b>-3.4</b>	<b>-329.4</b>	<b>-326.2</b>	<b>-1.0%</b>
Non-recurrent costs				-13.9	-
<b>Operating expenses</b>	<b>-326.0</b>	<b>-3.4</b>	<b>-329.4</b>	<b>-340.1</b>	<b>3.3%</b>
<b>Net operating income</b>	<b>164.3</b>		<b>164.3</b>	<b>204.1</b>	<b>24.2%</b>
Impairment losses and other provisions	-101.3		-101.3	-32.1	-68.3%
Gains and losses in other assets	0.8		0.8	0.5	-38.2%
<b>Net income before income tax</b>	<b>63.9</b>		<b>63.9</b>	<b>172.5</b>	<b>-</b>
Income tax	-16.5		-16.5	-45.5	-
<b>Net income</b>	<b>47.4</b>		<b>47.4</b>	<b>127.0</b>	<b>-</b>

# BALANCE SHEET OF THE ACTIVITY IN PORTUGAL

30th Sep. 2021



1) Includes medium and long-term sovereign debt of 3.9 Bn.€ (Portugal 63%; Spain 8%, Italy 18% and USA 11%), with an average residual maturity of 3.9 years.

# CONSOLIDATED INCOME STATEMENT



In M.€

	set 20	Reclassif. (1)	Sep 20 adjusted	Sep 21
Net interest income	330.8		330.8	342.4
Dividend income	42.3		42.3	99.7
Equity accounted income	21.5		21.5	31.9
Net fee and commission income	177.5	-0.9	176.6	204.3
Gains/(losses) on financial assets and liabilities and other	-15.6		-15.6	24.5
Other operating income and expenses	-29.6	4.3	-25.3	-38.4
<b>Gross income</b>	<b>526.9</b>	<b>3.4</b>	<b>530.3</b>	<b>664.4</b>
Staff expenses	-183.4	-1.2	-184.6	-187.0
<i>Of which: Recurrent staff expenses</i>	-183.4	-1.2	-184.6	-173.0
<i>Non-recurrent costs</i>				-13.9
Other administrative expenses	-107.2	-2.2	-109.4	-108.1
Depreciation and amortisation	-35.4		-35.4	-45.1
<b>Operating expenses</b>	<b>-326.0</b>	<b>-3.4</b>	<b>-329.4</b>	<b>-340.1</b>
<b>Net operating income</b>	<b>200.9</b>		<b>200.9</b>	<b>324.3</b>
Impairment losses and other provisions	-101.3		-101.3	-32.1
Gains and losses in other assets	0.8		0.8	0.5
<b>Net income before income tax</b>	<b>100.4</b>		<b>100.4</b>	<b>292.7</b>
Income tax	-14.9		-14.9	-50.8
<b>Net income</b>	<b>85.5</b>		<b>85.5</b>	<b>242.0</b>
<b>EARNINGS PER SHARE</b>			<b>Sep 20</b>	<b>Sep 21</b>
Earnings per share (€)			0.05	0.16
Average weighted nr. of shares (in millions)			1 456.9	1 456.9



# CONSOLIDATED BALANCE SHEET



In M.€	Dec 20	Sep 21
<b>ASSETS</b>		
Cash and cash balances at central banks and other demand deposits	4 535.2	6 336.5
Financial assets held for trading, at fair value through profit or loss and at fair value through other comprehensive income	2 258.5	1 583.0
Financial assets at amortised cost	30 004.0	31 113.7
Loans to Customers	25 207.8	26 623.4
Investments in joint ventures and associates	238.2	258.5
Tangible assets	152.9	184.4
Intangible assets	87.0	93.9
Tax assets	271.0	220.0
Non-current assets and disposal groups classified as held for sale	7.9	17.2
Other assets	231.0	419.9
<b>Total assets</b>	<b>37 785.6</b>	<b>40 227.1</b>
<b>LIABILITIES</b>		
Financial liabilities held for trading	141.3	115.0
Financial liabilities at amortised cost	33 695.7	35 789.8
Deposits - Central Banks and Credit Institutions	5 504.3	5 836.4
Deposits - Customers	26 008.6	28 037.9
Debt securities issued	1 804.9	1 500.2
Memorandum items: subordinated liabilities	304.3	300.3
Other financial liabilities	378.0	415.4
Provisions	48.7	50.4
Tax liabilities	23.2	21.4
Other liabilities	620.3	565.5
<b>Total Liabilities</b>	<b>34 529.3</b>	<b>36 542.1</b>
Shareholders' equity attributable to the shareholders of BPI	3 256.3	3 685.0
Non controlling interests	0.0	0.0
<b>Total Shareholders' equity</b>	<b>3 256.3</b>	<b>3 685.0</b>
<b>Total liabilities and Shareholders' equity</b>	<b>37 785.6</b>	<b>40 227.1</b>

