



THE FUTURE  
IS ALWAYS  
NOW

02 FEBRUARY 2022

**12M21**  
BANCO BPI  
CONSOLIDATED  
RESULTS



# “DISCLAIMER”

- The purpose of this presentation is purely informative and should not be considered as a service or offer of any financial product, service or advice, nor should it be interpreted as, an offer to sell or exchange or acquire, or an invitation for offers to buy securities issued by Banco BPI (“BPI”) or any of the companies mentioned herein. The information contained herein is subject to, and must be read in conjunction with, all other publicly available information. Any person at any time acquiring securities must do so only on the basis of such person’s own judgment as to the merits or the suitability of the securities for its purpose and only on such information as is contained in such public information set out in the relevant documentation filed by the issuer, having taken all such professional or other advice as it considers necessary or appropriate in the circumstances and not in reliance on the information contained in this presentation.
- BPI cautions that this presentation might contain forward-looking statements concerning the development of its business and economic performance. While these statements are based on BPI’s current projections, judgments and future expectations concerning the development of the Bank’s business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from BPI’s expectations. Such factors include, but are not limited to the market general situation, macroeconomic factors, regulatory, political or government guidelines and trends, movements in domestic and international securities markets, currency exchange rates and interest rates, changes in the financial position, creditworthiness or solvency of BPI customers, debtors or counterparts.
- Statements as to historical performance or financial accretion are not intended to mean that future performance or future earnings for any period will necessarily match or exceed those of any prior year. Nothing in this presentation should be construed as a profit forecast. In addition, it should be noted that although this presentation has been prepared based on accounting registers kept by BPI and by the rest of the Group companies it may contain certain adjustments and reclassifications in order to harmonize the accounting principles and criteria followed by such companies with those followed by BPI.
- In particular, regarding the data provided by third parties, BPI does not guarantee that these contents are exact, accurate, comprehensive or complete, nor it is obliged to keep them updated, nor to correct them in the case that any deficiency, error or omission were to be detected. Moreover, in reproducing these contents by any means, BPI may introduce any changes it deems suitable, may omit partially or completely any of the elements of this document, and in case of any deviation between such a version and this one, BPI assumes no liability for any discrepancy.
- In relation to Alternative Performance Measures (APMs) as defined in the guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415), this report uses certain APMs, which have not been audited, for a better understanding of the company’s financial performance. These measures are considered additional disclosures and in no case replace the financial information prepared under the International Financial Reporting Standards (IFRS). Moreover, the way the Group defines and calculates these measures may differ to the way similar measures are calculated by other companies. Accordingly, they may not be comparable. Please refer to the Annexes section for a list of the APMs used along with the relevant reconciliation between certain indicators.
- This document has not been submitted to the Comissão do Mercado de Valores Mobiliários (CMVM) (Autoridade Portuguesa do Mercado de Capitais) for review or for approval. Its content is regulated by the Portuguese law applicable at the date hereto, and it is not addressed to any person or any legal entity located in any other jurisdiction. For this reason it may not necessarily comply with the prevailing norms or legal requisites as required in other jurisdictions.
- Notwithstanding any legal requirements, or any limitations imposed by BPI which may be applicable, permission is hereby expressly refused for any type of use or exploitation of the content of this presentation, and for any use of the signs, trademarks and logotypes contained herein. This prohibition extends to any kind of reproduction, distribution, transmission to third parties, public communication or conversion by any other mean, for commercial purposes, without the previous express consent of BPI and/or other respective proprietary title holders. Any failure to observe this restriction may constitute a legal offence which may be sanctioned by the prevailing laws in such cases.

# BPI IN 2021

## Permanent support to Families, Businesses, and Society

31 Dec. 2021



### Consolidated net income of 307 M.€

(vs 105 M.€ in 2020)

Recurrent net income from the activity in Portugal of 200 M.€ (vs 84 M.€ in 2020);



### Strong economic and financial position:

NPE of 1.6%, and NPE coverage at 149%;

CET1 ratio of 14.2% and total capital of 17.4%;



### Commitment to People, Society and the Environment

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



### BPI was considered the Best Reputed Bank

in Portugal, according to the latest survey of the independent consulting firm OnStrategy.

### Profit

Consolidated **307** M.€

In Portugal  
(recurrent net profit) **200** M.€

### Commercial activity (ΔYoY)

Loan portfolio **+1.8** Bi.€

Customer Resources **+3.3** Bi.€

### Asset quality

NPE **1.6** %

Coverage **149** %

### Capitalisation

CET1 ratio **14.2** %

Total ratio **17.4** %

# CONSOLIDATED NET PROFIT OF 307 M.€ IN 2021

Recurrent net profit in Portugal of **200 M.€**

In M.€	Dec 20	Dec 21	Of which	△ YoY
<b>Activity in Portugal</b>				
Recurrent net profit	84	200	▪ Commercial Banking Gross Income <sup>(2)</sup>	+53 M.€
Non-recurrent impacts <sup>1)</sup>	-18	-22	▪ Reduction in loan impairments	+104 M.€
<b>Net profit in Portugal</b>	66	179	▪ Costs	-2 M.€
BFA contribution	30	106	▪ Income tax and other	-40 M.€
BCI contribution	8	23		
<b>Consolidated net profit</b>	<b>105</b>	<b>307</b>		
<b>BFA and BCI contribution</b>				
▪ <b>BFA contribution of 106 M.€.</b> It includes 40 M.€ of 2020 ordinary dividend and 50 M.€ of free reserves distribution recorded in the income statement.				
▪ <b>BCI contribution of 23 M.€</b>				
			<b>Activity in Portugal</b>	
			<b>Recurrent net profit (M.€)</b>	
			17 18 19 20 21	
			170 218 231 84 200	
			<b>Recurrent ROTE</b>	
			2020 2021	
			2.7% 6.8%	

1) Early retirements and voluntary terminations

2) Net interest income, fees and commissions, dividends and equity accounted income.

# LOAN PORTFOLIO GREW 7.1%

## Loans to Customers by segments

Gross portfolio, in Bi.€	Dec 20	Dec 21	YoY
<b>I. Loans to individuals</b>	<b>13.7</b>	<b>14.9</b>	<b>8.3%</b>
Mortgage loans	12.0	13.1	9.0%
Other loans to individuals	1.7	1.8	3.8%
<b>II. Loans to companies</b>	<b>10.1</b>	<b>10.5</b>	<b>4.5%</b>
<b>III. Public sector</b>	<b>1.9</b>	<b>2.1</b>	<b>12.5%</b>
<b>Total loans</b>	<b>25.7</b>	<b>27.5</b>	<b>7.1%</b>

Note:

Loan portfolio net of impairments	25.2	27.0	7.1%
-----------------------------------	------	------	------

**Total loan portfolio grew 1.8 Bi.€**

➤ **Mortgage loans** increased **9.0%** (**+1.1 Bi.€**)

➤ **Loans to companies** increased **4.5%** (**+0.5 Bi.€**)

**Market share**

of total loan portfolio

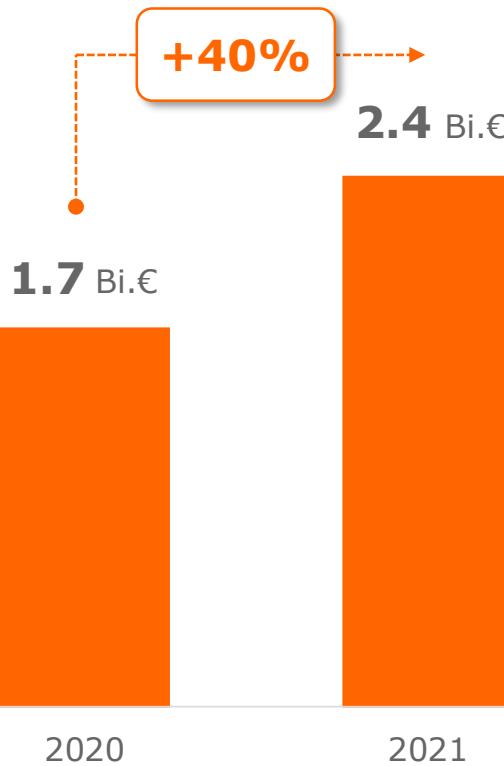
**11.1%** **+0.4 p.p. YoY**

(Nov. 2021)

# MORTGAGE LENDING ORIGINATION INCREASED 40% YoY

## Mortgage loans

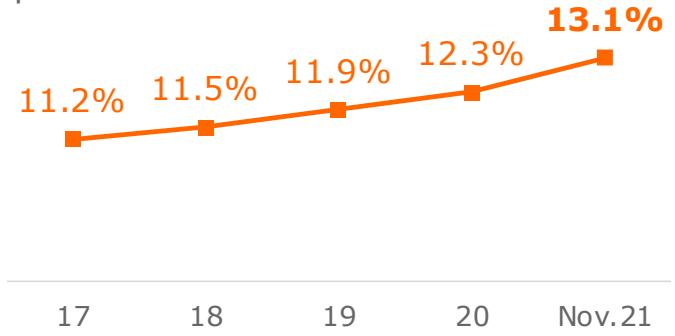
Loan origination (Bi.€)



Market share in origination

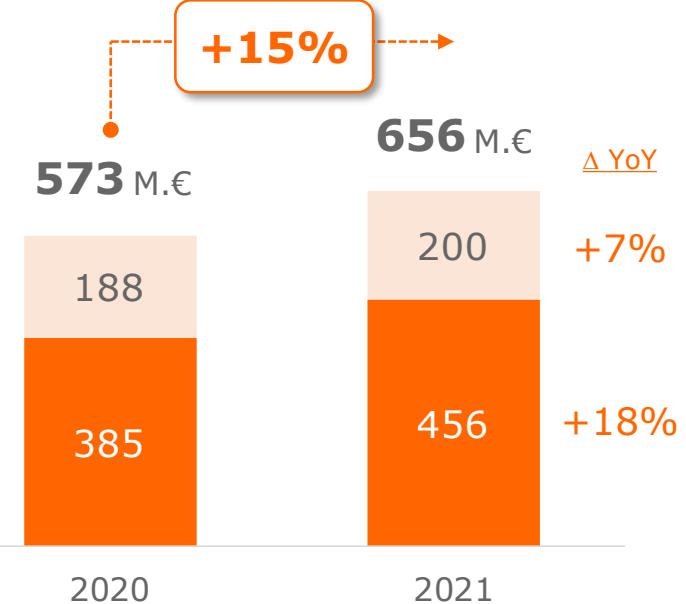


Market share in loan portfolio



## Personal loans and Car Finance

Loan origination (M.€)



