

#### **Announcement**

#### **Amendment referring to September 2022**

Caixa Geral de Depósitos, S.A. (CGD) informs that, by reference to the document "Consolidated Results 9M22 - Presentation", published on November 10, 2022, it amended the business volume figure, in an amount less than 1 percentage point, but with an effect in several indicators with no accounting impact, namely:

• Slide 5: relative change in Business Volume (from 3% to 2%);

• Slide 10 (Business Volume Chart): value for September 2022 (from 153,570 M€ to 152,866 M€), as well as the respective absolute and relative change and corresponding changes and weights by geography and type of business;

• Slide 12 (Loans and Advances to Customers Graph): total value of Corporates and General Government loans (from 19,924 M€ to 19,843 M€), as well as the respective variation in the evolution graph (from 3% to 2%);

• Slide 14 (Customer Deposits Graph): breakdown of the amounts by costumer segment and relative change for September 2022, without impact in Total. The figure for Total Customer Resources is revised from 87,068 M€ to 86,364 M€.

The following amendments were also made:

• Slide 11 (Net Income Graph): weight of International Activity in September 2021 (from 21% to 23%), with no change in absolute values;

• Slide 20 (Footnote 2): the expression "except 2021-09" has been added.

The amended version of the document supplements this announcement.

Caixa Geral de Depósitos, S.A. Lisbon, November 24, 2022

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# Results Presentation

Consolidated Results
Unaudited financial information
Investor Relations | 10.11.2022

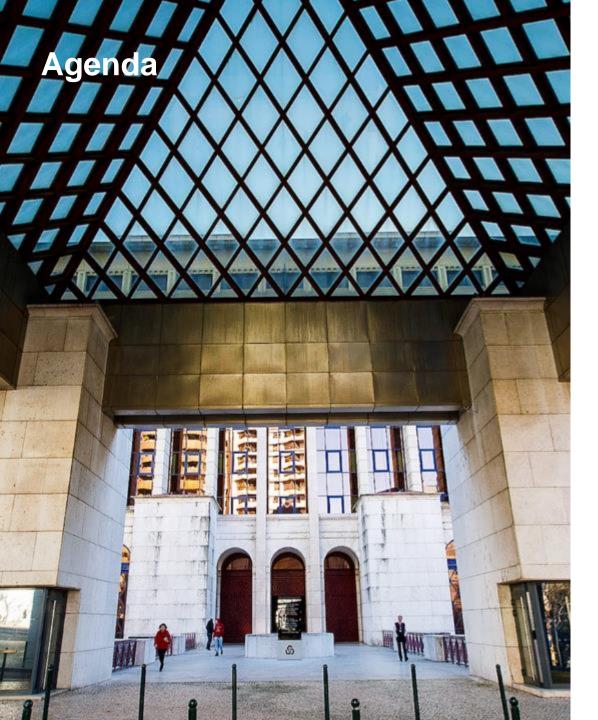


9 M



#### **Disclaimer**

- The financial statements have been prepared on the basis of the International Financial Reporting Standards (IFRS) as adopted in the European Union in accordance with Regulation (EC) No. 1606/2002 of the European Council and of the Parliament of July 19 and provisions of Decree-Law No. 35/2005 of February 17. The financial information reported is unaudited.
- In December 2021, the shareholding in Banco Comercial do Atlântico (BCA) was no longer classified as "Non-current assets held for sale". For this
  reason and in accordance with the provisions of IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operating Units" the consolidated income
  statement as of 30 September 2021 has been restated.
- The financial metrics in this presentation refer to September 30, 2022, unless otherwise stated. These may be estimates subject to revision. Solvency ratios include net income for the period, excluding the maximum distributable amount according to dividend policy, unless where otherwise noted.
- Global economic activity decelerated in the first nine months of 2022, due to the impact of the pandemic in some geographies and the invasion of
  Ukraine by Russia at the beginning of the year, which implied a deterioration in the growth prospects of the global economy in the short term and greater
  inflationary pressures. The prospects of growth of the Portuguese economy in the period 2022-2024 have been revised downwards by the Bank of
  Portugal and the recorded inflation was substantially higher than anticipated in the end of the previous year. Current geopolitical instability implies that
  the magnitude of the economic impact of the conflict is uncertain, involving the risk of materialization of more adverse scenarios.
- In light of this framework, with reference to the information currently available, CGD estimated and reflected in its financial statements, for the period that ended in 30 September 2022, its best estimate of the financial effects arising from these events, including with regard to the valuation of its assets and the measurement of expected losses in the loan portfolio, which will be subject to continuous monitoring and review.
- This document is only intended to provide general information and does not constitute investment advice or professional advice, nor can it be interpreted
  as such.
- This document is an English translation of the Portuguese language document "Apresentação Resultados 9M22". In the event of any inconsistency, the original version prevails.

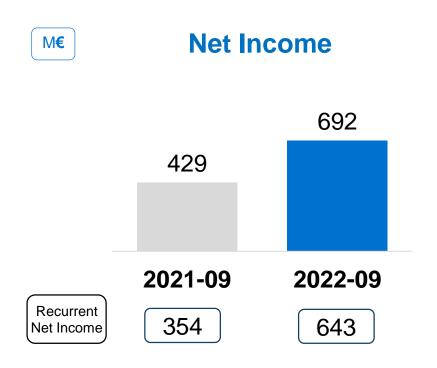


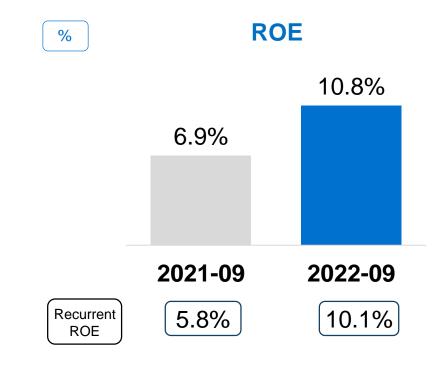
- 1 Activity Highlights
- 2 Income Statement
- 3 Balance Sheet



#### **Highlights**

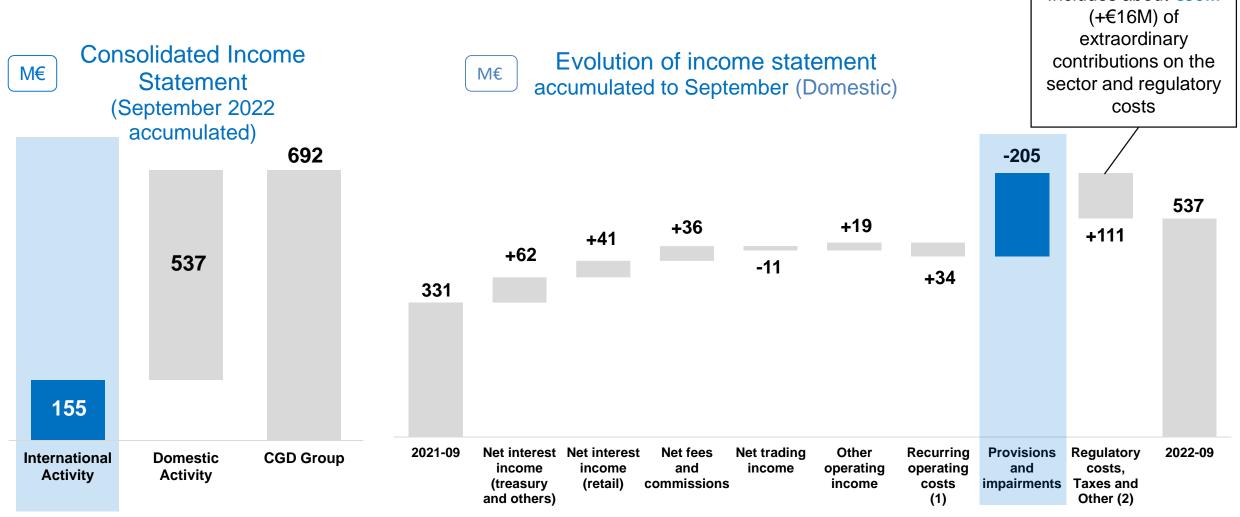
- Caixa records consolidated net income, accumulated to September, of €692 M, supported by the reduction of impairments registered for the Covid crisis and the €155 M (+58%) contribution of the international area, projecting the payment to taxpayers of the largest dividend in CGD's history
- ROE of 10.8% reaches cost of capital referencials for the first time since 2008
- Sustained growth of business volume (+2%), with strong international performance and individuals and companies loan portfolio in Portugal increases by 2%, with special reference to the 6% increase in the SME segment
- Production of mortgage loans in Portugal reaches €2,443 M, contributing to the growth of the portfolio (+1.5%). Average instalment below €250 with debt service to income ratio of 33%
- Growth of 3.8% in deposits in all segments (+€2.6 B)
- Strong customer engagement in digital channels with 19% growth in mobile users
- Sustained decrease in recurrent cost-to-income ratio to 41.5%, reflecting higher levels of efficiency and improved earnings
- Asset quality improves with NPL in continued decline and NPL ratio decreases to 2.6%, the lowest historic level, and NPL ratio net of total impairments remains at 0% with 142% NPL coverage level. Foreclosed assets decrease by 17% to €335 M
- Robust capital position, with the CET1 ratio at 18.7%, above the average of Portuguese and European banks
- In October, Caixa issued in the international markets and to meet MREL requirements, senior preferred debt in the amount of €500M, its second "green" issue and the third with ESG characteristics, totaling €1.3 B.