# CONSOLIDATED INDICATORS

## Profitability, Efficiency and Liquidity Indicators

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

	Sep 20	Sep 21
Gross income / ATA	2.0%	2.3%
Net income before income tax and income attributable to non-controlling interests / ATA	0.4%	1.0%
Net income before income tax and income attributable to non-controlling interests / average shareholders' equity (including non-controlling interests)	4.0%	11.2%
Staff expenses / Gross income <sup>1)</sup>	34.8%	26.0%
Operating expenses / Gross income <sup>1)</sup>	62.1%	49.1%
Loans (net) to deposits ratio	98%	95%

## NPE ratio and forbore (according to the EBA criteria)

	Sep 20	Sep 21
Non-performing exposures - NPE (M.€)	660	594
NPE ratio	1.9%	1.5%
NPE coverage by impairments	74%	90%
NPE coverage by impairments and collaterals	138%	153%
Ratio of forbore not included in NPE <sup>2)</sup>	0.5%	0.5%

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

	Sep 20	Sep 21
"Crédito duvidoso" (M.€) <sup>3)</sup>	716	635
"Crédito duvidoso" ratio	2.7%	2.2%
"Crédito duvidoso" coverage by impairments	68%	85%
"Crédito duvidoso" coverage by impairments and collaterals	127%	143%



1) Excluding early-retirement costs.

2) Forbore according to EBA criteria and considering the scope of prudential supervision. On Sep.21, the forbore was 455 M.€ (forbore ratio of 1.1%), of which 220 M.€ was performing loans (0.5% of the gross credit exposure) and 235 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

Sep 21 (M.€)	As reported by BPI	Adjustments <sup>1)</sup>	BPI contribution to CABK Group	BPI segment	Equity investments and other segment
Net interest income	342	( 7)	335	337	( 2)
Dividends	100		100	2	98
Equity accounted income	32		32	16	16
Net fees and commissions	204		204	204	
Trading income	25		25	11	14
Other operating income & expenses	( 38)	2	( 36)	( 28)	( 8)
<b>Gross income</b>	<b>664</b>	<b>( 4)</b>	<b>660</b>	<b>542</b>	<b>118</b>
Recurrent operating expenses	( 326)	( 14)	( 340)	( 340)	
Extraordinary operating expenses	( 14)	13	( 1)	( 1)	
<b>Pre-impairment income</b>	<b>324</b>	<b>( 4)</b>	<b>320</b>	<b>201</b>	<b>119</b>
<b>[Pre-impairment income without extraordinary expenses]</b>	<b>338</b>	<b>( 17)</b>	<b>321</b>	<b>202</b>	<b>119</b>
Impairment losses on financial assets	( 31)	26	( 5)	( 5)	
Other impairments and provisions	( 1)	( 15)	( 16)	( 16)	
Gains/losses on disposals & others	1		1	1	
<b>Pre-tax income</b>	<b>293</b>	<b>6</b>	<b>299</b>	<b>180</b>	<b>119</b>
Income tax	( 51)	2	( 49)	( 44)	( 5)
<b>Profit for the period</b>	<b>242</b>	<b>8</b>	<b>250</b>	<b>137</b>	<b>113</b>
Minority interests & other					
<b>Net income</b>	<b>242</b>	<b>8</b>	<b>250</b>	<b>137</b>	<b>113</b>

## Loan portfolio & customer resources

September 2021 (M.€)	As reported by BPI	Adjustments	BPI contribution to CABK Group (BPI segment)
Loans and advances to customers, net	26 623	( 14)	26 609
Total customer funds	39 263	(4 423)	34 840

### > 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 30th Sep. 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 30th Sep. 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