Car finance  
Personal loans

# TOTAL CUSTOMER RESOURCES GREW 9%

Deposits **+11%** YoY and Assets under management **+12.6%** YoY

## Customer resources

In Bi.€	Dec 20	Dec 21	YoY
<b>I. Customer deposits</b>	<b>26.0</b>	<b>28.9</b>	<b>11.0%</b>
<b>II. Assets under management</b>	<b>9.6</b>	<b>10.9</b>	<b>12.6%</b>
Mutual funds	5.3	6.3	18.2%
Capitalisation insurance	4.3	4.6	5.9%
<b>III. Public offerings</b>	<b>1.3</b>	<b>0.6</b>	<b>-57%</b>
<b>Total</b>	<b>37.0</b>	<b>40.3</b>	<b>9.0%</b>

## Market shares

	Nov 21	Δ YoY
<b>Customer resources<sup>1</sup></b>	<b>11.3%</b>	+0.2 p.p.
Deposits	<b>10.8%</b>	+0.2 p.p.
Mutual funds	<b>10.5%</b>	-0.1 p.p.
Capitalisation insurance	<b>18.2%</b>	+1.2 p.p.
Retirement savings plans	<b>11.8%</b>	+0.4 p.p.

7) 1) Deposits and assets under management.

# GROSS INCOME INCREASED 7.6%

Commercial banking gross income increased **7.4%**

## Gross income in the activity in Portugal

In M.€	Dec 20	Dec 21	Δ%
Net interest income	450	456	1.2%
Dividends and equity accounted income	21	25	19.7%
Net fee and commission income	245	288	17.7%
<b>COMMERCIAL BANKING GROSS INCOME</b>	<b>716</b>	<b>769</b>	<b>7.4%</b>
Other income (net) <sup>1</sup>	( 18)	( 17)	1.5%
<b>Gross income</b>	<b>698</b>	<b>751</b>	<b>7.6%</b>

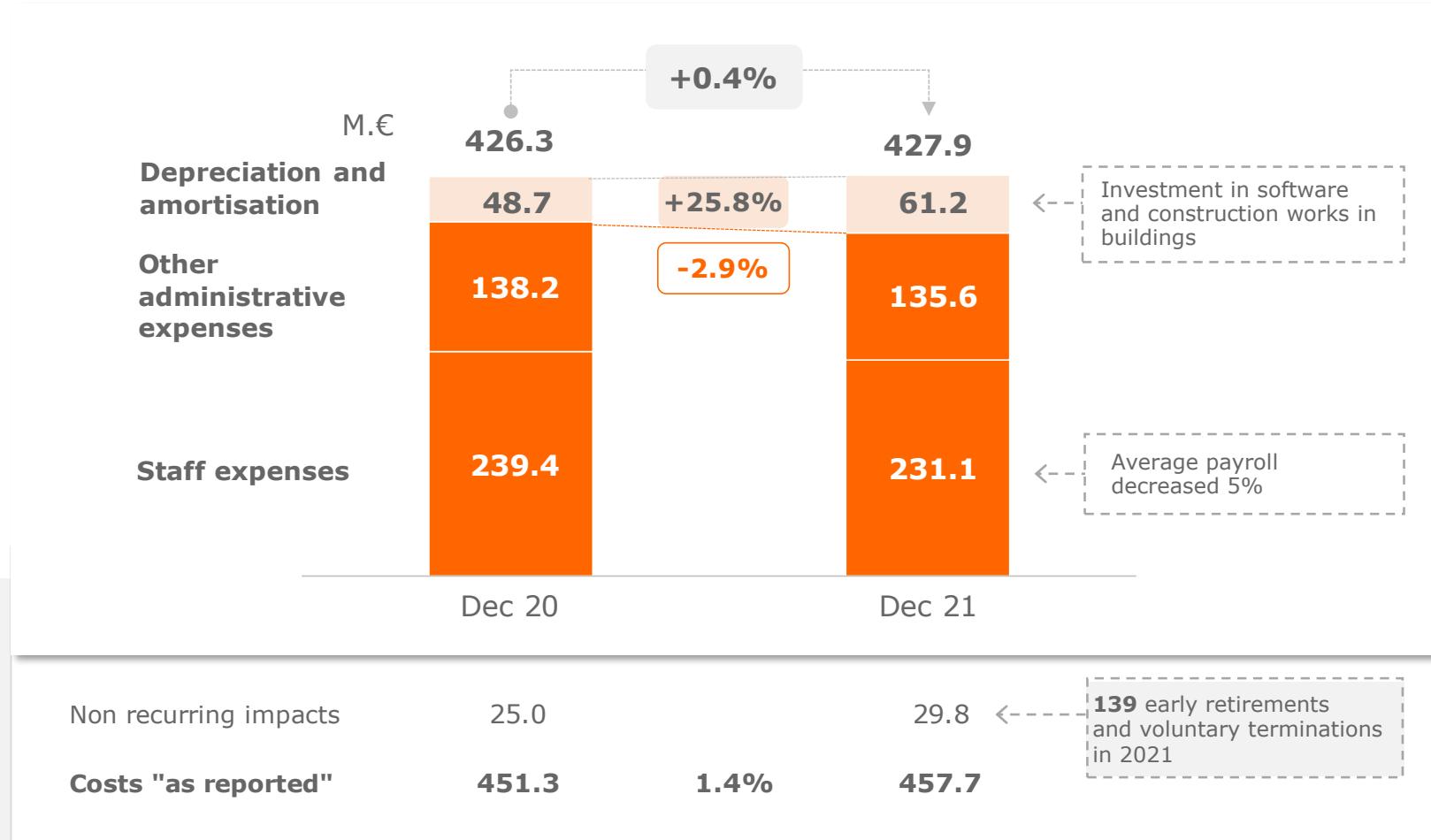
### Resilience of net interest income, +1.2%

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

### Net fee and commission income grew 18%

- ↑ Mutual funds and capitalisation insurance (+29%)
- ↑ Loans (+27%)
- ↑ Accounts and related services (+21%)
- ↑ Insurance intermediation (+5%)

# STABLE OPERATING EXPENSES

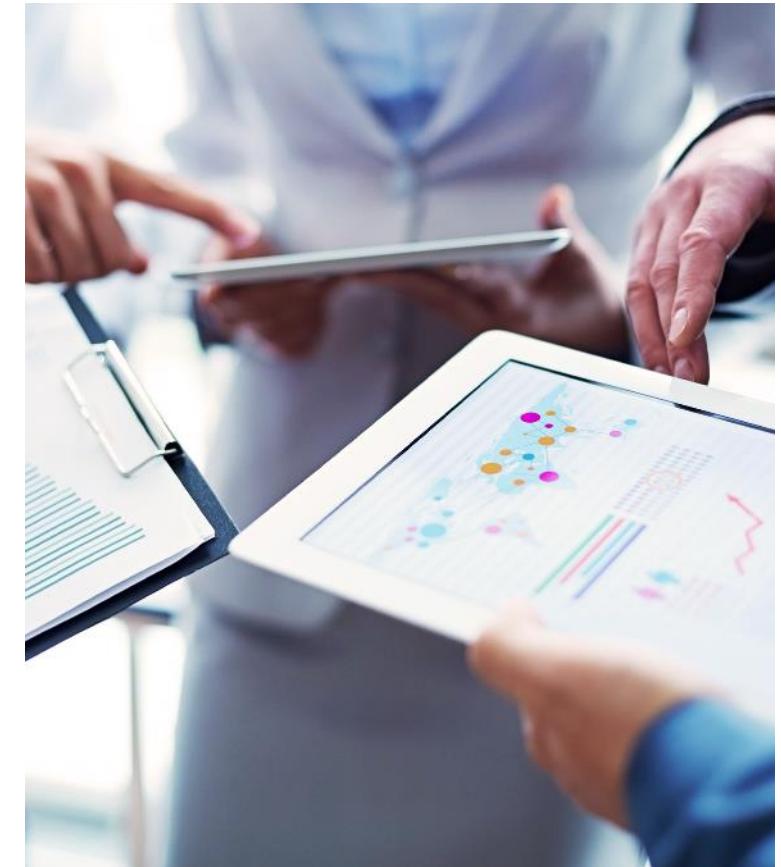
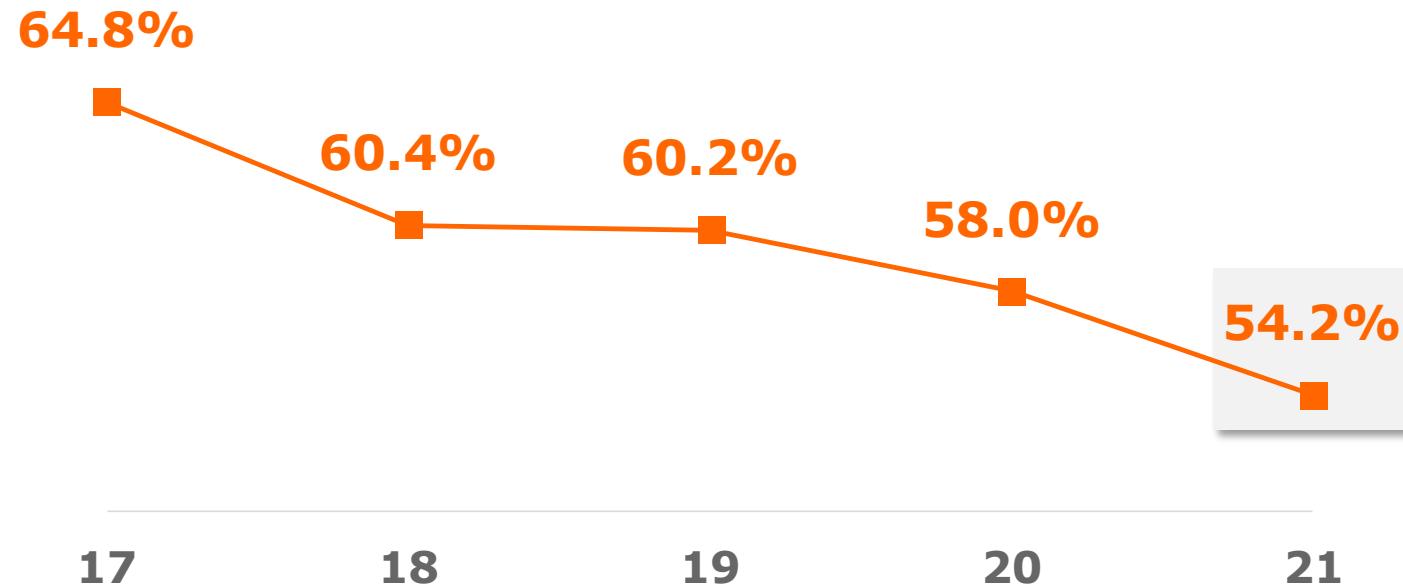