Includes about €80M



<sup>(1)</sup> Includes personnel restructuring costs

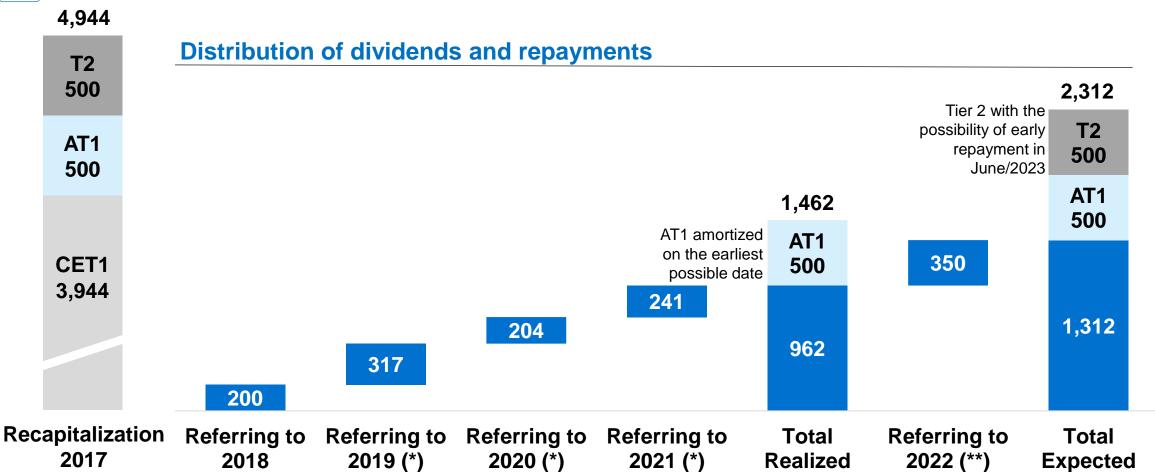


<sup>(2)</sup> Other includes: Income from equity instruments, non-controlling interests, results of associated companies and results of subsidiaries held for sale

# Results allow for dividend payments in accordance with policy and repayment of issues carried out under the Recapitalization Plan





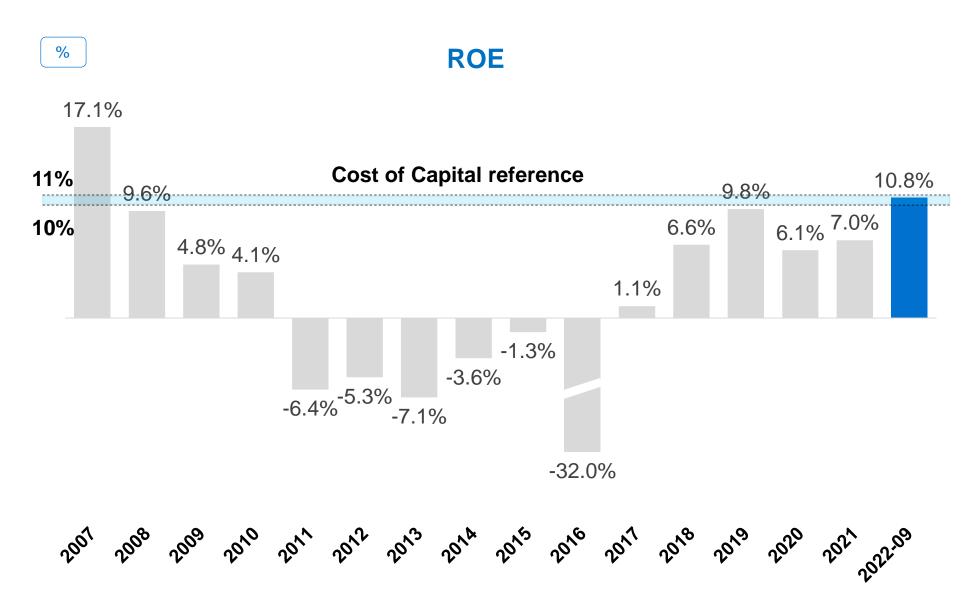


<sup>(\*)</sup> Maximum distributable amount in accordance with the Dividend Policy

<sup>(\*\*)</sup> Amount considered in the 2023 State Budget; maximum distributable amount referring to the first 9 months of 2022 of €286 M

#### ROE of 10.8% reaches cost of capital for the first time since 2008





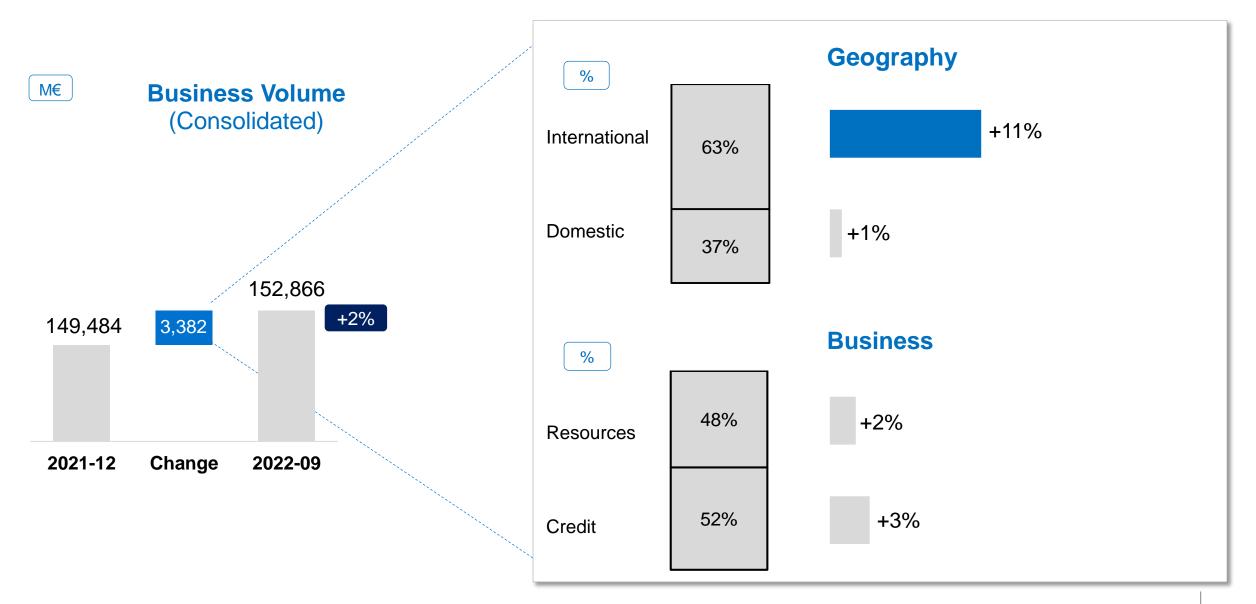
# Cost of Capital reference

- Average of European banks: **10,2%** <sup>(1)</sup>
- Caixa's AT1 issuance in 2017: 10,75%

