PRESS RELEASE **CAIXA GERAL DE DEPÓSITOS**

# CONSOLIDATED RESULTS 9M 2024

Lisbon, 7th of November 2024

## CGD increases net income and pays €4.5 million per day to the Portuguese State in dividends and income tax. Rating raised to the "A" category and with prospect of upgrade from two agencies

### CGD achieves a net income of €1,369 million (+38.7%) in the first 9 months of 2024 and delivers €1,527 million to the State

- In 2024, CGD pays the Portuguese State €4.5 million per day in dividends and income tax, referring to 2023 and 2024, for an annual total of €825 million and €840 million, respectively
- The deliveries to the State planned for 2025, taking into account the results already achieved, will have an equally relevant magnitude
- Performance of international entities generates a solid contribution of €149 million to net income

### CGD achieves the highest growth in business volume in national banking, supported by strong commercial dynamics

- CGD maintains the leadership in business volume in Portugal with €144 billion, a growth of around €7 billion, compared to the same period last year, the largest in Portuguese banking, and in all its components: Deposits (€74.2 billion), Customer Loans (€46.6 billion) and Off-balance sheet resources (€23.0 billion)
- Growing mortgage lending with average production of € 308 million/month and with a market share higher than its leadership in the sector
- Credit portfolio for corporate and institutional clients grows by more than €700 million in this period (+3.6%), evidence of strong support for the economy
- Growth, in Portugal, of digital customers (+99 thousand) and mobile (+160 thousand). CGD maintains leadership in both segments with 2.4 million and 1.9 million, respectively

### CGD agrees to the most beneficial wage deal for employees

- In October 2024, CGD reached an agreement with the Unions for an increase of 3.20% in the wage bill for 2024 with a minimum of 65 euros, exceeding that negotiated by the rest of the banks
- CGD is the first domestic bank to review the wage bill for 2025 with an increase of 2.5%
- CGD hired 236 new employees in these 9 months

### Rating rises to “A” category and remains in positive outlook at two agencies

- DBRS upgrades rating to A (low) with significant improvement in results and reduction of NPL
- After DBRS upgrade to A (low), rating remains with “positive” outlook at this agency and at Fitch, with further upgrades expected

### Prudential ratios above 21% following dividend payment already carried out

- Capital ratios reach 21.0% (CET1) and 21.3% (Total), after dividend distribution of €825 million, fully covering the value of the €2,500 million capital increase, in cash, carried out in 2017
- Equity remains above €10 billion through organic capital generation
- CGD is the only Portuguese bank to be included in the list of the 200 largest banks in the world in terms of Tier 1 capital, according to The Banker 2024 magazine

### Asset quality continues to trend to improvement

- NPL[1] ratio of 1.59% at the end of June, down by a year-on-year 2.09% and less than the European average of 1.9%
- Cost of credit risk is -0.47% reflecting the favourable evolution of credit quality and the improvement of the macroeconomic scenario compared to the previous one
- Exposure to non-core assets − NPL (Non-Performing Loans), real estate and restructuring funds − down €114 million this year
- ROA (Return on Assets) above the Portuguese and European average at 1.9%

1 NPL – Non Performing Loans: Ratios according to EBA Risk Dashboard

## MAIN INDICATORS

| CGD CONSOLIDATED | 2023-09 | 2024-09 |
|---|---|---|
| **P&L INDICATORS** (EUR million) | | |
| Net interest income | 2,090 | 2,121 |
| Net fees and commissions | 426 | 437 |
| Total operating income | 2,808 | 2,690 |
| Operating costs | 791 | 780 |
| Net operating income before Impairments | 2,017 | 1,910 |
| Net operating income | 1,507 | 2,016 |
| Net income | 987 | 1,369 |
| **PROFIT AND EFFICIENCY RATIOS** | | |
| Gross return on equity - ROE (1)(2) | 21.3% | 27.3% |
| Net return on equity - ROE (2) | 14.4% | 18.8% |
| Gross return on assets - ROA (1)(2) | 2.0% | 2.7% |
| Net return on assets - ROA (2) | 1.4% | 1.9% |
| Total operating income / Average net assets (1)(2) | 3.7% | 3.6% |
| Employee costs / Total operating income (1)(3) | 14.3% | 14.2% |
| Cost-to-income BoP (1) | 27.9% | 28.6% |
| Recurrent cost-to-income (1) (3) | 25.8% | 25.7% |