	Dec 21	Δ YoY
<b>Staff</b>	<b>4 478</b>	-144
<b>Distribution network</b>	<b>349</b>	-76
Of which:		
Retail branches	<b>297</b>	-63
Premier Centres	<b>19</b>	-8
Private Banking Centres	<b>3</b>	-
Mobile branch	<b>1</b>	-
Corporate and Institutions Centres	<b>29</b>	-5

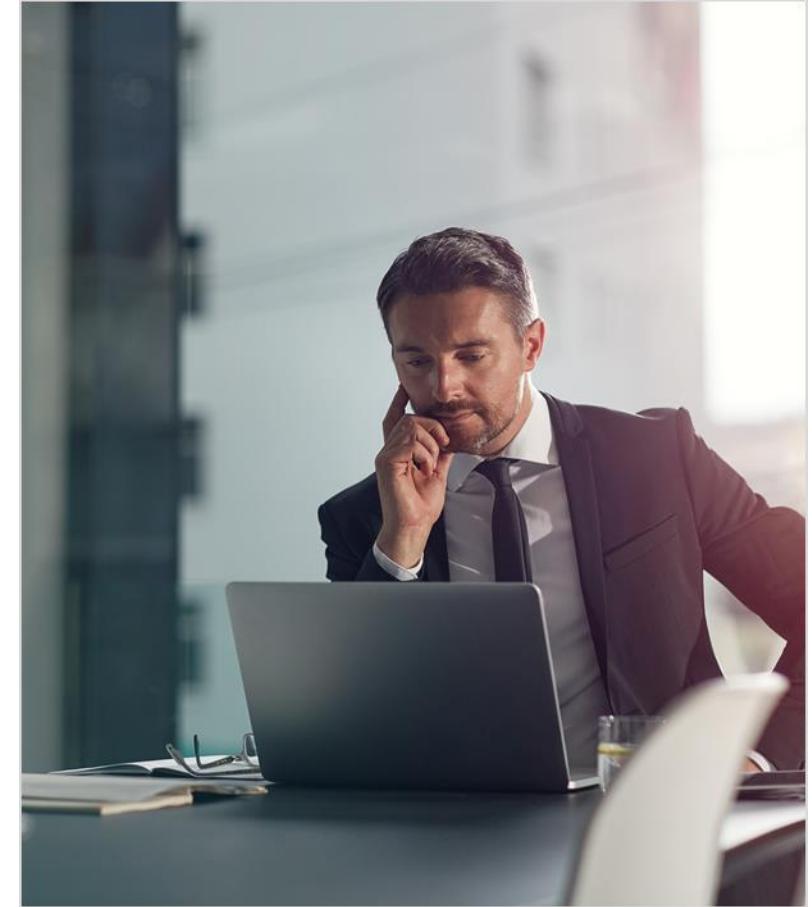
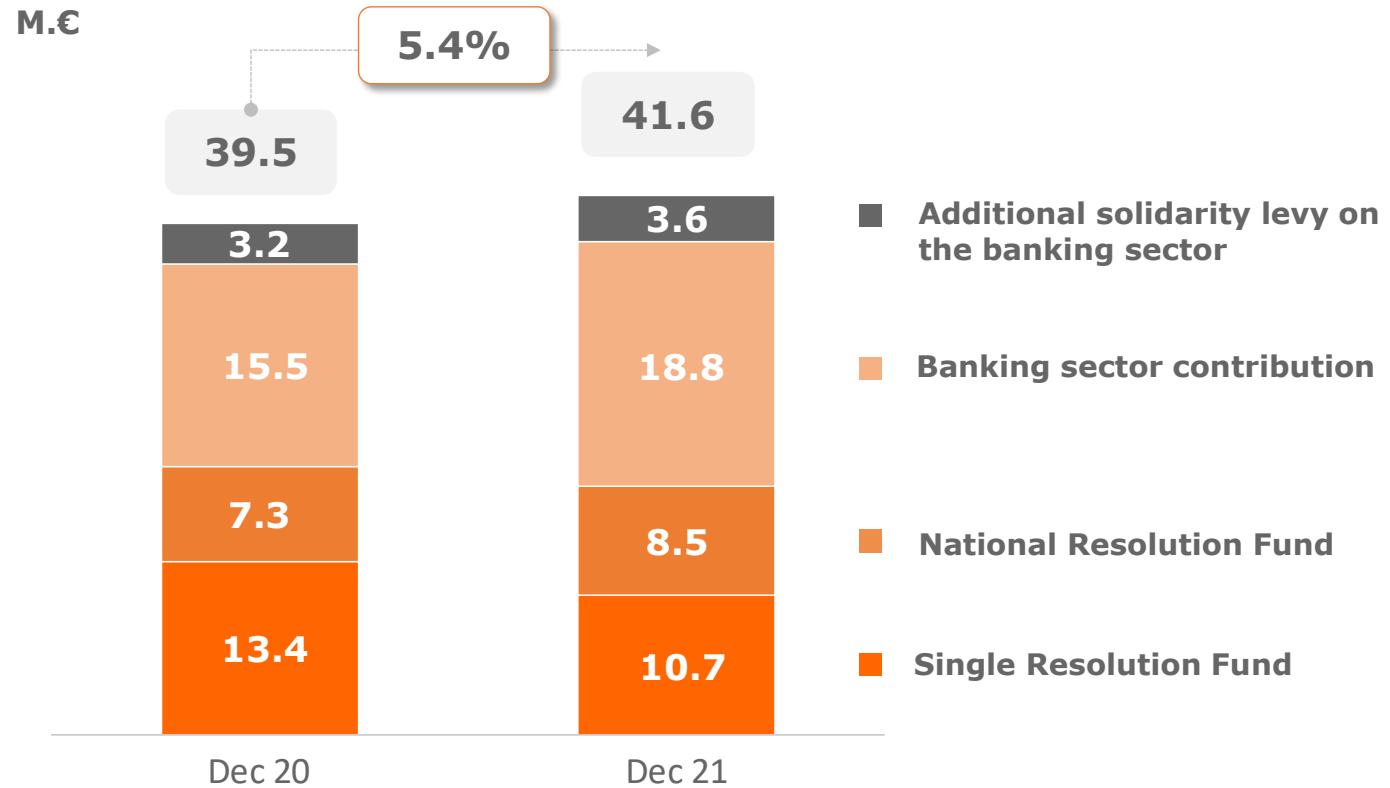
# COST-TO-CORE INCOME IMPROVED TO 54.2%