(1) Source: ECB (2021)

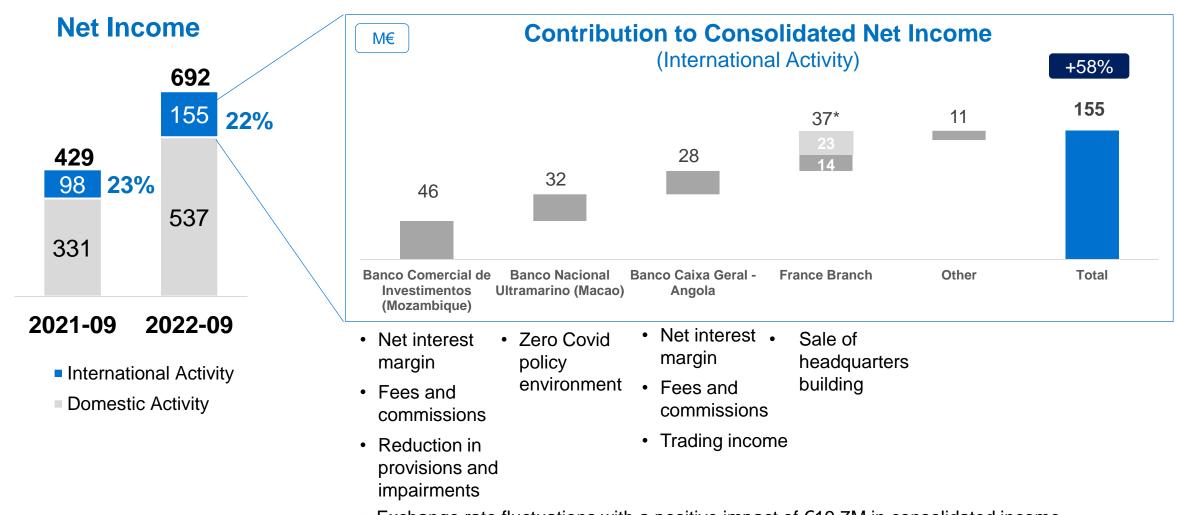
# Business volume increases in loans and deposits, with emphasis on the international activity





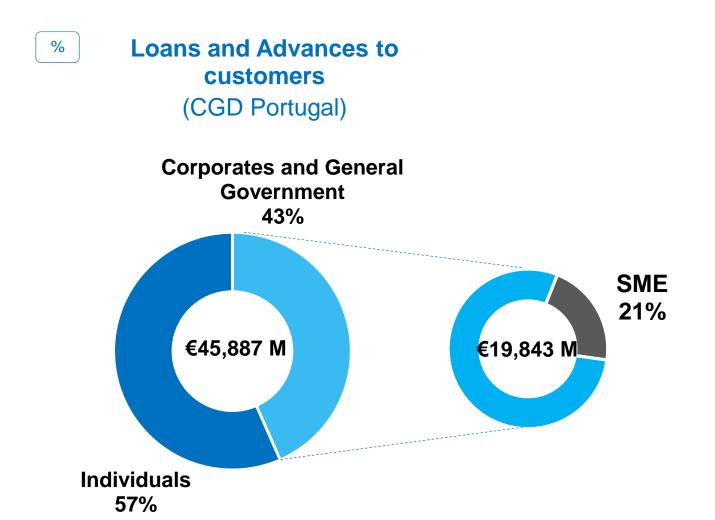
#### International activity improves consolidated income growing 58%

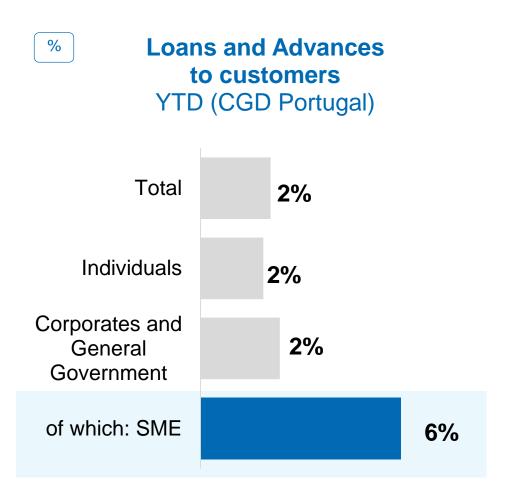




<sup>\* €14</sup> M of recurrent results and €23 M non recurrent effects

• Exchange rate fluctuations with a positive impact of €19.7M in consolidated income

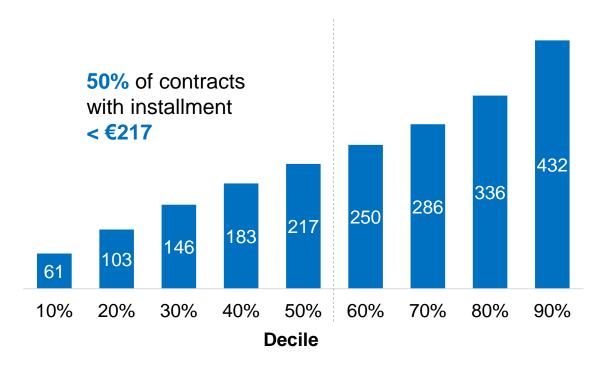




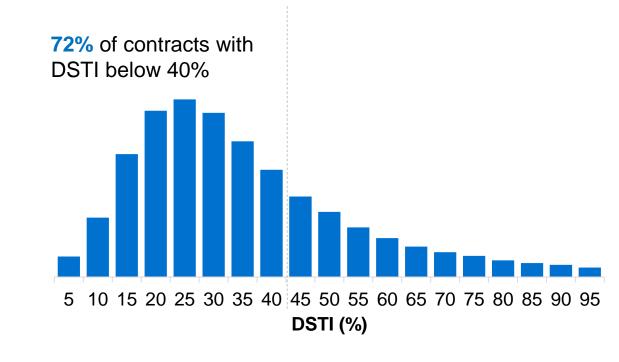
### Mortgage loan portfolio with average instalment below €250 and debt service to income (DSTI) ratio at 33%



#### Average installment per decile of the portfolio



#### **Debt Service To Income (DSTI)\*\***





€ 244 average monthly instalment

90% of contracts with installments below € 432



33% Average DSTI

**23%** average Effort Rate<sup>(\*)</sup> in contracts celebrated since 2017

CAIXA GERAL DE DEPÓSITOS, S.A.