| | 2023-12 | 2024-09 |
|---|---|---|
| **BALANCE SHEET INDICATORS** (EUR million) | | |
| Net assets | 99,294 | 104,218 |
| Cash and loans and advances to credit institutions | 25,935 | 26,171 |
| Securities investments | 16,427 | 19,849 |
| Loans and advances to customers (net) | 50,529 | 52,009 |
| Loans and advances to customers (gross) | 52,658 | 53,977 |
| Central banks' and credit institutions' resources | 401 | 354 |
| Customer deposits | 80,518 | 84,499 |
| Debt securities and subordinated liabilities | 2,007 | 2,020 |
| Shareholders' equity | 9,826 | 10,393 |
| **CREDIT QUALITY AND COVER LEVELS** | | |
| NPL ratio - EBA Risk Dashboard | 1.65% | 1.59% |
| NPL ratio (net) | 0.0% | 0.0% |
| NPE ratio - EBA Risk Dashboard | 1.51% | 1.39% |
| NPL coverage - EBA Risk Dashboard | 172.2% | 164.2% |
| NPE coverage - EBA Risk Dashboard | 149.2% | 143.7% |
| Cost of credit risk | 0.29% | -0.47% |
| **STRUCTURE RATIOS** | | |
| Loans & adv. customers (net) / Net assets | 50.9% | 49.9% |
| Loans & adv. customers (net) / Customer deposits (1) | 62.8% | 61.5% |
| **SOLVENCY AND LIQUIDITY RATIOS (CRD IV/CRR)** | | |
| CET 1 (fully implemented) (4) | 20.3% | 21.0% |
| Tier 1 (fully implemented) (4) | 20.4% | 21.0% |
| Total (fully implemented) (4) | 20.6% | 21.3% |
| Liquidity coverage ratio | 323.8% | 339.0% |
| Net stable funding ratio | 185.8% | 188.1% |
| Leverage ratio | 8.7% | 8.5% |
| **BRANCHES** | | |
| Number of branches, local extensions and corporate offices - CGD Portugal (5) | 512 | 512 |
| Number of branches - CGD Group (6) | 883 | 884 |
| **EMPLOYEES** | | |
| Number of employees - CGD Portugal | 6,243 | 6,227 |
| Number of employees - CGD Group | 10,910 | 10,954 |
| **CGD RATING** | **Long Term** | **Outlook** |
| FitchRatings | BBB | Positive |
| DBRS | A (Low) | Positive |
| Moody's | Baa1 | Stable |

Note: Indicators calculations according to glossary at:
https://www.cgd.pt/English/Investor-Relations/Other-information/Glossary/Documents/Glossary.pdf

(1) Ratios defined by the Bank of Portugal (instruction 6/2018); (2) Considering average shareholders' equity and net asset values (13 observations); (3) Excluding non-recurring costs; (4) Prudencial perimeter including Net Income deducted of the maximum distributable amount according to dividend policy; (5) Excluding the 3 mobile branches; (6) In 2024, opened a branch of Banco Nacional Ultramarino (Macau), a branch in Timor-Leste and closed a branch of Banco Caixa Geral Angola.

# CONSOLIDATED ACTIVITY

## RESULTS

**CGD closed the first nine months of 2024 with a consolidated net profit of €1,369 million,** benefiting essentially from the growth in in business volume and a lower cost of risk sustained in a more favourable macroeconomic scenario.

**Domestic activity contributed €1,220 million to the consolidated result**, **and international activity contributed with approximately €150 million.** International activity was negatively impacted by exchange rate variations, particularly in Angola (€7.5 million). Excluding the impact of exchange rate variations, the contribution of international activity would be €157 million. Among the international entities, BNU Macau and BCI in Mozambique were the ones that made the largest contribution to the CGD Group net income, with €49 million and €51 million respectively, representing two-thirds of the contribution of the Group's international activity to the consolidated result.

The **consolidated net interest income** was up €31 million (up 1.5%), reaching €2,121 million. This evolution of the consolidated net interest margin essentially reflects the following effects:

- The growth in domestic activity boosted the growth of interest received and paid compared to the same period last year, even considering the decrease in interest rates on CGD's credit operations compared to the maximum values recorded at the end of 2023. However, the interest paid on savings grew sevenfold, from €81 million to €570 million, exceeding the change in interest received. On the other hand, the **contribution of treasury activities, securities portfolio management and from other domestic entities totalled €740 million**, representing an increase of €179 million**.**
- **International activity contributed €382 million to the consolidated net interest income**, approximately the same amount as in September 2023, highlighting BCI's positive performance in Mozambique (+€5.4 million). However, the evolution of the net interest income of CGD's international activity was impacted by negative exchange rate variations in the period, in the amount of €18 million, of which €17.6 million negatively influenced the variation in BCG Angola's contribution (-€3 million).