## Cost-to-core income

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



# REGULATORY COSTS OF 41.6 M.€ IN 2021



# COST OF CREDIT RISK OF 0.17%

**-** Impairments: **79 M.€** (vs. 164 M.€ in 2020)

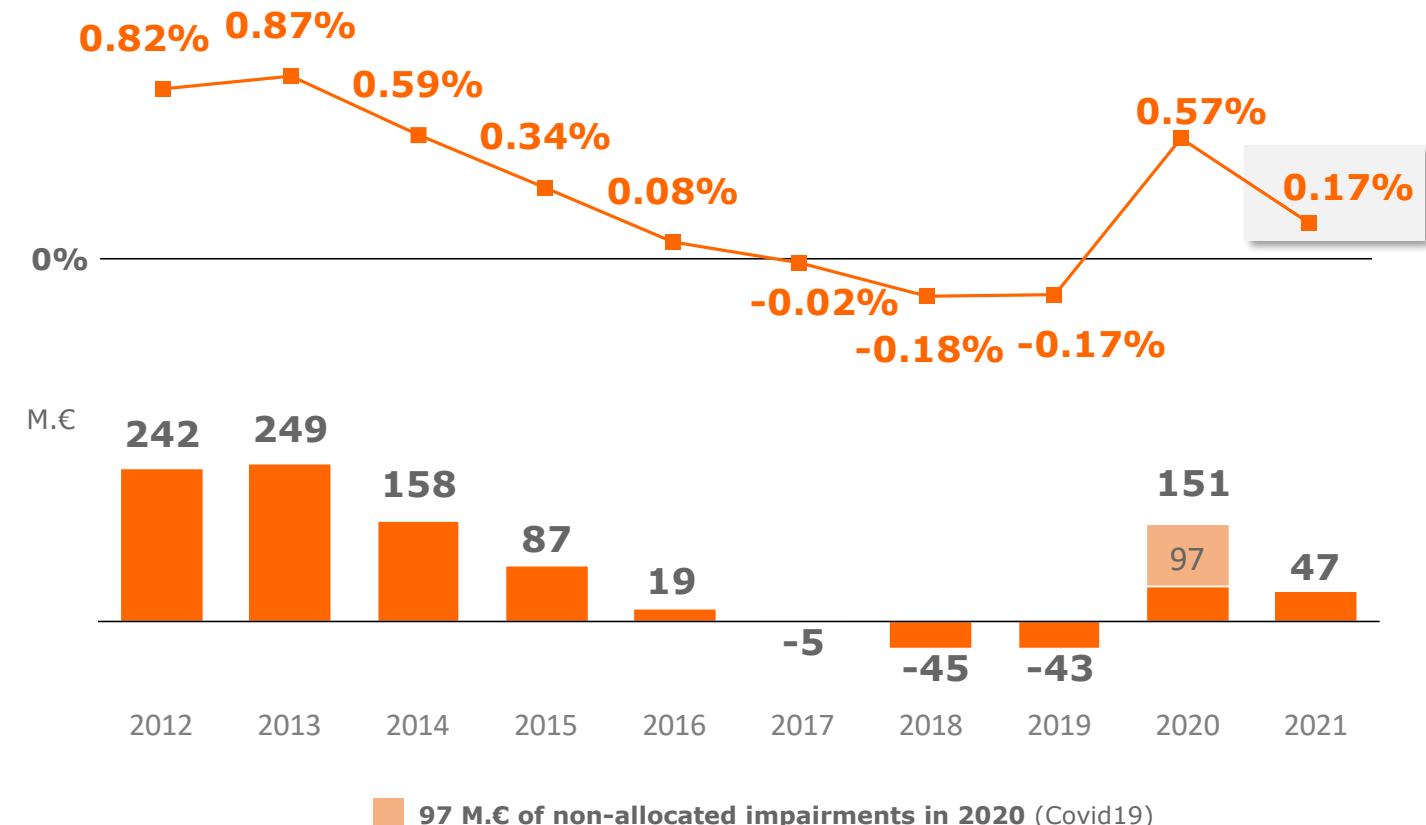
**+** Credit recoveries: **32 M.€** (vs. 12 M.€ in 2020)

- 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: 72 M.€** in Dec.21

## Loan impairments net of recoveries

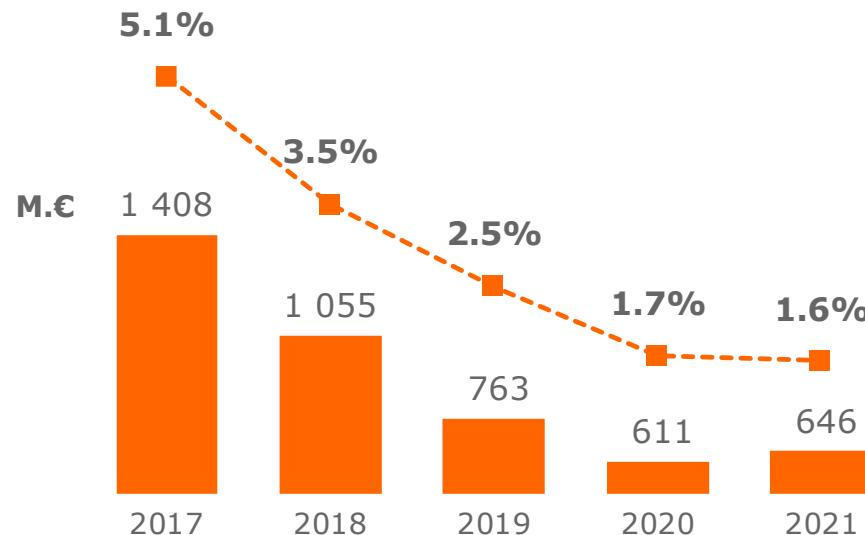
as % of gross loans and guarantees



1) In addition, a 2.3 M.€ gain (impairments reversals) was recorded in December 2020, thus making a total gain of 25.7 M.€ from the sale of those loans.

# BPI MAINTAINS LOW RISK PROFILE AND INCREASES COVERAGE

## Non-Performing Exposures – NPE (EBA criteria)



### Coverage:

by impairments	43%	53%	54%	83%	84%
by impairments and collaterals	117%	127%	124%	140%	149%

Dec.21

### NPL ratio (EBA criteria)

2.0%

Non-Performing Loans (NPL)

634 M.€

### NPL coverage by impairments and collaterals

150%

### Foreclosed properties (net book value)

4 M.€

### Corporate restructuring and recovery funds (book value)

37 M.€

# 103% PENSION COVERAGE

## Employee pension liabilities

M.€	Dec 20	Dec 21
Total past service liability	1 907	1 887
Pension funds net assets	1 873 <sup>(1)</sup>	1 944
<b>Level of coverage of pension liabilities</b>	<b>98%</b>	<b>103%</b>
Pension fund return	2.7%	7.2%
Discount rate	1.01%	1.26%
Mortality tables	<i>Men:</i> TV 88/90 <i>TV 88/90 - 1 year</i> <i>Women:</i> TV 88/90 - 3 years    TV99/01 - 2 years	



<b>Actuarial deviations (M.€)</b>	<b>2021</b>
+ Income from investment portfolio	104
+ Change in the discount rate	82
- Change in mortality tables	-51
- Change in the national minimum wage and other	-31
<b>Actuarial deviations</b>	<b>105</b>

1) Includes contribution made in Jan. 2021.

# BPI MAINTAINS HIGH CAPITALISATION

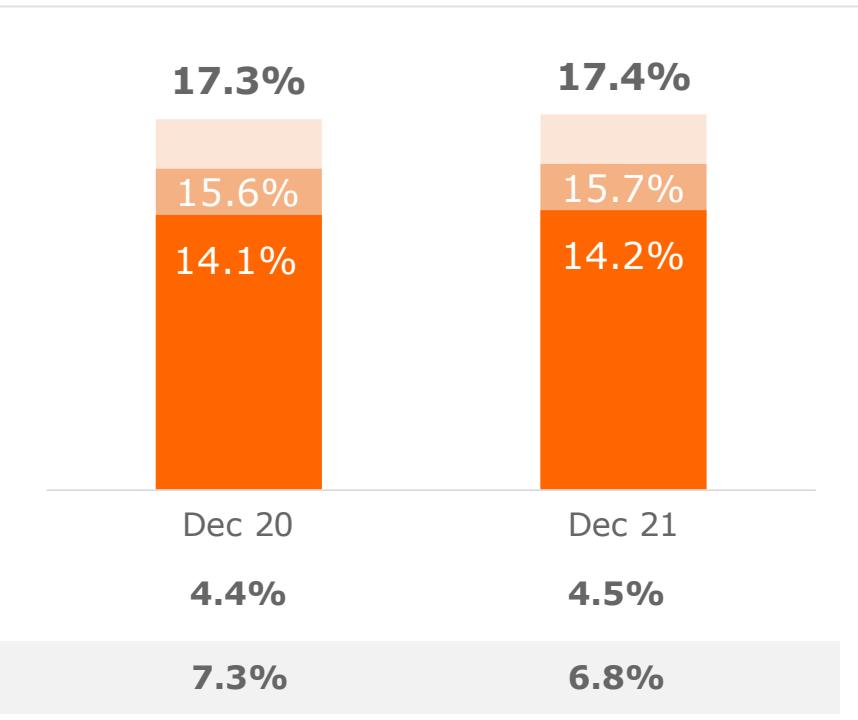
## Consolidated capital ratios

(phased-in)

Total Capital

Tier 1

Common Equity Tier 1



## MDA Buffer

(Maximum Distributable Amount)

## Leverage ratio

## MREL Ratios

### MREL as % of RWA

19.8% **23.7%**

### MREL as % of LRE

9.3% **10.3%**

## Capital requirements (SREP)

in 2021

Total Capital 12.875%

T1 10.375%

CET1 8.50%

Leverage 3.0%

## MREL requirement <sup>1)</sup>

≥ 1 Jan.2022 ≥ 1 Jan.2024

19.05% <sup>2)</sup> 23.95% <sup>2)</sup>

5.91%

1) As disclosed to the market on 5 Feb. 2021.

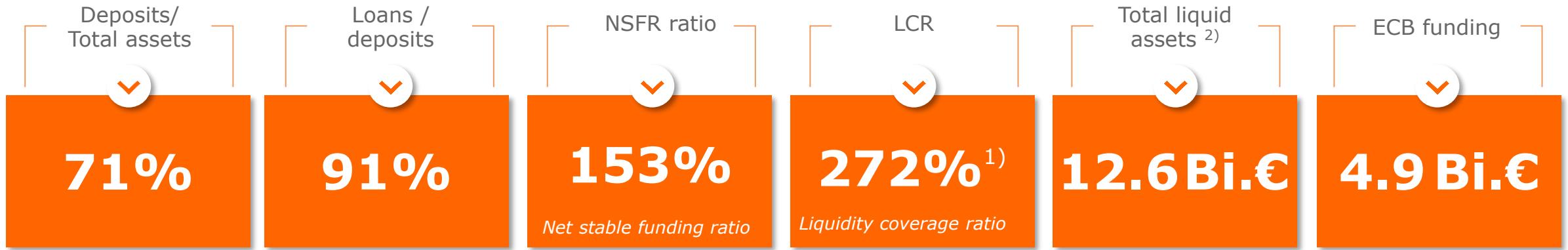
2) Includes combined capital buffer requirement