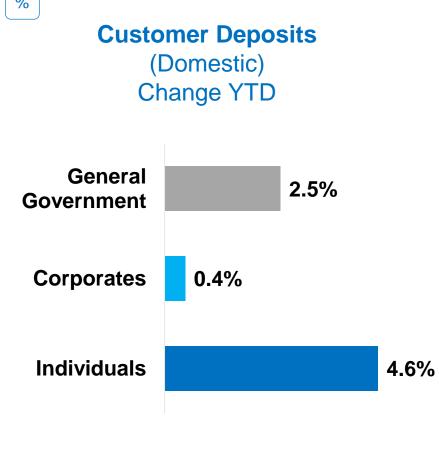
<sup>\*</sup> Percentage of gross annual income in twelfth of the household, intended for the payment of monthly installments relating to credit operations to individuals (excluding insurance premiums)

<sup>\*\*</sup> Percentage of net monthly income (Annual net income divided by 12 months) of the household, intended for the payment of monthly installments relating to credit operations to individuals (excluding insurance premiums)

### **Deposits grow in Portugal across all segments**







#### Investment made in recent years in digital transformation materializes in a contribution to the **business**



**Active Digital Customers** (#)



2.2 M 63 % of total **Active Mobile** Customers (#)



1.5 M 45 % of total

**Digital Operations** (#)



61 M + 12 % yoy

Weight of **Digital Sales** (#)



80 % + 4 p.p. yoy 17%

**Consumer credit** 

13%

**Credit Cards** 

82%

Savings

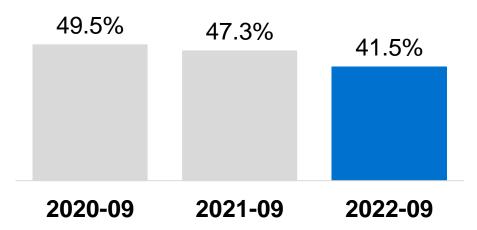
### Cost-to-Income down with improved efficiency and increased income



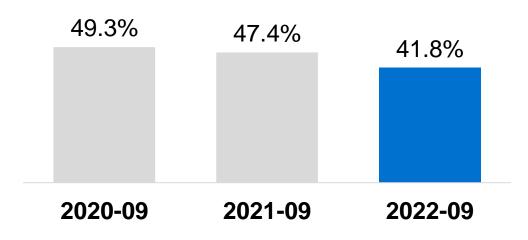
%

# Recurrent Cost-to-income (1) (Consolidated)









(1) Ratio defined by the Bank of Portugal Instruction 6/2018 [Operating Costs / (Total Operating Income + Income From Associated Companies)]

#### Continued decrease of NPL leads to reduction in NPL ratio

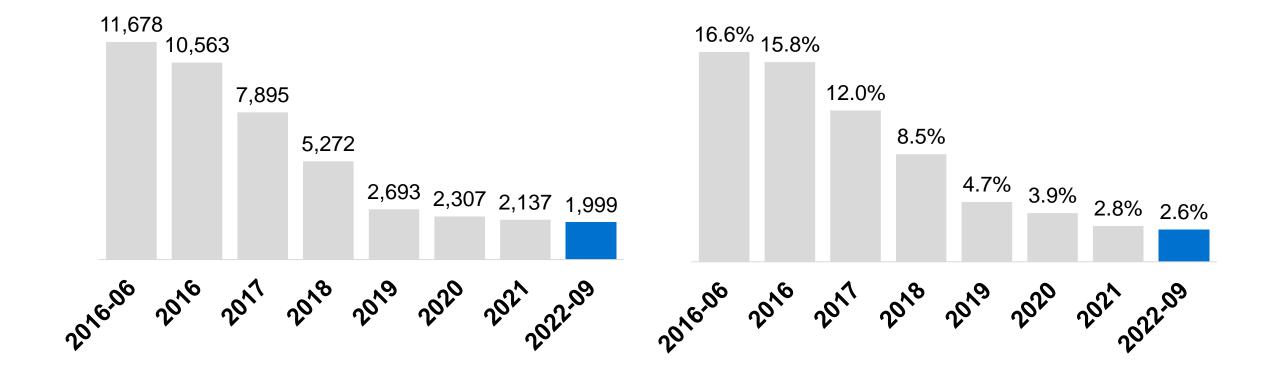






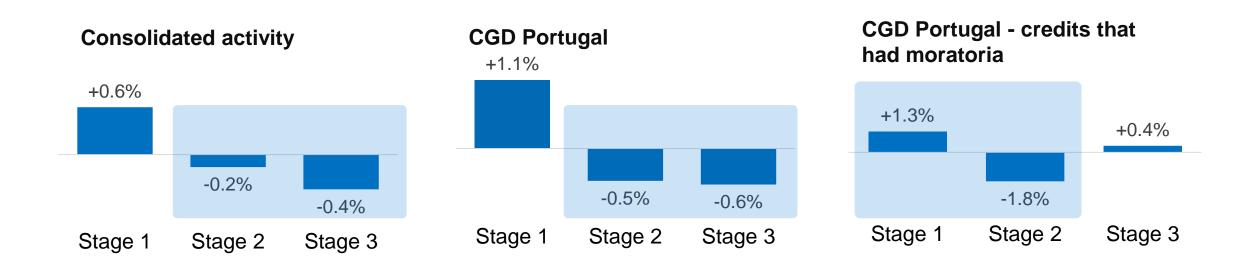


#### **Evolution NPL ratio** (1)



<sup>(1)</sup> NPL - Non Performing Loans: EBA definitions

#### **Breakdown by stages YTD**



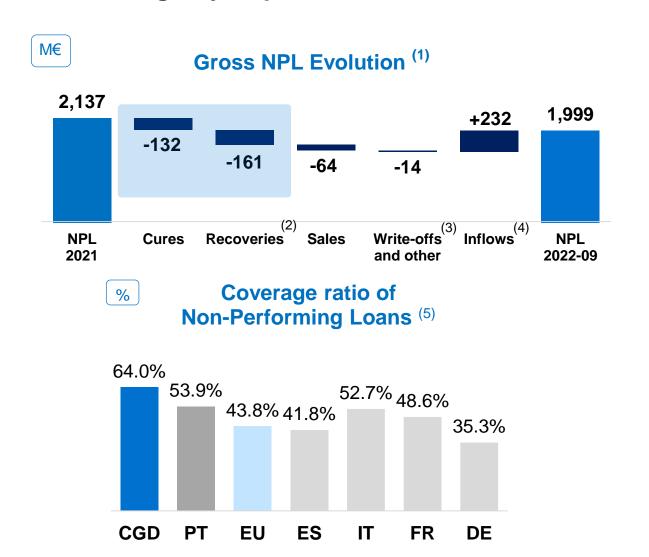
#### **Distribution by stages** (2022-09)

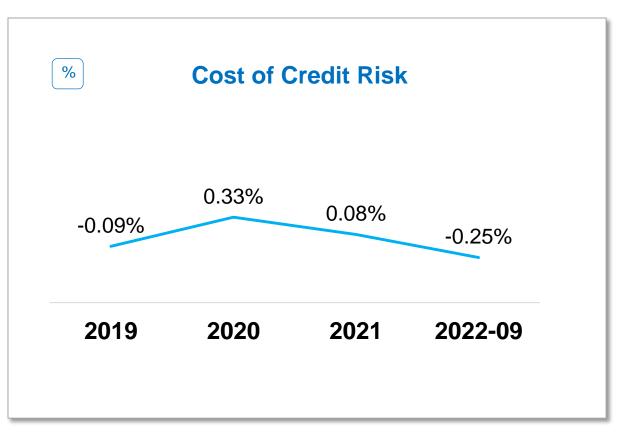
Stage 1	88.6%	89.2%	64.3%
Stage 2	7.6%	7.3%	25.4%
Stage 3	3.8%	3.5%	10.3%

### Negative cost of credit risk reflecting favourable evolution of credit recovery and the level of coverage by impairments and collateral