*CGD closed the first nine months of 2024 with a consolidated net profit of €1,369 million, benefiting essentially from the growth in in business volume and a lower cost of risk sustained in a more favourable macroeconomic scenario.*

Commissions totalled €437 million, mainly due to the increase in the volume of commissions received with means of payment and banking services, associated with **the increase in CGD's business volume in 2024.** In CGD Portugal's activity, commissions stabilised growing less than 1%. In the CGD Group's consolidated activity, commissions were up 2.6%.

**Income from financial operations** totalled around €120 million, down €44 million compared to September 2023, affected by the extraordinary effect associated with the extinction of the Pension Fund, in the amount of €80 million, which occurred in February 2023, when its assets were integrated in CGD, which, in turn, delivered cash compensation totaling €3,018 million to Caixa Geral de Aposentações. Excluding this effect, income from financial operations would have been up €35 million.

**Other operating income** was down by around €115 million compared to the first nine months of 2023, an evolution justified by the non-recurring gains in this period related to real estate assets and the recognition of the capital gain related to the valuation of the Headquarters Building (€82 million). However, excluding the non-recurring events mentioned above, the year-on-year variation would be negative by around €12 million.

CGD maintained the level of efficiency recorded in 2023, stabilising its recurrent efficiency ratio (*Cost-to-Income*) in the first nine months of 2024, at 25.7%, because of the evolution of *core* income and the effort to contain costs. Total operating costs were down by around €11 million (down 1.4%) compared to the period from January to September 2023, justified by the decrease of €20 million in employee costs, due to extraordinary effects related to the employee restructuring programme, reflecting a lower number of departures in 2024 under this programme. In the first 9 months of 2024, there was an increase in the number of employees in the Group, despite the reduction of 16 employees in Portugal. However, CGD continued the process of rejuvenating its staff, hiring 236 new employees in the first nine months, including several trainees who had joined the previous year. The number of branches increased in the international network, remaining unchanged in Portugal. Without these non-recurring effects, employee costs increased by around €8 million. In Portugal, this increase was €3 million, reflecting the average adjustment of 3.25% made in employee remuneration, promotions carried out and employee departures due to retirement, early retirement or termination by mutual agreement, which accounted for 7 per cent of all departures. International activity also contributed to this evolution of employee costs with an increase of around €5 million.

In the period from January to September 2024, there was a reversal of provisions and impairments amounting to around €106 million. In the same period of the previous year, the Bank set aside provisions and impairments of €510 million. This change is mainly related to CGD's activity in Portugal, acknowledging the improvement in the macroeconomic environment above expectations, as shown by the **decrease of €330 million in credit impairment, net of recoveries.** As a result, the cost of credit risk decreased to -0.47% in September 2024, from 0.36% in September 2023.

The increase in operating results resulted in an **increase in income taxes of around €136 million** (+26.8%) in September 2024, compared to September 2023.

In the remaining items of the CGD Group's income statement, **income from equity instruments** totalled around €5 million at the end of September 2024. In turn, the **results of companies consolidated by the equity method** totalled around €38 million, an increase of €11 million compared to September 2023, and the **results of subsidiaries held for sale** totalled €15.3 million, roughly the same as in the same period of the previous year. **Non-controlling interests** were up by €1.4 million to €56.5 million.

## BALANCE SHEET

**CGD's consolidated net assets reached €104,218 million at the end of September 2024**, an increase of 5.0% compared to the end of 2023.

In September, in Portugal, **CGD maintained the market share leadership** in individual customers loans (19.1%) and mortgage loans (23.3%).

In the 1st nine months of 2024, it is worth mentioning the increase in credit across the entire offer, namely in the set of credit granted to corporate and institutional clients reached €20,373 million (+3.6%) reinforcing CGD's support for the economy.

*In the 1st nine months of 2024, it is worth mentioning the increase in credit across the entire offer...*

*The consolidated NPL ratio stood at 1.59% … lower than the last European average released (1.9%).*

New mortgage loans registered a value of €2,772 million, up 46% compared to the same period of the previous year, supporting portfolio growth compared to the end of 2023. Fixed or mixed rate operations continued to register the preference of customers, representing 91% of total new mortage loans. Consumer credit also recorded growth both in production (up 9.5%) and in the portfolio, which totalled, in September 2024, the value of €1,179 million (up 7.1%).