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

# BALANCED FUNDING AND COMFORTABLE LIQUIDITY

Customer resources are the main source of balance sheet funding

31 December 2021



# BPI, A BANK FOR FAMILIES

With proposals and solutions at every step of your life



*Simplification of  
Daily Routines*



*My Home*



*Enjoying Life*



*Looking to the  
Future*



*Sleeping  
Peacefully*



## NEW PRODUCTS / SERVICES

- **Mortgage loans:** fixed rate for up to 40 years
- **New Valor+ and Premier+ accounts**
- **Immediate Loans** for acquisition of non-financial products
- **Immediate Loans with Life and Protection insurance**
- **Insurance:** Launch of security Check-up
- More information and process simplification in Insurance
- New **CITIZEN segment** for foreign residents



*Grupo CaixaBank*

**Customised advisory service**  
covering the 5 Customer experiences

**# 208**

Financial Advisors at Branches and Premier Centres

**~9.9 Bi.€**

business volume

**inTouch**

*(Launched in Jan.20)*

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



**4** Centres

**65** Account Managers

**~2.4 Bi.€**

business volume

**92 thousand**

Customers

**96%**

acceptance rate

# BPI, A BANK FOR COMPANIES

The partner at every step of companies' lives

## BPI Empresas

**Solutions adjusted to the needs of each client**



Day-to-day management



Companies' economic recovery



Investing in the future



Safety in the business



Use of public aid



### NEW PRODUCTS / SERVICES

✓ **BPI/RRP Credit Line**

for entities that applied to funds under the Recovery and Resilience Plan (RRP)

✓ **BPI/EIF EGF Line**

800 M.€ for Portuguese SMEs, guaranteed by EIF

✓ **Visa Mastercard POS**

Simpler, with flexible and dynamic pricing option

✓ **Life Business Insurance**

New corporate life insurance from BPI Vida e Pensões



### INCREASED PROXIMITY TO THE CLIENTS

In 2021, BPI held **31 events** for Clients, most in digital format

# AGRICULTURE, TOURISM AND INTERNATIONAL TRADE

Specialised support to segments



## AGRICULTURE



- **BPI/EIF Agriculture:** Guarantee agreement with the European Investment Fund



## TOURISM



### Dedicated financial solutions

- **Support Line to Upgrade the Offer 2021** - Turismo de Portugal



## INTERNATIONAL TRADE



- **Credit risk hedging in partnership with COSEC** (1st mediator, 23% share of global policies)

### BPI-CaixaBank Initiatives

- **“Businesses with the World”** (4 editions): meetings between BPI Clients and Caixabank representatives about several markets.
- **In-Company Sessions** Free-of-charge information sessions held at corporate Clients' premises.

### Partnerships

- National Agricultural Fair
- Ovibeja
- Agroglobal
- Colóquio do Milho

- BTL – Lisbon Tourism Fair.
- Tourism Companies Programme 360 from Turismo de Portugal
- NEST – Centro de Inovação do Turismo (founding partner)



### National Agricultural Awards



### National Tourism Awards

### Specialist teams

Teams dedicated to finance structuring, offering, risk analysis and business promotion.

# BPI FOSTERS BUSINESS INNOVATION AND SUSTAINABILITY

Rewarding and giving visibility to the Portuguese companies



## National Tourism Awards

3rd edition

439 applications  
(prizes not yet awarded)



## National Agricultural Award

10th edition

+1 300 applications  
(prizes not yet awarded)



## PRÉMIOS EMPREENDEDOR XXI

5th edition

763 applications,  
99 in Portugal  
(prizes not yet awarded)



## BPI Woman Entrepreneur Awards

4th edition

2021 Winner:  
Sandra Santos,  
CEO of BA Glass



17th edition

154 applications  
2021 Winner:  
ebankIT

## inovadora

## COTEC Innovator Status

1st edition

+1 000 applications  
(18.5% through BPI)  
572 companies awarded

# DIGITAL BANKING INCREASINGLY RELEVANT AT BPI

More Clients, more sales with digital contribution, and prominent position



## More Digital Clients

**+75 th**

BPI App active users (ΔYoY)

**80%**

Digital individual clients actively use the BPI App

(31 Dec. 2021)



## More Digitally-supported Sales

**71%**

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

(2021)

**+7 p.p.**

(ΔYoY)



## Adhesion to and Satisfaction

with the digital channels

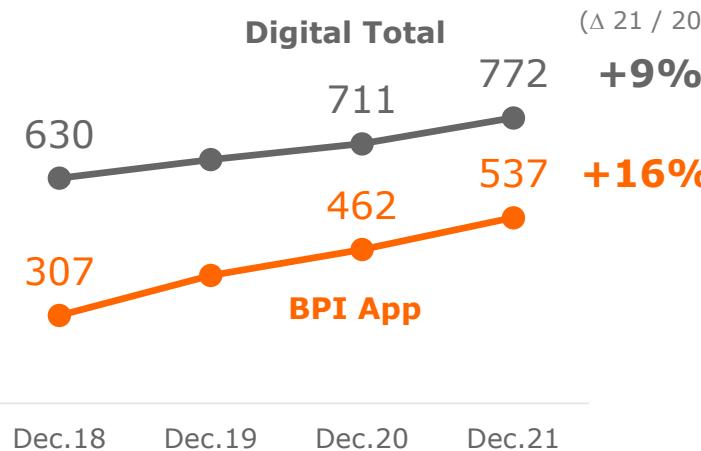
### Digital channels penetration

**#2** "Net+Mobile" - Individual Clients <sup>2)</sup>

**#2** "Homebanking" - Companies <sup>3)</sup>

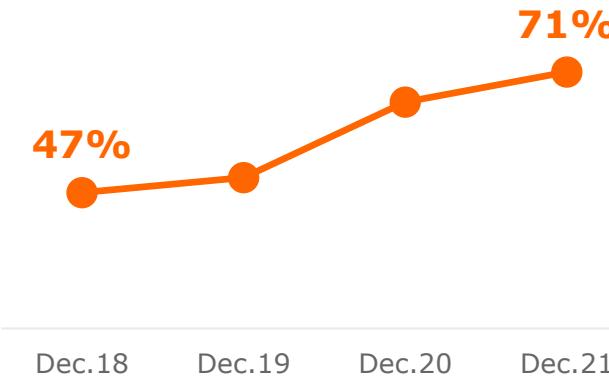
### Digital Banking regular users

No. (thousand)



### Digital Sales

% of no. of digital sales (individual Clients)



### Satisfaction with the digital channels

**#2** Global Satisfaction - Individual Clients <sup>2)</sup>



21) 1) Digitally initiated contracting of Term Deposits and Savings, Mutual Funds and Retirement Saving Plans, Personal loans, Prestige Products, Credit and Prepaid Cards and Cash Advance on Credit Cards

2) BASEF Banks - November 2021 (main banks)

3) Inmark 2021

# INNOVATION IN THE DIGITAL CHANNELS

## Enhanced Experience of Individual Clients

(new in 2021)

### Simplification of Daily Routines

- **Self-confirmation of personal data** made easier 
- **Digital Mobile Key** now used to **open an account and update personal details**
- **Easier access to MB WAY Payments**
- Simplification of **contracting, cancellation and replacement of Debit Cards** through the Digital Channels



### My Home

- **Mortgage Loan Simulator** for residents and non-resident emigrants 
- Start of **Mortgage Loan contracting, with online decision**



### Enjoying Life

- Acquisition of **Prestige Products** through **Instant Loans**

### Looking to the Future

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

### Sleeping Peacefully

- **Protection Insurance** in Immediate Loans
- **Occupational Hazards and Civil Liability insurance**
- **Life Insurance** linked to Mortgage and Personal Loans
- **Security Check-up** to assess the Client's level of protection

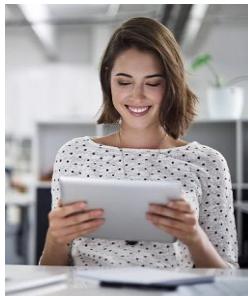


# INNOVATION IN THE DIGITAL CHANNELS

Relevant transformative initiatives of Corporate and Small business clients' experience

## 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, with automated decision
  - Funds made available on the spot

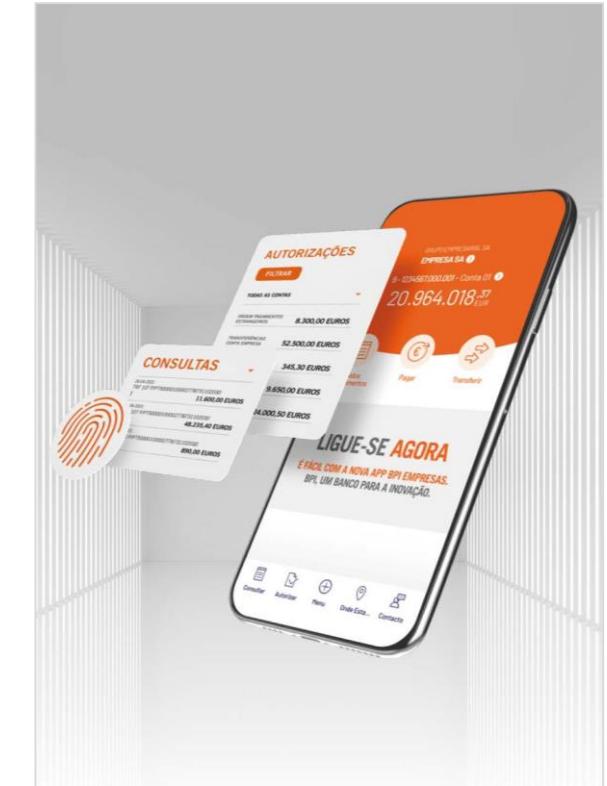


## Better experience

- **Simplification of Customer contact** with the Commercial Networks, to contract more services through the Contact with Account Manager
- Extension of **BPI Drive** solution to new commercial partners
- **New App BPI Empresas:**
  - Improved design and simpler browsing
  - Biometric authentication and new functionalities



(new in 2021)



# FOCUS ON THE CUSTOMER EXPERIENCE: A CLOSER, SIMPLER AND FASTER BANK



## Automation



**97%** of Branches with cash deposit machines

+ **87%** of operations through the Automated Areas

+ Functionalities



## Mobility and Digitisation



**85%** of Processes with digital signature

- + Sale support tools
- + Sale and remote service solutions



**Simplification of the Offer**



**Simplification of Processes**



# COMMITMENT TO PEOPLE, SOCIETY AND THE ENVIRONMENT

## Commitment to People

- **Employee health and wellbeing**  
"More movement, more health" programme
- **Balance between professional, personal and family life**  
Conect@r to improve balance.  
MásFamilia conciliation (efr).
- **Diversity and Inclusion**  
"Unconscious Bias" 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).