19





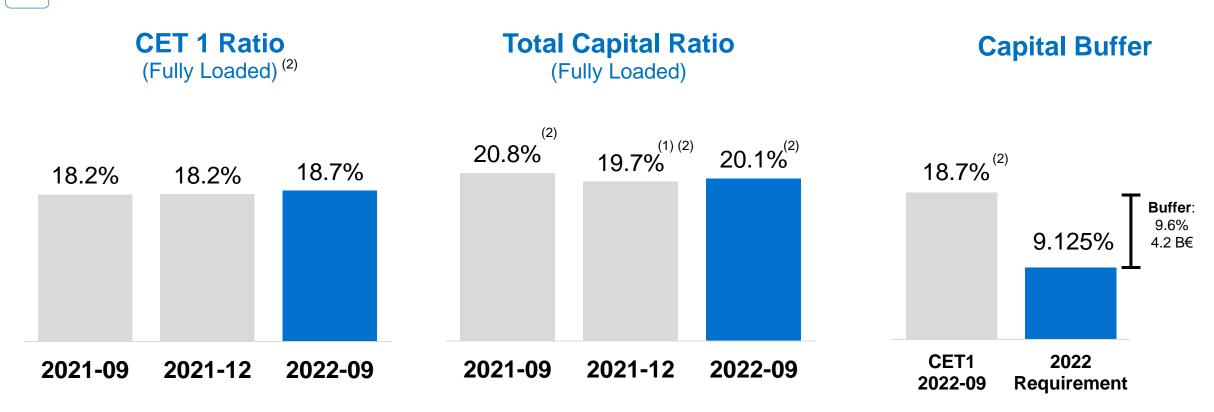
<sup>(1)</sup> NPL – Non Performing Loans: EBA definitions; (2) Recovery value of the set of credits classified as NPL- Non Performing Loans (3) Includes impact of exchange rate variations;

<sup>(4)</sup> As a reminder, in the pre-COVID period, the values in September were €474 million and €425 million in 2018 and 2019, respectively; (5) Source: EBA Risk Dashboard – June 2022;

### Robust capital ratios after call of AT1



%



<sup>(1)</sup> Excludes AT1 redeemed in March 2022; (2) Excluding from net income the maximum distributable amount according to dividend policy, except for 2021-09

#### Sustainable development policy continued with new "green" issue



#### **Sustainable Debt Issuance**

- Second "Green" debt issue and third with ESG characteristics, of €500
   M (total amount issued of €1.3 billion)
- ESG investors represented 70% of the allocation

#### **Allocation and Impact Report**



€597 M of financing 5,746 companies supported 31,400 jobs impacted



**€83 M** funding under a hydroelectric power generation **119,316 tCO₂e** emissions avoided per year



€157 M in financing related to four buildings with a BREEAM certification rating of "Very Good" or higher 2,115 tCO₂e emissions avoided per year



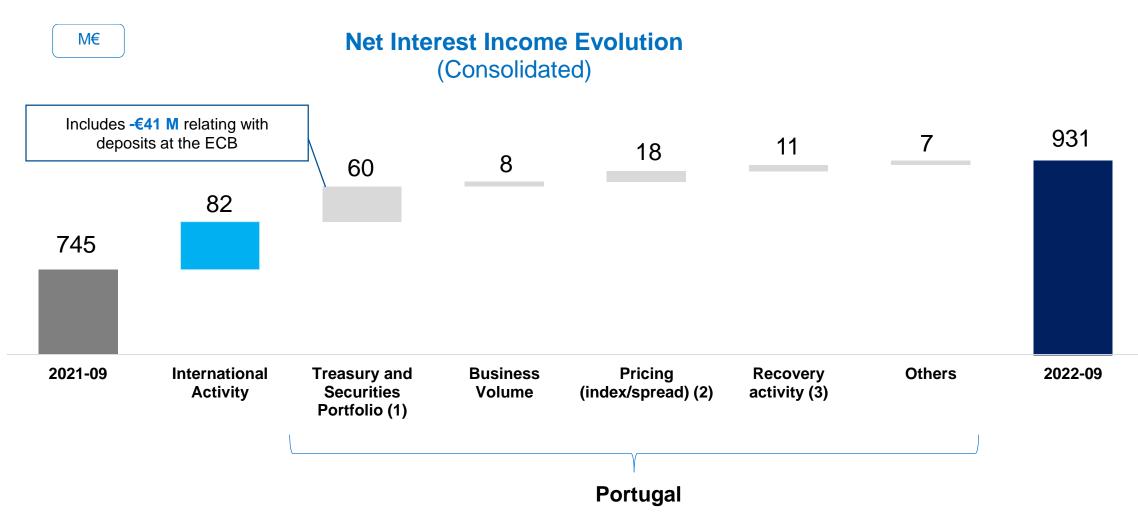
€13 M financing of purchase of electric vehicles854 tCO2e estimated emissions avoided per year





# Consolidated Net Interest Income impacted by the international activity and treasury management, including TLTRO Programme





<sup>(1)</sup> Total net contribution from TLTRO to net interest income in the amount of €27 M

<sup>2)</sup> Includes -€14 M of spread effect

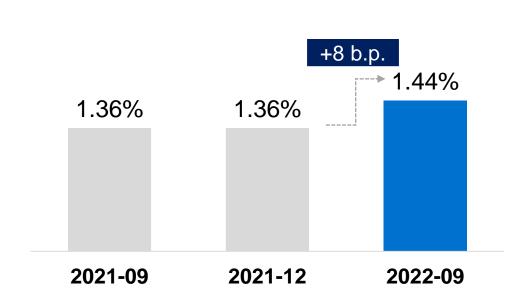
<sup>(3)</sup> Net Interest Income generated on loans classified as non-performing