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

### Units, conventional sings and abbreviations

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

# ALTERNATIVE PERFORMANCE MEASURES

## Reconciliation of the consolidated profit & loss account structure

Structure used in the Results' Presentation	Sep 21	Sep 21	Structure presented in the financial statements and respective notes
Net interest income	342.4	342.4	Net interest income
Dividend income	99.7	99.7	Dividend income
Equity accounted income	31.9	31.9	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	204.3	220.9	Fee and commission income
		-16.5	Fee and commission expenses
Gains/(losses) on financial assets and liabilities and other	24.5	0.1	Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net
		2.5	Gains or (-) losses on financial assets and liabilities held for trading, net
		3.0	Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net
		-1.3	Gains or (-) losses from hedge accounting, net
		20.3	Exchange differences [gain or (-) loss], net
Other operating income and expenses	-38.4	29.7	Other operating income
		-68.1	Other operating expenses
<b>Gross income</b>	<b>664.4</b>	<b>664.4</b>	<b>GROSS INCOME</b>
Staff expenses	-187.0	-187.0	Staff expenses
Other administrative expenses	-108.1	-108.1	Other administrative expenses
Depreciation and amortisation	-45.1	-45.1	Depreciation
<b>Operating expenses</b>	<b>-340.1</b>	<b>-340.1</b>	<b>Administrative expenses and depreciation</b>
<b>Net operating income</b>	<b>324.3</b>	<b>324.3</b>	
Impairment losses and other provisions	-32.1	-3.0	Provisions or (-) reversal of provisions
		-29.2	Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss
Gains and losses in other assets	0.5		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
		0.5	Profit or (-) loss from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations
<b>Net income before income tax</b>	<b>292.7</b>	<b>292.7</b>	<b>PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>
Income tax	-50.8	-50.8	Tax expense or income related to profit or loss from continuing operations
<b>Net income from continuing operations</b>	<b>242.0</b>	<b>242.0</b>	<b>PROFIT OR (-) LOSS AFTER TAX FROM CONTINUING OPERATIONS</b>
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
<b>Net income</b>	<b>242.0</b>	<b>242.0</b>	<b>PROFIT OR (-) LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE PARENT</b>

# 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.

<b>Gross income</b>	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
<b>Commercial banking gross income</b>	Net interest income + Dividend income + Net fee and commission income + Equity accounted income excluding the contribution of stakes in African banks
<b>Operating expenses</b>	Staff expenses + Other administrative expenses + Depreciation and amortisation
<b>Net operating income</b>	Gross income – Operating expenses
<b>Net income before income tax</b>	Net operating income – Impairment losses and other provisions + Gains and losses in other assets
<b>Cost-to-income ratio (efficiency ratio)<sup>1)</sup></b>	Operating expenses / Gross income
<b>Cost-to-core income ratio (core efficiency ratio)<sup>1)</sup></b>	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
<b>Return on Equity (ROE)<sup>1)</sup></b>	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
<b>Return on Tangible Equity (ROTE)<sup>1)</sup></b>	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
<b>Return on Assets (ROA)<sup>1)</sup></b>	(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
<b>Unitary intermediation margin</b>	Loan portfolio average interest rate, excluding loans to employees – Deposits average interest rate

## BALANCE SHEET AND FUNDING INDICATORS

<b>On-balance sheet Customer resources<sup>2)</sup></b>	Deposits + Capitalisation insurance of fully consolidated subsidiaries + Participating units in consolidated mutual funds <ul style="list-style-type: none"> <li>Deposits = Demand deposits and other + Term and savings deposits + Interest payable + Retail bonds (Fixed rate bonds placed with Customers)</li> <li>Capitalisation insurance of fully consolidated subsidiaries (BPI Vida e Pensões sold on Dec.17)</li> </ul>
<b>Assets under management<sup>3)</sup></b>	Mutual funds + Capitalisation insurance + Pension plans <ul style="list-style-type: none"> <li>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.</li> <li>Capitalisation insurance<sup>4)</sup> = Third-party capitalisation insurance placed with Customers</li> <li>Pension plans<sup>4)</sup> = Pension plans under BPI management (includes BPI pension plans)</li> </ul>
<b>Subscriptions in public offerings</b>	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)

<b>Total Customer resources</b>	On-balance sheet Customer resources + Assets under management + Subscriptions in public offerings
<b>Gross loans to customers</b>	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>
<b>Net loans to Customers</b>	Gross loans to Customers – Impairments for loans to Customers
<b>Loan-to-deposit ratio</b> (CaixaBank criteria)	(Net loans to Customers - Funding obtained from the EIB, which is used to provide credit) / Deposits and retail bonds

## ASSET QUALITY INDICATORS

<b>Impairments and provisions for loans and guarantees</b> (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
<b>Cost of credit risk</b>	Impairments and provisions for loans and guarantees - Recoveries of loans previously written off from assets, interest and other
<b>Cost of credit risk as % of loan portfolio<sup>(1)</sup></b>	(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.
<b>Performing loans portfolio</b>	Gross Customer loans - (Overdue loans and interest + Receivable interests and other)
<b>NPE Ratio</b>	Ratio of non-performing exposures (NPE) in accordance with the EBA criteria (prudential perimeter)
<b>Coverage of NPE</b>	[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)
<b>Coverage of NPE by impairments and associated collaterals</b>	[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)
<b>Non-performing loans ratio</b> ("credito dudoso", Bank of Spain criteria)	Non performing loans ("credito dudoso", Bank of Spain criteria) / (Gross Customer loans + guarantees)
<b>Non-performing loans coverage ratio</b>	[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)
<b>Coverage of non-performing loans by impairments and associated collaterals</b>	[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)
<b>Impairments cover of foreclosed properties</b>	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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