(EUR Million)

| LOANS AND ADVANCES TO CUSTOMERS[1] | | | Change |
|---|---|---|---|
| | 2023-12 | 2024-09 | (%) |
| **CGD Portugal** | **45,351** | **46,622** | **2.8%** |
| Corporate and Institutional Clients | 19,664 | 20,373 | 3.6% |
| Individual customers | 25,687 | 26,249 | 2.2% |
| *Mortgage loans* | *24,586* | *25,070* | *2.0%* |
| *Consumer credit & other* | *1,101* | *1,179* | *7.1%* |
| **Other CGD Group companies** | **7,306** | **7,354** | **0.7%** |
| **Total** | **52,658** | **53,977** | **2.5%** |

(1) Gross loans and advances to customers

**Customer deposits** stood at €84,499 million (up 4.9% compared to December 2023), contributing to this by the 5.1% increase in individual customer deposits in Portugal, totalling €58,134 million. **CGD maintained its leading position both in total customer deposits**, with a market share of 23.1%, **and in individual customers deposits**, where it recorded a market share of 31.5%, in September 2024.

(EUR Million)

| CUSTOMER RESOURCES | | | Change |
|---|---|---|---|
| | 2023-12 | 2024-09 | (%) |
| **Balance sheet** | **80,683** | **85,015** | **5.4%** |
| Customer deposits (Consolidated) | 80,518 | 84,499 | 4.9% |
| Domestic activity | 70,250 | 74,209 | 5.6% |
| Individuals | 55,320 | 58,134 | 5.1% |
| Corporates | 11,973 | 12,588 | 5.1% |
| Institutional Clients | 2,956 | 3,487 | 17.9% |
| International activity | 10,269 | 10,290 | 0.2% |
| Other | 164 | 516 | 214.4% |
| **Off-balance sheet [1]** | **22,539** | **23,021** | **2.1%** |
| **Total** | **103,222** | **108,036** | **4.7%** |

(1) Includes Pension Funds and third party Asset Management

Total **customer resources** taken from consolidated activity were €108,036 million at the end of September 2024, of which €23,021 million were off-balance-sheet resources, an increase of 1.3% compared to the value obtained at the end of 2023.

**CGD recorded in Portugal a business volume** of €144 billion in September 2024, an increase of 4.2% compared to the value of €138 billion recorded at the end of 2023. This evolution is justified by the 2.8% increase in Gross Credit, with emphasis on credit to corporate and institutional clients (up €709 million), which represents 56% of the total evolution of Credit, and an increase of 4.7% in Customer Resources, influenced by individual customer deposits (up €2,813 million).

The consolidated NPL ratio stood at 1.59%, due to a decrease of €35 million in NPL at the end of September compared to 1.65% in December 2023, lower than the last European average released (1.9%). In September 2024 the coverage ratio stood at 164.2% (total coverage of 185.0% including allocated collateral), **with the NPL ratio net of impairment remaining at 0% (zero).**

**The real estate available for sale decreased both in terms of the properties of the extinct Pension Fund and the remaining assets by a total of €46 million**, standing at €251 million in September 2024. **Corporate restructuring funds** with a drop of €31 million, reaching a value of €118 million. Lastly, **investment properties** have a low value of €11 million.

## LIQUIDITY

In the first nine months of 2024, **CGD continued to display a significant level of liquidity**, both in deposits with the Eurosystem of around €22 billion, and in the total amount of assets available for collateral in operations with the ECB, which, at the end of September 2024, totalled around €18.8 billion.

**Customer deposits play a key role in** CGD Group's funding structure, **representing 91% of total consolidated liabilities** (excluding non-current liabilities held for sale).

At the end of September 2024, the Liquidity Coverage Ratio (LCR) stood at 339.0%, which is **higher than the current regulatory liquidity coverage requirement** (100%).

## CAPITAL

In the end of the first nine months of 2024, equity attributable to CGD's shareholder was €10,393 million, **surpassing the €10 billion mark through organic capital generation.** The value recorded in equity already includes the distribution of €825 million of dividends for the 2023 financial year, consisting of €525 million paid to the shareholder in June 2024 and €300 million of an additional dividend, settled at the end of August 2024. As a result, the distribution of dividends since 2018 has reached the full amount of the €2.5 billion capital increase, in cash, carried out in 2017.

The capital generated since 2017, in the amount of €5,651 million, thus exceeds by 1.4 times the public investment of the Recapitalization Plan, considering the €2,500 million in dividends paid between 2019 and 2024, after the period from 2011 to 2018 in which there was no dividend payment.

The **fully loaded CET1, Tier 1 and Total ratios stood at 21.0%, 21.0% and 21.3%** respectively (including net income for the period, excluding the maximum distributable amount according to dividend policy), complying with the capital requirements in force for CGD with a comfortable margin. These ratios, which are **higher than the Portuguese and European average,** demonstrate CGD's robust and adequate capital position.

It should be noted that the CET1 ratio exhibits a margin of 12.21 p.p. compared to the regulatory capital requirements for 2024, after the reduction of 25 b.p. in the **requirement for an additional reserve of own funds** that is required of CGD as an "Other Systemically Important Institution" (O-SII) reflecting an assessment of lower systemic risk by the Supervisor.