# Interest rate increase pass through has been very gradual

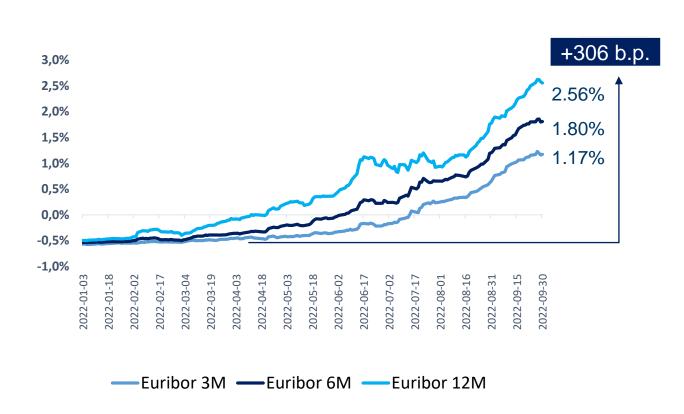


#### **Retail Net Interest Margin**

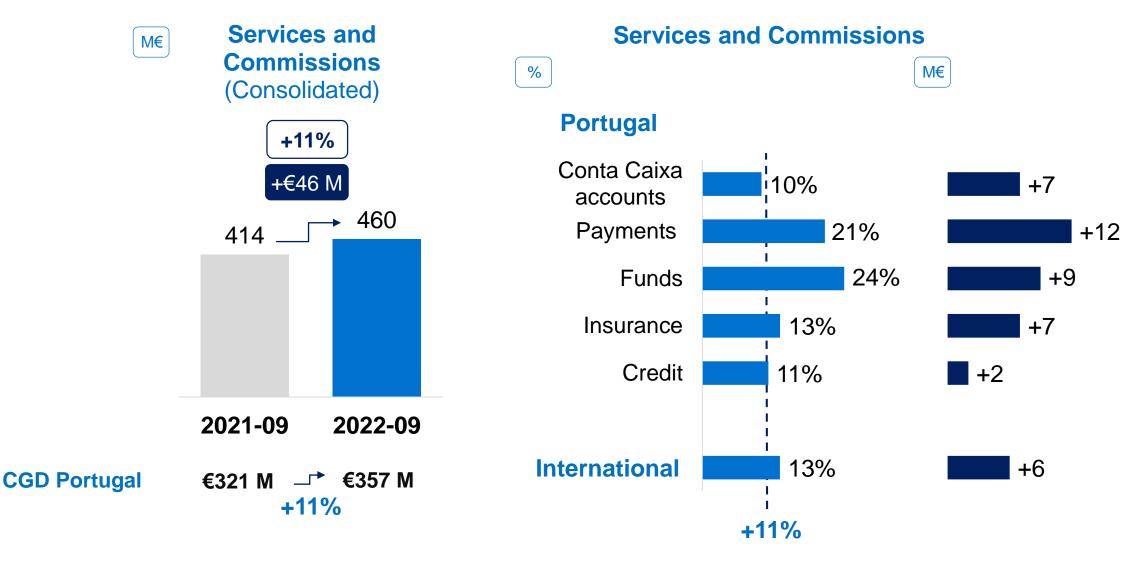
#### Domestic



#### **Taxas Euribor**







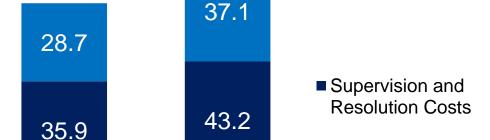
# Supervision and resolution costs with significant weight and relevant increase compared to 2021, include €37 M of extraordinary contributions

M€

64.6

2021

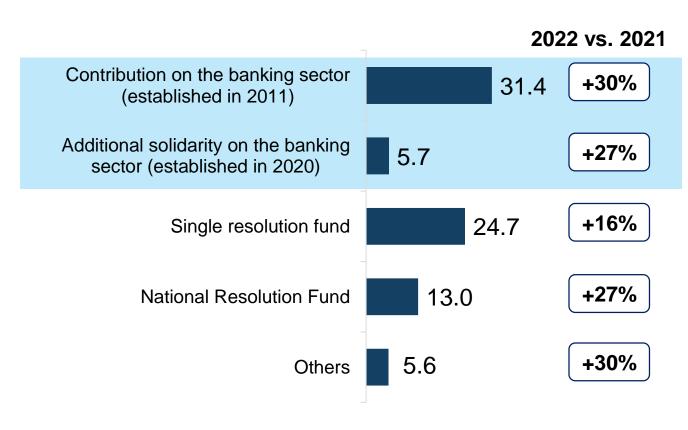




2022

Contributions

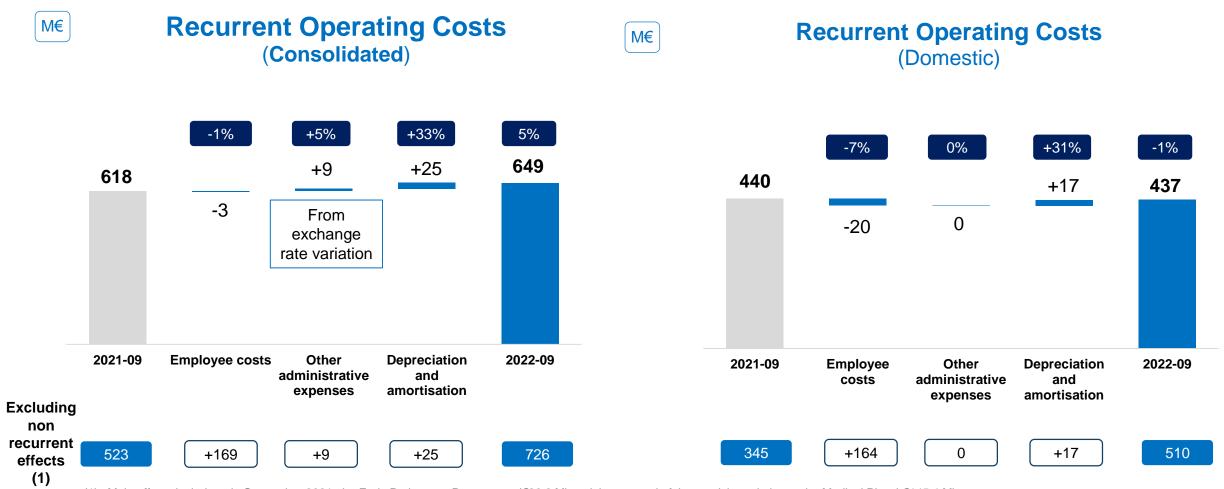
### **Regulatory Costs in 2022**



# Recurrent Operating Costs stable in Portugal; impacted by exchange rate variation in international activity



27

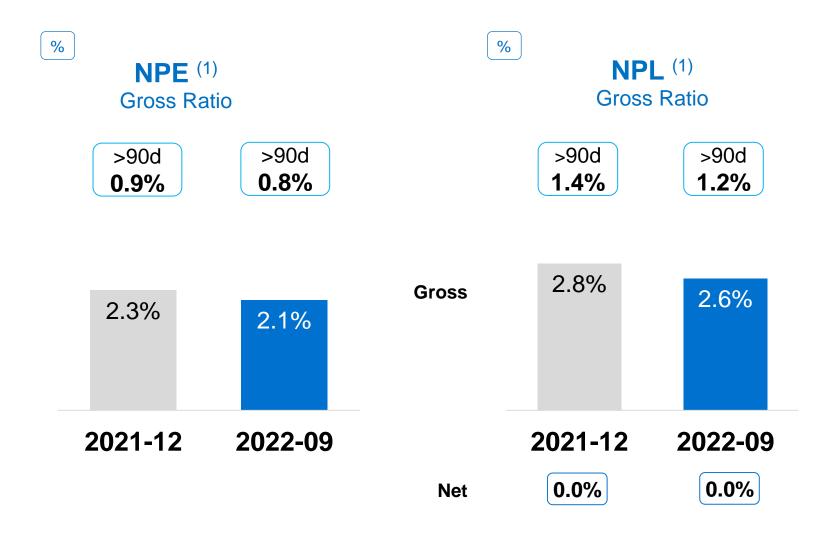


<sup>(1)</sup> Main effects include: - in September 2021, the Early Retirement Programme (€30.8 M) and the reversal of the provision relating to the Medical Plan (-€145.4 M); - in September 2022, the Early Retirement Programme (€58.7 M)



### NPE and NPL maintain a downward trajectory, NPL ratio net of impairment at 0% (zero)

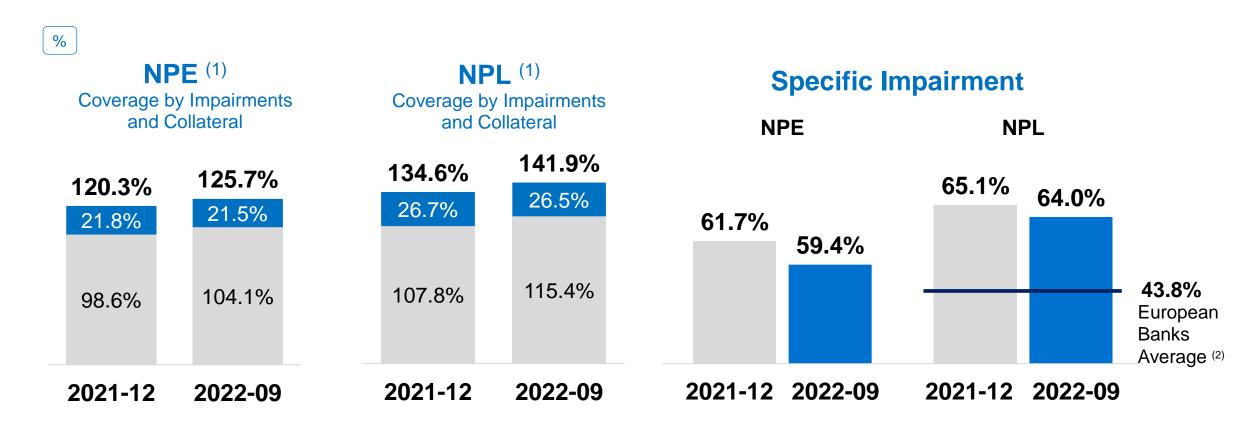




<sup>(1)</sup> NPE – Non Performing Exposure and NPL – Non Performing Loans: EBA definitions