## Commitment to Society

## Commitment to the Environment

- **BPI Volunteer Service Programme**  
Launched in March.

**1st Volunteering Week**  
From 18 to 24 October - up to half working day per Employee.

 **+120**  
initiatives

 **1 300**  
volunteer  
workers

 **+ 10 thousand**  
direct  
beneficiaries

 **5 500**  
hours of  
voluntary  
service



# COMMITMENT TO PEOPLE, SOCIETY AND THE ENVIRONMENT

## Commitment to People

## Commitment to Society

## Commitment to the Environment

### BPI endorses Sustainability initiatives

BPI Gestão de Ativos  
UN Principles for  
Responsible  
Investment-PRI

BPI Gestão de Ativos  
Climate Action  
100+

Lisbon European Green  
Capital 2020 – Lisbon  
Climate Action 2030

UN Global  
Compact  
(with BPI Gestão Ativos)

SDG Ambition  
Programme  
(with BPI Gestão Ativos)

UN Women's  
Empowerment  
Principles

GRACE –  
Responsible  
Companies

April 2019

December 2019

January 2020

January 2021

1st half 2021

September 2021

December 2021

## 30 M.€ in 2021

"la Caixa" Foundation  
initiative with the  
collaboration of BPI



> Social  
Programmes



> Education  
and  
Scholarships



> Culture  
and Science



> Research  
and Health



# COMMITMENT TO PEOPLE, SOCIETY AND THE ENVIRONMENT

## Commitment to People



**2.5 M.€**  
raised

A total of 2.5 million euros was raised for the **purchase of basic foodstuffs**, and of this total, 20% was earmarked for the **acquisition of urgent medicines**.

The amount raised was distributed by the **Food Emergency Network**.

## Commitment to Society



**4 M.€**  
in 2021

**Portugal Social Innovation:** in 2021, 9 applications raised +220 th.€ from social investors, to apply to +660 th.€ in non-repayable grants.



**1.2 M.€**  
in 2021

## 5 BPI "la Caixa" Foundation Awards

To improve the **quality of life of people in social vulnerability**.

Since 2010:

- **781** projects supported
- **23 M.€** in aid
- **+ 175 thousand** Portuguese supported

## Decentralised Social Initiative

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

In 2021:

- **188** projects
- **1.2 M.€** invested
- **+ 42 thousand** direct beneficiaries

# COMMITMENT TO PEOPLE, SOCIETY AND THE ENVIRONMENT

## Commitment to People

## Commitment to Society

## Commitment to the Environment

### Environmental Management System

- First **Environmental Management System (EMS)** **certification** awarded to the banking and support activity of the Avenida Casal Ribeiro building. The certificate proves the EMS compliance with **ISO 14001:2015**.
- **Environmental Information Map** for all the Employees.
- Reduction of **energy and paper consumption**, more efficient use of **water** and drive towards **sustainable mobility**.
- **Energy** consumption **100% green**.
- **Employee awareness** initiatives.
- **Products and services** with environmental criteria (Corporate and Individual Clients).

### Main Sustainable Finance operations

- 112 M.€** **EDP Renováveis**: BPI 47 M.€ and EIB 65 M.€
- 750 M.€** **EDP**: BPI/CaixaBank in syndicate (Joint Bookrunner)
- 75 M.€** **BA Glass**: Organisation, 100% subscribed by BPI
- 30 M.€** **NOS**: Organisation, 100% subscribed by BPI
- 100 M.€** **Navigator**: Co-organiser, 50% subscribed by BPI
- 41 M.€** **Sonae Capital**: Co-organiser, 50% subscribed by BPI



# 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 2021 RESULTS



**Strong commercial dynamism**, despite the adverse economic environment



**Gross income growth and efficiency improvement**



**Digital transformation and innovation** on track



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



**Commitment to People, Society and the Environment**



**BPI was considered the Best Reputed Bank**

# BPI RESULTS

In 2021



Commercial activity in Portugal

Loan portfolio  
**+1.8 Bi.€**  
**+7.1%** Δ YoY

Customer resources  
**+3.3 Bi.€**  
**+9.0%** Δ YoY

Gross income  
Net Interest Income  
Fee & commission income  
↗ **+7.6%**  
+1.2%  
**+17.7%**  
Δ YoY

Digital Banking  
Regular users  
**772 th.**  
BPI app users  
**+75 th.** Δ YoY

Risk and capitalisation

NPE Ratio (EBA)  
**1.6%**

NPE coverage  
**149%**  
(by impairments and collaterals)

Cost of Risk  
**0.17%**  
(as % of loans and guarantees)

CET1  
T1  
Total  
↗ **14.2%**  
↗ **15.7%**  
↗ **17.4%**  
(Phasing-in)

Profit and profitability

Recurrent net profit in Portugal  
**200 M.€**

Recurrent ROTE in Portugal  
**6.8%**

Cost-to-core income in Portugal  
**54.2%**

Consolidated net profit  
**307 M.€**

## ANNEXES

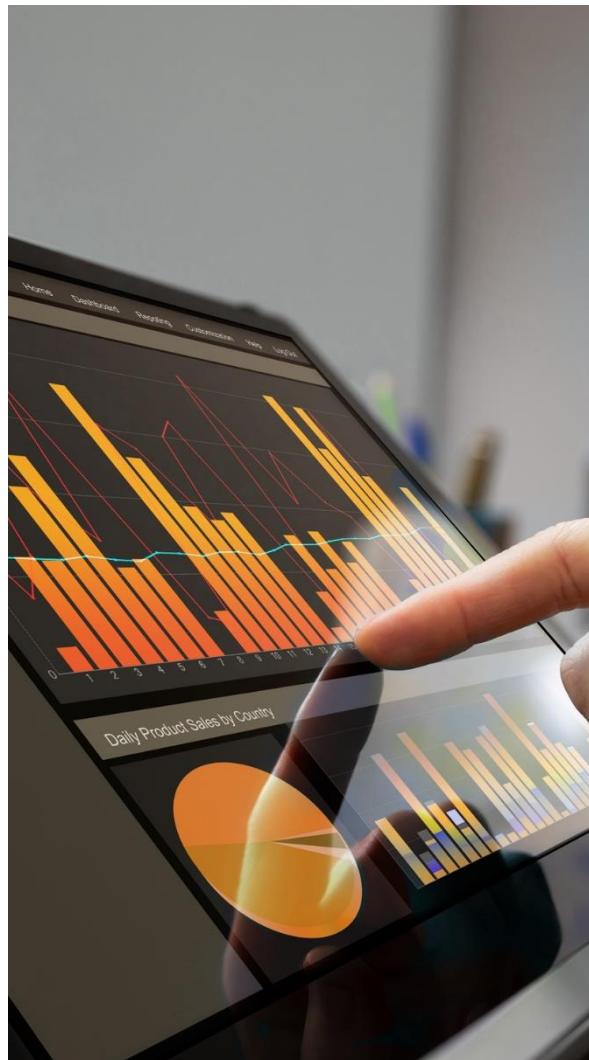
- 01** **BPI Ratings**  
versus peers
- 02** **Income Statements and Balance sheet** in accordance with IAS / IFRS and consolidated indicators
- 03** **Reconciliation** between BPI reported figures and BPI Segment contribution to CaixaBank Group
- 04** **Alternative Performance Measures**

# BPI RATINGS VS. PEERS

On 28th January 2022

Investment Grade		S&P Global	Moody's	Fitch Ratings	DBRS
Non-Investment grade					
...AA+ e AAA		(Long Term Debt/ Issuer Credit Rating)	(Long Term Debt/ Issuer rating)	(Issuer Default Rating)	(Long-Term Debt/ Issuer Rating)
AA		...Aa1, e Aaa	Aa2	...AA, AA+ e AAA	...AA, AA (high), AAA
AA-		Aa3	BPI Mortgage bonds	AA	AA
A+		A1		AA-	AA (low)
A		A2	BPI Deposits	A+	A (high)
A-		A3		A	A
BBB+		Baa1	Baa2	BBB+	BBB (high)
BBB	BPI	Baa2	BPI	BBB	BBB
BBB-	Bank 1	Baa2	Bank1	BBB	BBB (low)
		Baa3	Bank3	BBB-	Bank 2
BB+		Ba1	Ba1	BB+	BB (high)
BB	Bank 2	Ba2		BB	BB
BB-		Ba3		BB-	BB (low)
B+		B1		B+	B (high)
B		B2		B	B
B-		B3	B3	B-	Bank 4
CCC+		Caa1		CCC+	Bank 5
CCC		Caa2	Bank 4	CCC	B (low)
			Bank 5		CCC (high)
S&P (20 Jan.22) reaffirmed <b>BPI</b> and its <b>long term senior debt rating of BBB</b> , with Stable outlook.		Moody's (21 Sep.21) <b>upgraded the rating on BPI long term deposits to A3</b> and maintained the <b>rating on BPI and its LT senior debt at Baa2</b> . The outlook on ratings is Stable.		Fitch (7 Oct.21) reaffirmed <b>BPI rating of BBB</b> , with Stable outlook. and the ratings on its <b>senior debt and deposits (BBB+)</b> .	