## MREL

Early in 2024, CGD was notified by Banco de Portugal of its requirements for own funds and eligible liabilities under the MREL (Minimum Requirement for Own Funds and Eligible Liabilities). According to the decision of the Single Resolution Board, as of January 2024, the requirement for own funds and eligible liabilities held by CGD is 26.33% of total risk-weighted assets (RWA) and 6.31% of total leverage ratio exposure (LRE). **The MREL ratio as of 30 September 2024 was 27.88% of total risk-weighted assets and 10.30% of total leverage ratio exposure**, exceeding the target level determined by the Resolution Authority for mandatory compliance with the applicable minimum prudential requirements.

CGD is not subject to the fulfilment of any minimum subordination requirement, and the preferred resolution strategy is *the Multiple Point of Entry*.

CGD plans to maintain compliance with the requirements through the combination of own funds and eligible liabilities.

## RATING

**DBRS Morningstar upgraded, in October 2024, its Long-Term Senior Issuer Rating to A (low) from BBB (high) while maintaining a Positive trend.** With this upgrade to A (low), CGD reaches for the first time, in the case of DBRS, a rating category that is superior to the BBB range it enjoyed from its initial rating in 2011.

According to DBRS Morningstar, the upgrade of CGD's long-term rating reflects a significant improvement in profitability and the reduction of NPL (non-performing loans), exceeding that of its domestic and international peers. These two factors, according to DBRS, demonstrate the effectiveness of CGD's restructuring and the derisking of its balance sheet. In addition, the rating upgrade reflects a strong capitalization, supported by a higher capacity to generate organic capital.

In July 2024, Fitch Ratings reviewed CGD's outlook to Positive, simultaneously affirming its Long-Term Issuer Default Rating (IDR) at BBB and Viability Rating (VR) at bbb.

In its assessment, Fitch highlighted CGD's leadership in the domestic market, moderate risk profile, good asset quality, strong increase in profitability, ample capital buffers and funding based on the granularity of deposits.

Thus, after 4 rating upgrades in 2023 and 1 upgrade in 2024, **CGD is currently in a positive outlook by two agencies, with the prospect of an upgrade by Fitch Ratings and again by DBRS Morningstar.**

## DIGITAL TRANSFORMATION AND COMMERCIAL ACTIVITY

### Digital banking

The fact that **digital transformation** has continued to occupy a central position in CGD's strategy in third quarter 2024 was reflected in the acceleration of the growth of the number of mobile customers, online sales and levels of satisfaction achieved.

The domestic market, comprising 2.4 million **active digital, individual and corporate customers**, represented 70% of the customer base (up 2.6% year-on-year).

Reference should also be made to the growth of the **mobile channel** to 1.9 million personal customers (up 13% year-on-year) and its increasing relevance to users.

The more than 334 million logins to **Caixadirecta** were up 14% over the same period last year.

**Digital business**, which has been evolving significantly since CGD embarked upon its transformation programme, helped to maintain online sales at around 80% of total sales. Strong growth was recorded in online subscriptions for products such as investment funds (77%), financial insurance (146%) and personal loans (29%).

Marked by a strong component of innovation and focused on customer needs, the **Caixadirecta app** now has a new digital debit card functionality for immediate use, with a user-friendly application process and enables it to be used by customers anywhere.

CGD has also introduced its first **Metaverse** space for customers and non-customers in the form of Metacircle. This space aims to redesign CGD's recruitment experience and help strengthen brand status in the digital area with its various stakeholders, helping to attract new customer and employee segments who value innovation and differentiation.

Applications for **corporate debit cards** can now be made on a self-service basis, via Caixadirecta Empresas for all corporate companies that do not require special account permissions.

CGD channels provide functionalities enabling the confirmation of single beneficiaries and the confirmation of beneficiary/debtor groups, enhancing the security of transfers. Its "**SPIN**" feature permits immediate credit transfers, without the beneficiary having to provide a payer with banking information but simply providing them with their mobile phone number (in the case of individual customers) or NIPC (corporate tax number). A total of 77,488 subscriptions had been registered by 30 September.

September saw the launch of the **Cartão Digital na hora** (immediately available digital card) enabling customers who use the Caixadirecta app to apply for a debit card to have a ready-to-use digital version of the card for use up to the time of the delivery of the physical card. The digital version of the card immediately allows a customer to make online purchases, make cash withdrawals and pay for items in stores, by associating it with MB Way digital wallets, Apple Pay and Google Pay in addition to the Caixadirecta app.

## Individuals

CGD achieved an increase in **mortgage loan** sales in third quarter 2024 to an amount of around €1,191 million. This growth trend stems from the very competitive offer of products and campaigns, leveraged by tax benefits on the purchase of homes by young people up to and including the age of 35 for their own, permanent use. CGD changed around 13 thousand variable rates on its mortgage loans to fixed rates across the same period.