### NPE and NPL with coverage above the average of European banks





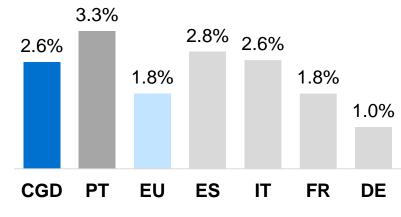
<sup>■</sup> Total Impairment ■ Colateral

<sup>(1)</sup> NPE - Non Performing Exposure and NPL - Non Performing Loans: EBA definitions; (2) EBA Risk Dashboard - June 2022

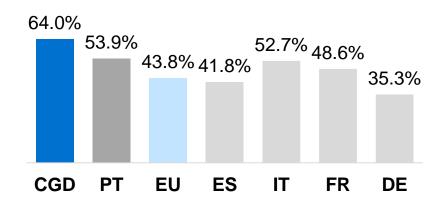


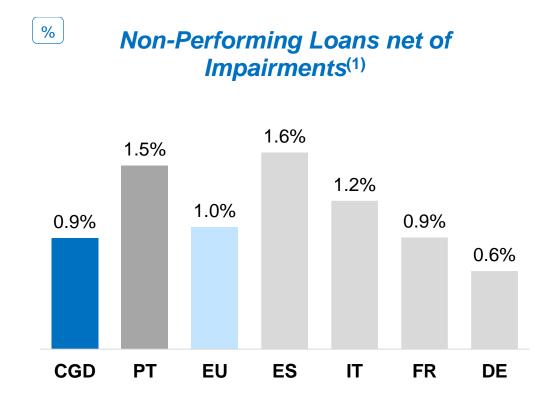
#### CGD compares favourably with the Portuguese and European average

# **Non-Performing Loans**(1)





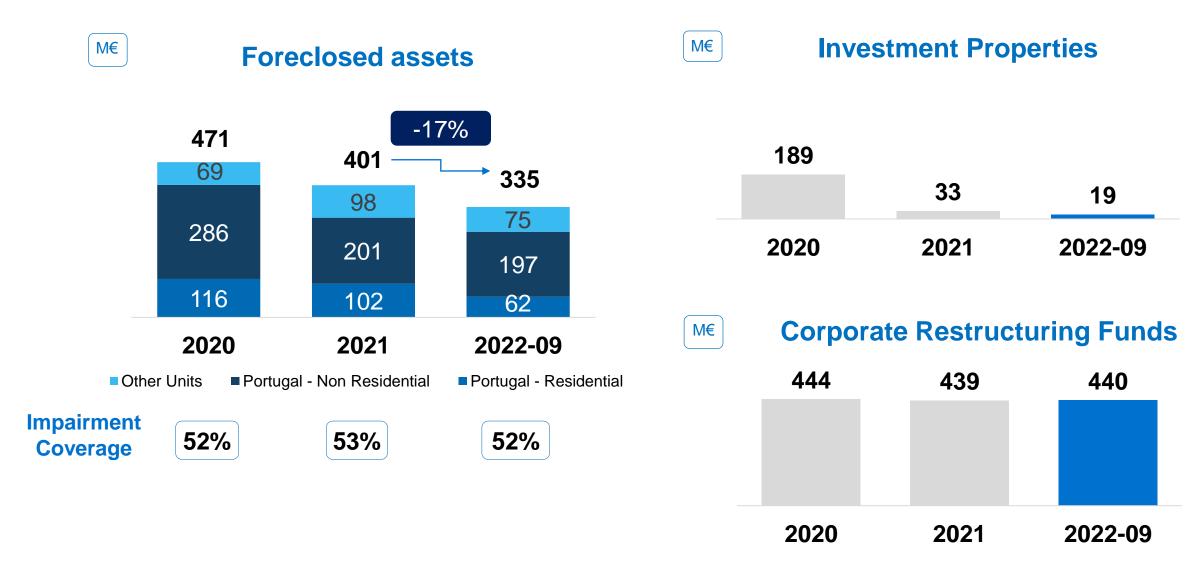




#### Continued reduction in foreclosed assets



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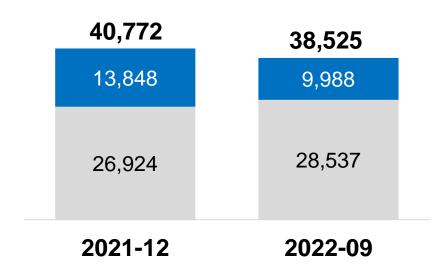


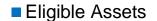
# CGD with ample capacity to access funding

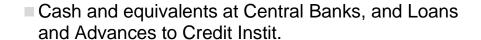




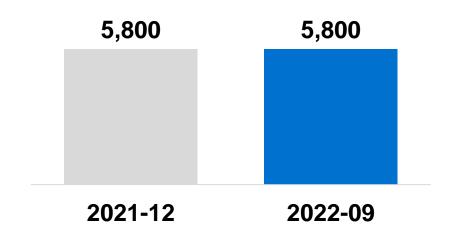
Cash and cash equiv. at Central Banks and loans and advances to Credit Instit.<sup>(1)</sup> and Eligible Assets