# INCOME STATEMENT OF THE ACTIVITY IN PORTUGAL

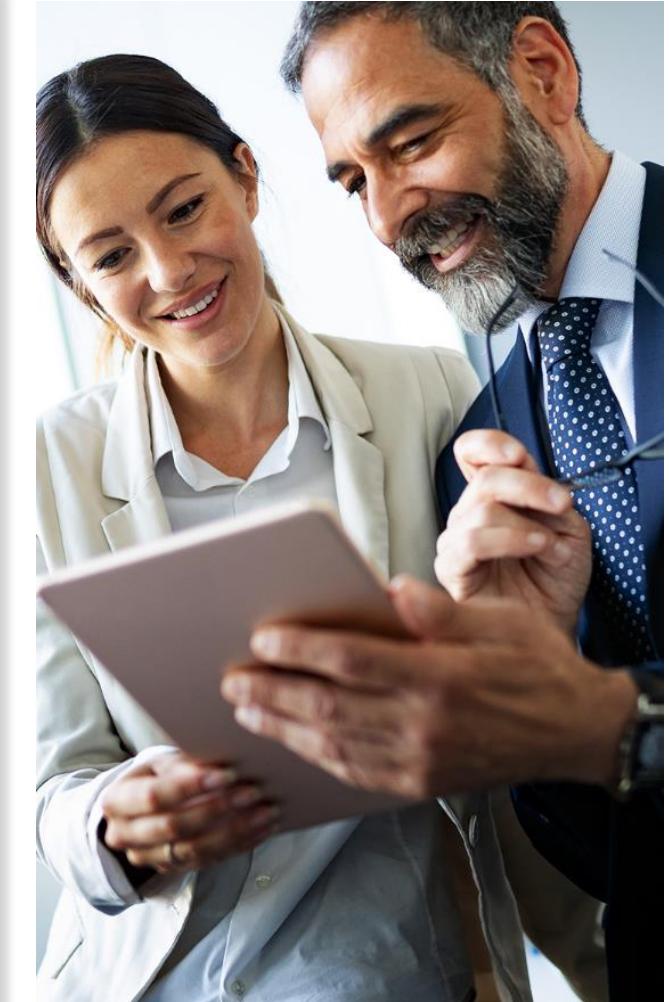
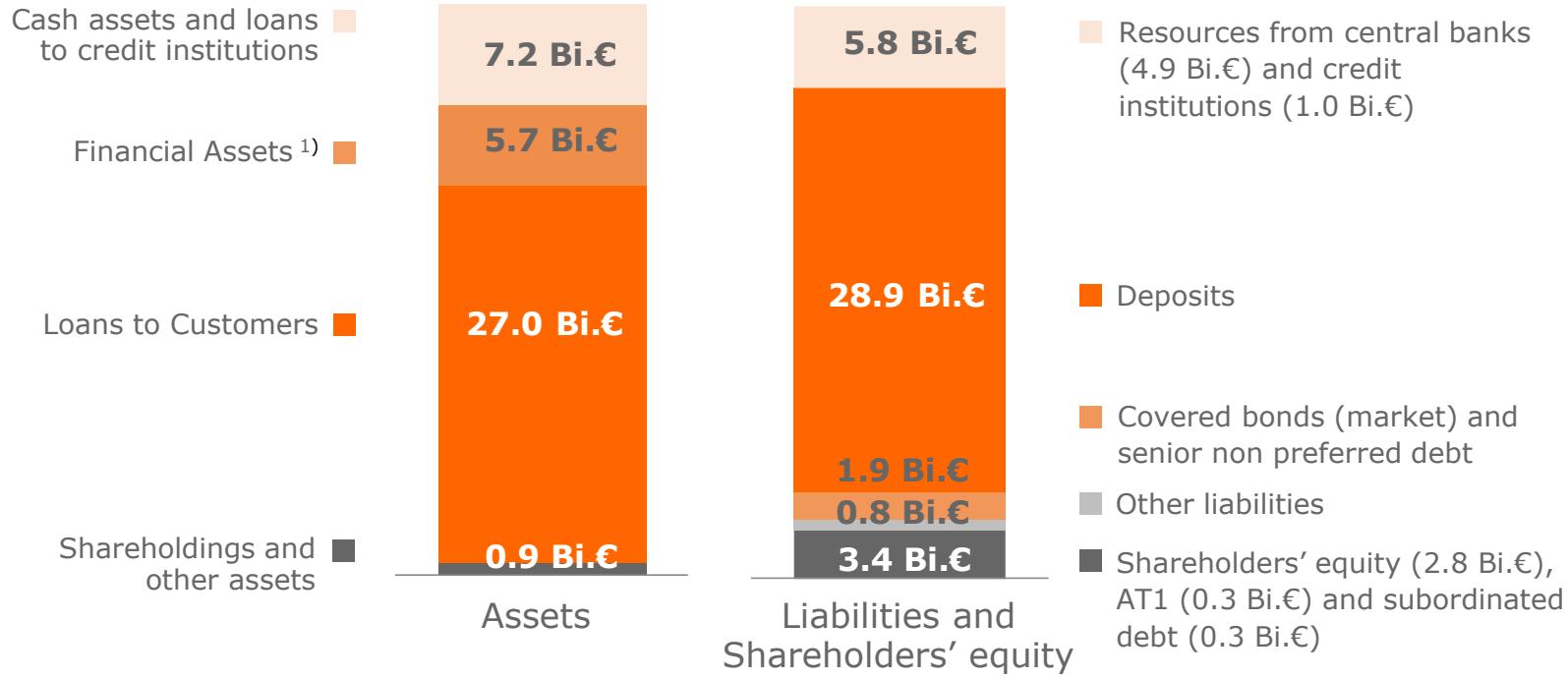


In M.€	Dec 20	Dec 21	Δ%
Net interest income	450.1	455.6	1.2%
Dividend income	2.4	1.9	-19.3%
Equity accounted income	18.5	23.1	24.6%
Net fee and commission income	244.9	288.2	17.7%
Gains/(losses) on financial assets and liabilities and other	-2.9	10.0	-
Other operating income and expenses	-14.7	-27.4	-86.1%
<b>Gross income</b>	<b>698.3</b>	<b>751.3</b>	<b>7.6%</b>
Recurrent staff expenses	-239.4	-231.1	-3.5%
Other administrative expenses	-138.2	-135.6	-1.9%
Depreciation and amortisation	-48.7	-61.2	25.8%
<b>Recurring operating expenses</b>	<b>-426.3</b>	<b>-427.9</b>	<b>0.4%</b>
Non-recurrent costs	-25.0	-29.8	19.5%
<b>Operating expenses</b>	<b>-451.3</b>	<b>-457.7</b>	<b>1.4%</b>
<b>Net operating income</b>	<b>247.0</b>	<b>293.6</b>	<b>18.9%</b>
Impairment losses and other provisions	-159.2	-50.9	-68.0%
Gains and losses in other assets	0.3	-0.6	-
<b>Net income before income tax</b>	<b>88.1</b>	<b>242.2</b>	<b>175.0%</b>
Income tax	-21.9	-63.6	-
<b>Net income</b>	<b>66.2</b>	<b>178.6</b>	<b>169.9%</b>

# BALANCE SHEET OF THE ACTIVITY IN PORTUGAL

31<sup>st</sup> Dec. 2021

**40.8 Bi.€**



1) Includes medium and long-term sovereign debt of 4.9 Bi.€ (Portugal 49%; Spain 28%, Italy 15% and USA 9%), with an average residual maturity of 4.2 years.

# LOAN PORTFOLIO AND CUSTOMER RESOURCES

## Loan portfolio

Gross portfolio, in M.€	Dec 20	Dec 21	YoY
<b>I. Loans to individuals</b>	<b>13 745</b>	<b>14 892</b>	<b>8.3%</b>
Mortgage loans	12 008	13 089	9.0%
Other loans to individuals	1 737	1 803	3.8%
<b>II. Loans to companies</b>	<b>10 072</b>	<b>10 523</b>	<b>4.5%</b>
<b>III. Public sector</b>	<b>1 879</b>	<b>2 115</b>	<b>12.5%</b>
<b>Total loans</b>	<b>25 695</b>	<b>27 529</b>	<b>7.1%</b>

Note:

Loan portfolio net of impairments	25 208	27 008	7.1%
-----------------------------------	--------	--------	------

## Customer resources

In M.€	Dec 20	Dec 21	YoY
<b>I. Customer deposits</b>	<b>26 009</b>	<b>28 872</b>	<b>11.0%</b>
<b>II. Assets under management</b>	<b>9 644</b>	<b>10 861</b>	<b>12.6%</b>
Mutual funds	5 309	6 273	18.2%
Capitalisation insurance	4 334	4 588	5.9%
<b>III. Public offerings</b>	<b>1 336</b>	<b>572</b>	<b>-57.2%</b>
<b>Total</b>	<b>36 989</b>	<b>40 305</b>	<b>9.0%</b>

# CONSOLIDATED INCOME STATEMENT



In M.€	Dec 20	Dec 21
Net interest income	450.1	460.5
Dividend income	42.6	99.8
Equity accounted income	27.7	47.8
Net fee and commission income	244.9	288.2
Gains/(losses) on financial assets and liabilities and other	-12.3	26.5
Other operating income and expenses	-18.0	-35.3
<b>Gross income</b>	<b>735.1</b>	<b>887.5</b>
Staff expenses	-264.4	-260.9
<i>Of which: Recurrent staff expenses</i>	-239.4	-231.1
<i>Non-recurrent costs</i>	-25.0	-29.8
Other administrative expenses	-138.2	-135.6
Depreciation and amortisation	-48.7	-61.2
<b>Operating expenses</b>	<b>-451.3</b>	<b>-457.7</b>
<b>Net operating income</b>	<b>283.8</b>	<b>429.8</b>
Impairment losses and other provisions	-159.2	-50.9
Gains and losses in other assets	0.3	-0.6
<b>Net income before income tax</b>	<b>124.9</b>	<b>378.4</b>
Income tax	-20.1	-71.6
<b>Net income</b>	<b>104.8</b>	<b>306.8</b>
<b>EARNINGS PER SHARE</b>		
Earnings per share (€)	0.06	0.20
Average weighted nr. of shares (in millions)	1 456.9	1 456.9