**Consumer credit** at the end of September totalled €295 million and continued to trend to year-on-year growth against the preceding period's (+€33 million). Around 25% of the applications were made on online channels with 66% having digital signatures.

**Crédito Expresso** (multipurpose and automobile) sales totalled €264 million or around 90% of total sales. Reference should be made to the €27 million Expresso sales offers for young people up to the age of 30 and €3 million for the Auto Expresso offer for the acquisition of electric and hybrid vehicles. The remaining offer, which includes loans for training, health, renewable energies, energy efficiency and environmental management, contributed €31 million to total sales.

CGD retained its leading position in terms of **deposits** made by personal customers, with a market share of 31.5%, in which a contributory factor was a review of several features of current euro-denominated term deposits. This was complemented by the launch of two new structured deposits with a maturity of 2 years with a guarantee of capital and minimum returns, whose interest is linked to the performance of the share baskets of multinational companies.

CGD also launched two new types of Fidelidade **insurance** in the 3rd quarter: Fidelidade Poupança Segura 5 years (4th and 5th series) insurance and individual life insurance capitalisation contracts with a guarantee of capital and income (variable) across the period of the contract.

During this period CGD marketed a new **open-ended bond investment fund** which invests in a portfolio of the euro-denominated bonds of companies and governments, in the form of Caixa Obrigações Janeiro 2026 bonds.

Conta **Caixa packages** were up by more than 3% year-on-year and reflect the importance of these essential multiproduct solutions for achieving the loyalty and satisfaction of customers in their relationship with CGD.

The **payments** area remained highly dynamic, with a growing trend towards the use of electronic means for purchases and payments. Reference should be made to the evolution of purchases made with CGD cards which, in 2024 were up 9% over 2023 and 24% over 2022, in addition to greater use of means of payment for digital purchases with a 35% increase in online purchases and a 24% increase in the use of contactless cards. CGD continued to lead the cards business with 4.7 million bank cards issued and continues to strengthen its value proposal and loyalty of its customers.

With the start of the **new university academic year** in 2024, CGD has, once again, strengthened its commitment to the university segment, by partnering with new colleges, leading the support for higher education in Portugal with more than 100 partner institutions and providing a differentiated offer for young people embarking on their academic life cycle and teaching staff, in the form of the Caixa IU debit card and ISIC (for students) and ITIC (for lecturers) credit cards which combine banking services with university information.

Up to September 2024 reference should be made in the area of **bancassurance** to the launch of Seguro Vida Risco Gerações (generational life risk insurance); reformulation of workplace accident insurance for the self-employed; strengthening of the preventive medicine programme associated with Multicare health insurance; life insurance associated with mortgage loans as part of the young people's mortgage loans campaign and the promotion of the Vital Protection Insurance 65+.

## Corporates

CGD's market share of the total **corporate credit portfolio** stood at 18.1% (up 0.5 pp year-on-year). Reference should be made to the continued rise in the market share of loans to SMEs to 16.1% this. The positive evolution of leasing sales enabled CGD to retain its leading market share of the equipment component (20.9% in June 2024), while real estate leasing saw significant growth to 26.2% (March 2024). The market share of confirming sales rose to 21.5% (June 2024) with trade finance recording 20.7% (September 2024).

The growth recorded in the sale of "core" products was significant with particular reference to **real estate leasing** with an increase of 241% and **non-financial insurance** which was up 28%. In the sphere of **sustainable financing** reference should be made to the 49% growth of the credit balance for ESG purposes attributed by the corporate network.

Reference should be made to the **Caixa Negócios line** of credit as a multisectoral solution in the form of medium to long term credit or real estate leasing operations with a maturity of up to 10 years at a highly attractive fixed rate and reduced fees for companies. The provision of a €1 billion ceiling on this line of credit has strengthened CGD's commitment to meeting companies' financial needs, with a presence in their day-to-day business and in providing support for their medium to long term projects with a complete and comprehensive value proposal.

Reference should also be made to the annual review of **Caixa TOP 2023** status award which distinguished 21,302 companies in this period.

CGD has achieved an upwards trajectory in its **acquiring** service to a 15.5% share of the POS market responsible for the contribution of a daily funds intake of around €30 million. The transversal nature of its offer, with highly dynamic, innovative solutions for mobile and online payments, campaign plans and its competitive proposals have been fundamental in maintaining the growth trajectory for this business. At the end of the quarter, CGD had around 76,000 POS terminals in around 32,000 merchants with 80% of CGD POS terminals accepting cards from the international Visa, Mastercard, China UnionPay and Diners brands, with 97% of terminals having contactless technology and 74% having a dynamic currency conversion feature.