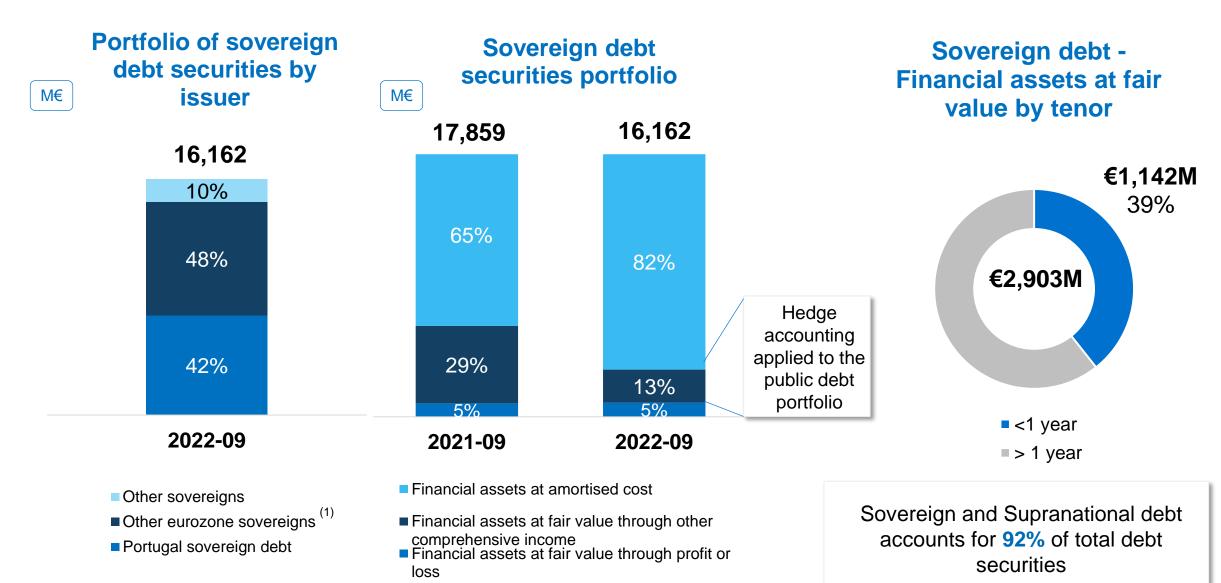








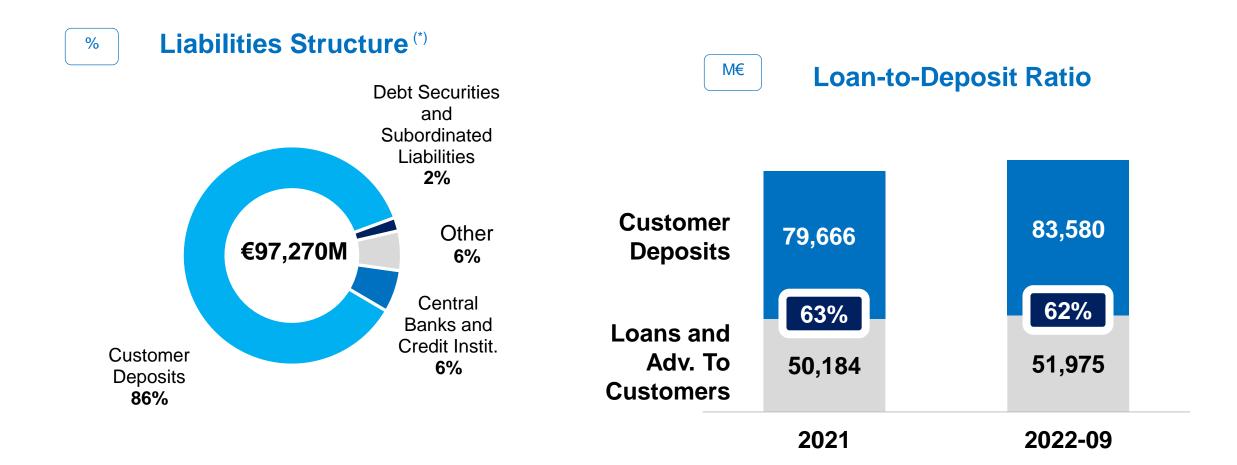
(1) Excluding minimum reserves



(1) Includes Belgium, Spain, France, Irland and Italy

### Stable funding structure based on retail funding





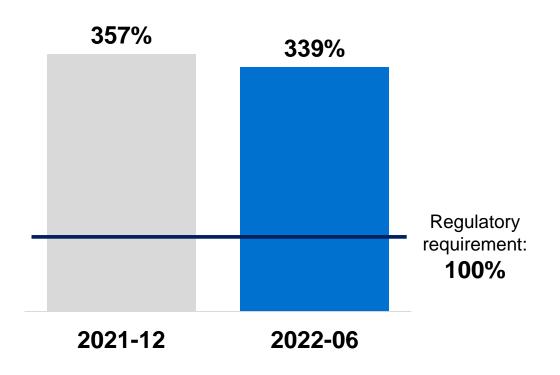
<sup>(\*)</sup> Excluding non-current liabilities held for sale.

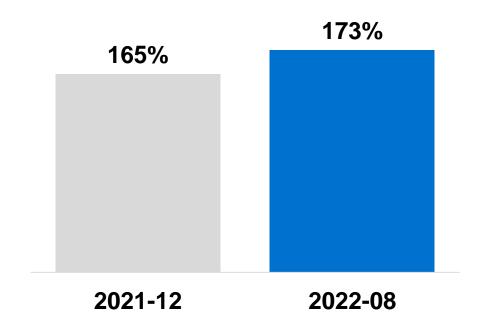
# Liquidity position remains robust and sustainable



% LCR
(Liquidity Coverage Ratio)

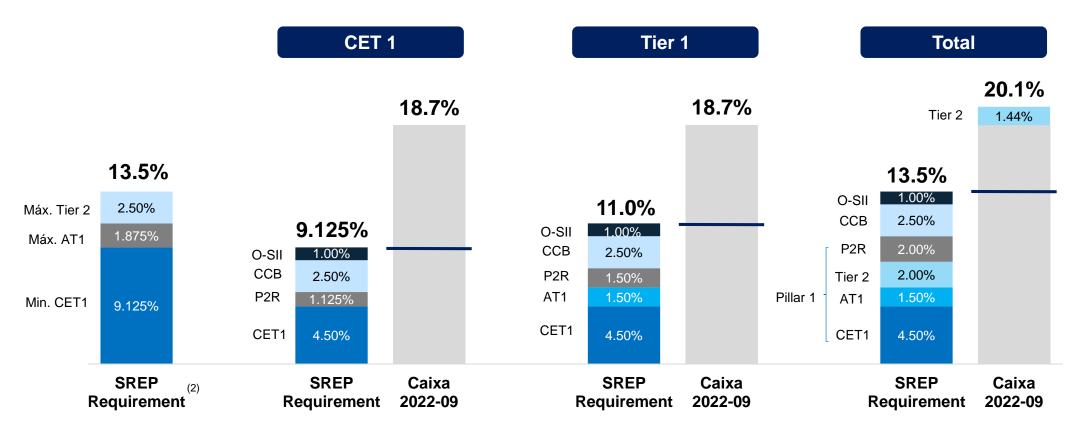
% NSFR
(Net Stable Funding Ratio)





%

### SREP 2022 Requirements and CGD Capital Ratios (1)



<sup>(1)</sup> Excluding from net income the maximum distributable amount according to dividend policy

O-SII: Other Systemically Important Institutions buffer

CCB: Capital Conservation buffer

P2R: Pillar 2

<sup>(2)</sup> P2R composition: 56.25% CET1, 18.75% AT1 and 25% Tier 2; O-SII buffer: 1% in 2022 and 2023

# New issuance in international markets contributes to ensuring compliance with the MREL requirement



# MREL requirements (% of RWA) (1)

25.95%

3.5% CBR (2)

22.45%

2024-01-01

- In October, CGD issued senior preferential debt in the amount of €500 M, with a maturity of 6 years and call after 5 years and a coupon of 5.75%;
- It was the second public issue in 2022, after the €300 M issue in June;
- In this way, CGD ensured the execution of the following objectives:
  - o compliance with its financing plan and the intermediate MREL requirement applicable on 01.01.2023;
  - 2023 pre-funding allows compliance with the final MREL requirement applicable on 01.01.2024;
  - issue more cost-effectively given the absence of a minimum subordination requirement;
  - diversify funding sources and consolidate the investor base.
- The MREL ratio plus issuances carried out in October 2022, stood at 27.77% of RWA, exceeding the value of 25.95% applicable from 01.01.2024.

### Risk Weighted Assets (RWA) density, Texas and Leverage Ratios

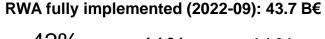


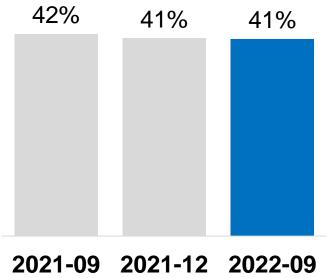


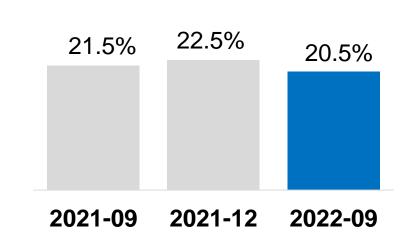
### **RWA Density**

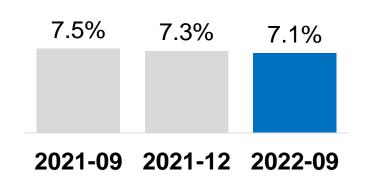












<sup>(1)</sup> Texas Ratio = Non Performing Exposure EBA / (Impairment + Tangible Equity); (2) Leverage Ratio = Tier 1 Capital / Total Exposure



#### **Consolidated Results**

Unaudited financial information Investor Relations | 10.11.2022



# 9 M

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