# CONSOLIDATED BALANCE SHEET



<b>In M.€</b>	<b>Dec 20</b>	<b>Dec 21</b>
<b>ASSETS</b>		
Cash and cash balances at central banks and other demand deposits		
4 535.2	6 245.8	
Financial assets held for trading, at fair value through profit or loss and at fair value through other comprehensive income	2 258.5	1 884.1
Financial assets at amortised cost	30 004.0	32 137.8
Of which: Loans to Customers	25 207.8	27 007.7
Investments in joint ventures and associates	238.2	273.9
Tangible assets	152.9	209.2
Intangible assets	87.0	98.4
Tax assets	271.0	200.9
Non-current assets and disposal groups classified as held for sale	7.9	5.1
Other assets	231.0	323.0
<b>Total assets</b>	<b>37 785.6</b>	<b>41 378.3</b>
<b>LIABILITIES</b>		
Financial liabilities held for trading	141.3	103.9
Financial liabilities at amortised cost	33 695.7	37 200.6
Deposits - Central Banks and Credit Institutions	5 504.3	5 826.3
Deposits - Customers	26 008.6	28 872.1
Debt securities issued	1 804.9	2 206.3
Of which: subordinated liabilities	304.3	304.3
Other financial liabilities	378.0	295.9
Provisions	48.7	52.5
Tax liabilities	23.2	20.1
Other liabilities	620.3	333.7
<b>Total Liabilities</b>	<b>34 529.3</b>	<b>37 710.8</b>
Shareholders' equity attributable to the shareholders of BPI	3 256.3	3 667.5
Non controlling interests	0.0	0.0
<b>Total Shareholders' equity</b>	<b>3 256.3</b>	<b>3 667.5</b>
<b>Total liabilities and Shareholders' equity</b>	<b>37 785.6</b>	<b>41 378.3</b>

# CONSOLIDATED INDICATORS

## Profitability, Efficiency and Liquidity Indicators

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

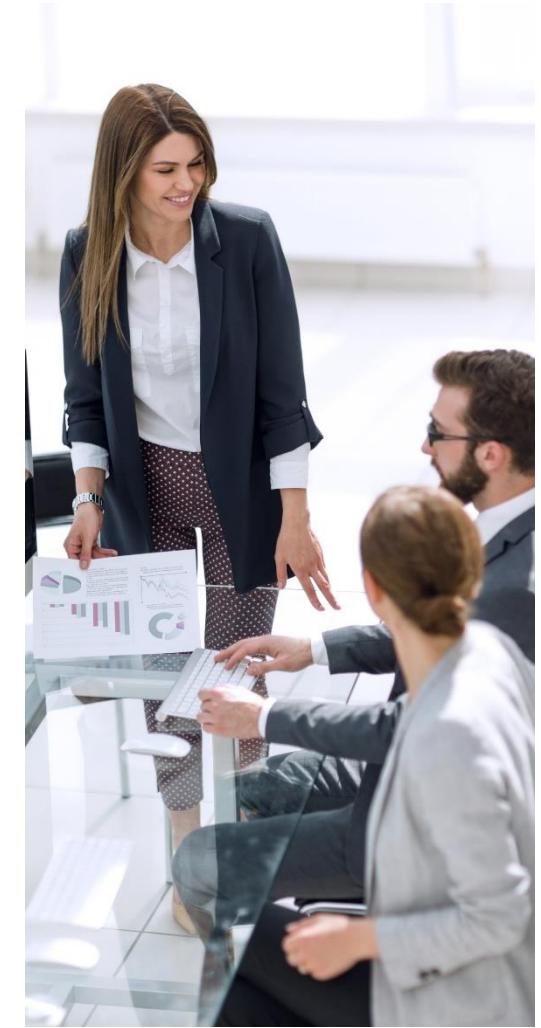
	Dec 20	Dec 21
Gross income / ATA	2.1%	2.2%
Net income before income tax and income attributable to non-controlling interests / ATA	0.4%	1.0%
Net income before income tax and income attributable to non-controlling interests / average shareholders' equity (including non-controlling interests)	3.8%	10.7%
Staff expenses / Gross income <sup>1)</sup>	32.6%	26.0%
Operating expenses / Gross income <sup>1)</sup>	58.0%	48.2%
Loans (net) to deposits ratio	97%	94%

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

	Dec 20	Dec 21
Non-performing exposures - NPE (M.€)	611	646
NPE ratio	1.7%	1.6%
NPE coverage by impairments	83%	84%
NPE coverage by impairments and collaterals	140%	149%
Ratio of forborne not included in NPE <sup>2)</sup>	0.5%	0.4%

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

	Dec 20	Dec 21
"Crédito duvidoso" (M.€) <sup>3)</sup>	630	683
"Crédito duvidoso" ratio	2.3%	2.3%
"Crédito duvidoso" coverage by impairments	81%	80%
"Crédito duvidoso" coverage by impairments and collaterals	134%	140%



1) Excluding early-retirement costs.

2) Forborne according to EBA criteria and considering the scope of prudential supervision. On Dec.21, the forborne was 422 M.€ (forborne ratio of 1.0%), of which 187 M.€ was performing loans (0.4% of the gross credit exposure) and 235 M.€ was included in NPE (0.5% 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

Dec 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	460	( 9)	451	453	( 2)
Dividends	100		100	2	98
Equity accounted income	48		48	23	25
Net fees and commissions	288		288	288	
Trading income	27	1	28	11	17
Other operating income & expenses	( 35)	3	( 32)	( 24)	( 8)
<b>Gross income</b>	<b>888</b>	<b>( 6)</b>	<b>882</b>	<b>753</b>	<b>129</b>
Recurrent operating expenses	( 428)	( 16)	( 444)	( 444)	
Extraordinary operating expenses	( 30)	29	( 1)	( 1)	
<b>Pre-impairment income</b>	<b>430</b>	<b>7</b>	<b>437</b>	<b>308</b>	<b>129</b>
<b>[Pre-impairment income without extraordinary expenses]</b>	<b>460</b>	<b>( 22)</b>	<b>438</b>	<b>309</b>	<b>129</b>
Impairment losses on financial assets	( 47)	7	( 40)	( 40)	
Other impairments and provisions	( 4)	( 33)	( 37)	( 37)	
Gains/losses on disposals & others	( 1)	( 5)	( 6)	( 6)	
<b>Pre-tax income</b>	<b>378</b>	<b>( 24)</b>	<b>354</b>	<b>225</b>	<b>129</b>
Income tax	( 72)	11	( 61)	( 55)	( 6)
<b>Profit for the period</b>	<b>307</b>	<b>( 14)</b>	<b>293</b>	<b>170</b>	<b>123</b>
Minority interests & other					
<b>Net income</b>	<b>307</b>	<b>( 14)</b>	<b>293</b>	<b>170</b>	<b>123</b>

## Loan portfolio & customer resources

December 2021 (M.€)	As reported by BPI	Adjustments	BPI contribution to CABK Group (BPI segment)
Loans and advances to customers, net	27 008	( 77)	26 931
Total customer funds	40 305	( 4 628)	35 677

## 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 31st Dec. 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 31<sup>st</sup> Dec. 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	Units, conventional signs and abbreviations
<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
<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

<b>Structure used in the Results' Presentation</b>	<b>Dec 21</b>	<b>Dec 21</b>	<b>Structure presented in the financial statements and respective notes</b>
Net interest income	460.5	460.5	Net interest income
Dividend income	99.8	99.8	Dividend income
Equity accounted income	47.8	47.8	Share of the profit or (-) loss of investments in subsidiaries, joint ventures and associates accounted for using the equity method
Net fee and commission income	288.2	308.2	Fee and commission income
		-20.0	Fee and commission expenses
Gains/(losses) on financial assets and liabilities and other	26.5	0.2 5.4 -5.2 -2.1 28.2	Gains or (-) losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net Gains or (-) losses on financial assets and liabilities held for trading, net Gains or (-) losses on non-trading financial assets mandatorily at fair value through profit or loss, net Gains or (-) losses from hedge accounting, net Exchange differences [gain or (-) loss], net
Other operating income and expenses	-35.3	29.3 -64.6	Other operating income Other operating expenses
<b>Gross income</b>	<b>887.5</b>	<b>887.5</b>	<b>GROSS INCOME</b>
Staff expenses	-260.9	-260.9	Staff expenses
Other administrative expenses	-135.6	-135.6	Other administrative expenses
Depreciation and amortisation	-61.2	-61.2	Depreciation
<b>Operating expenses</b>	<b>-457.7</b>	<b>-457.7</b>	<b>Administrative expenses and depreciation</b>
<b>Net operating income</b>	<b>429.8</b>	<b>429.8</b>	
Impairment losses and other provisions	-50.9	-5.3 -45.6	Provisions or (-) reversal of provisions Impairment or (-) reversal of impairment on financial assets not measured at fair value through profit or loss
Gains and losses in other assets	-0.6	-0.2 -0.9 0.0 0.5	Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates Impairment or (-) reversal of impairment on non-financial assets Gains or (-) losses on derecognition of non financial assets, net 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>378.4</b>	<b>378.4</b>	<b>PROFIT OR (-) LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>
Income tax	-71.6	-71.6	Tax expense or income related to profit or loss from continuing operations
<b>Net income from continuing operations</b>	<b>306.8</b>	<b>306.8</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>306.8</b>	<b>306.8</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 (CaixaBank criteria)</b>	(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 (income statement)</b>	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 ("credito dudoso", Bank of Spain criteria)</b>	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.

Registered office: Avenida da Boavista, 1117, 4100-129 Porto, Portugal

Share capital: € 1 293 063 324.98

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