With a view to increasing the value proposal of its **Sempre em Caixa programme**, CGD has not only created incentives for its customers but also for merchants, based on a cashback campaign that will run until the end of the year.

CGD launched its **Caixa ESG awards** with the aim of recognising and incentivising the adoption of measures to promote and materialise ESG criteria, reinforcing its aim of being the leader in sustainable financing in Portugal, by reorienting private capital towards more sustainable, innovative investments. It has also created the ESG Rating, which is available to corporate customers via CaixaDirecta Empresas.

The **sustainable financing** area particularly includes the "green" issues structured by CaixaBI, with €500 million having been underwritten, raising the stock of "green" credit issuances to €1,197million in September.

**Caixa ESG term deposits** were also launched as a financial investment exclusively for customers with high or good ESG ratings.

Reference should be made to the launch of two **new lines of credit** in the form of (i) the Setor Agrícola II with €100 million for agriculture and a 100% interest rate subsidy, and (ii) Caixa ESG with €1 billion geared to providing support for investment in innovation, modernisation and productive efficiency and the sustainability strategies of corporate customers.

The **Caixa TOP term deposit** for customers with PME Líder (Leading SME) status and a new Caixa Negócios line of credit for SMEs with a fixed interest rate and reduction of associated fees have also been launched.

CGD continued to offer a set of treasury and means of payment solutions in third quarter 2024, including particularly the **Flexcash** electronic platform for treasury management (with a turnover of more than €4.6 billion since launch), **trade finance** products for the exports and imports of Portuguese companies and **non-financial corporate insurance** with various covers, such as group health and life insurance, multirisk insurance, carriage of goods and automobile insurance.

Special mention should be made of the following **digital initiatives for companies** available from CaixaDirecta Empresas in third quarter 2024: (i) launch of a self-service factoring and confirming simulator; (ii) provision of new trade finance operations support functionalities; (iii) provision of a functionality for updating corporate data and (iv) possibility of group beneficiary/debtor confirmation in terms of transfers, providing enhanced security for transfer operations.

## HUMAN RESOURCES

In October 2024, CGD reached an agreement with the Unions for an increase in the wage bill for 2024 of 3.20% with a minimum of €65, exceeding that negotiated by the rest of the banks. In addition to this increase, the value of the meal allowance was revised to €13 (+4%), as well as the birth support allowance to €1,000 (+11%), the highest in Portuguese Banking. With this update, the minimum value of the Total Effective Monthly Remuneration plus meal allowance totals €1,533, an increase of 5.2% compared to 2023. On the same date, CGD also reached an agreement with the Unions for an increase in the wage bill for 2025 of 2.5%, becoming the first national bank to revise the wage bill for next year.

In 2024, and with reference to the performance of 2023, Performance and Potential Bonuses were paid, recognizing the merit of most of the employees. Also, with the purpose of improving corporate culture and talent development, until October 2024, promotions were carried out covering 20% of employees, with a total of 1,248 promotions approved, a percentage higher than the 19% in 2023.

This year, CGD hired 236 new employees, with a total of 254 entries expected by the end of the year, to which are added 150 interns who started working this year, thus totaling more than 400 entries. Since 2017, CGD has attracted 1,251 new employees to perform various roles, including commercial, technological, analytical and control. The Geração Caixa Internship Program, launched in 2020, contributes to an important part of annual recruitments. In 2024 alone, CGD promoted 3 different internship programs that, added to other applications for recruitment, translated into around 7,000 applications.

In 2024, CGD promoted the first edition of the Open Day in Lisbon and Porto, a 3-day initiative that allowed CGD to "open the doors" of CGD to several students from Portuguese universities. 900 applications were received, and 250 participants were selected. This event allowed students to get to know CGD, its Employees and experience the day-to-day banking activity.

The investment and qualification of staff was reinforced, with an average of 55 hours of training per employee being carried out until October.

Throughout the year, CGD was distinguished as the most attractive commercial bank to work for in Portugal, according to Randstad Employer Brand Research and the winning company in the Management and Recruitment 50+ category of the Human Resources 2024 Award. In addition, CGD joined more than 49 organizations in Portugal, from different sectors of activity, certified as Top Employers. The certification, awarded by the Top Employer Institute, demonstrates CGD's alignment with the highest global standards in Human Resources management.

## SUSTAINABILITY

CGD’s 2021 - 2024 sustainability strategy reflects its ambition to contribute to building a more sustainable and inclusive economy.


### Sustainable financing

One of CGD’s priorities is to finance the transition to a low-carbon economy, pursuant to which reference should be made to its multisectoral lines of credit with a Banco Português de Fomento (BPF) guarantee, namely: **MLP BPF InvestEU Sustainable Urban Mobility** - aimed at providing support for investment in sustainable ground-based passenger transport, through the renewal of fleets and the acquisition of 100% electric or hydrogen-powered vehicles (taxis, cars, buses, etc.), in addition to the necessary adaptation of energy networks, based on medium and long-term financing operations through MLP BPF InvestEU sustainable investment aimed at providing support for investment in reducing carbon footprints and the adoption of circular economy principles by business through medium/long term financing operations.

### Equity, digital and financial inclusion

As part of its social responsibility strategy, reference should be made to the **6th edition of Caixa Social awards** and its support to 44 companies in the third sector in the form of the award of more than €1 million to promote projects in the fields of 1) Social inclusion and solidarity, 2) Prevention and healthcare and 3) Education, training and empowerment.

CGD is a pioneering, innovative bank in terms of its relationship with academia. This year witnesses the celebration of the 30th anniversary of its presence in higher educational institutions through its **Caixa IU - Polytechnics and Universities programme**, in which it currently enjoys partnerships with more than 30 institutions/120 colleges, with an annual investment of more than €10 million. CGD considers its involvement in higher educational institutions, as an investment in knowledge and in the generations that will be responsible for the future of the country and, accordingly, each year has been increasing its support, more recently in the form of partnerships with large, relevant institutions such as the University of Porto, University of Beira Interior, University of Évora, Polytechnic Institute of Porto and Universidade Nova de Lisboa.

## Culture

In the field of culture, the **Caixa Cultura programme** for 2024 opened its applications process in the first quarter, having received 370 project candidatures. This programme, with an annual budget of €100 thousand, aims to provide support for cultural initiatives, transforming them into a broad, transparent and structured project, capable of promoting artistic and cultural creation in various artistic and geographical areas.

In parallel, CGD has also provided support for culture through the **Caixa Geral de Depósitos – Culturgest foundation**, which is dedicated to contemporary creation and presents a regular programme in the areas of the performing arts, music, visual arts, cinema and contemporary thought. Culturgest is also responsible for the study, management, dissemination and conservation of the approximately 1,800 works of art in the Caixa Collection, including paintings, sculptures, design, photography, video, installations and engravings.

## Management of climate risk

In terms of managing climate and environmental risks, CGD wishes to make reference to CGD group's risk profile exercise, taking supervisory priorities for 2023-2025 into account. This exercise has made it possible to strengthen endeavours in response to climate and environmental risks based on a forward-looking analysis on the materiality of different risks according to **CGD group's risk taxonomy**, in particular climate and environmental risk that considers several risk subcategories given the increasing relevance of the potential transversal impacts to which the bank may be exposed.

## Transparent governance models

**CGD group's first Sustainability Week**, coinciding with the celebration of National Sustainability Day (25 September) took place between 23 and 27 September. This event brought together 13 CGD group entities, with 545 in-person and streaming presences in several training actions (2,800 hours), sharing good practices and networking activities, contributing to a greater corporate alignment of knowledge of and approach to ESG issues.

In relation to CGD Group's **ESG Corporatisation** plan, the parent company has promoted and monitored the promotion of initiatives in the geographies in which CGD operates. Reference should be made to the 1st Sustainability Conference held by Banco Interatlântico, publication of the Sustainable Financing Policy by Banco Caixa Geral Angola and the implementation of eco-friendly virtual cards by BNU Macau.

## Disclosure of sustainability information

The following documents were made available in 2024: **Market Discipline 2023** – highlighting CGD's key information on business strategy, governance and management of ESG risk; **Sustainability Brochure 2023** – summarising CGD's performance in ESG matters and reflecting its contribution to the Sustainable Development Goals as a crucial framework for the implementation of the "Sustainability and Social Impact" aspect of the 2021-2024 Strategic Plan.

In terms of alignment with the **new Corporate Sustainability Reporting Directive (CSRD)**, CGD has undertaken a consultation on ESG Issues with 11 stakeholder groups from 8 countries to integrate their stakeholders' expectations on the definition of a new strategic ESG cycle. There were with more than 2,300 responses to this survey which was, inter alia, directed at its shareholder, investors, supervisor, customers, employees and others.

# BRAND AND RECOGNITION

## Reputation

The Caixa brand consolidated its status as the most reputable banking brand in the sector (customer evaluations), in September 2024 with a "very positive" assessment of this indicator, namely in the attributes considered essential to the bank's sustainability (trust, financial strength, governance, ethics and transparency). In terms of Portuguese banking, CGD has renewed its leadership as the banking brand with the greatest appeal to non-customers, a position it has maintained since 2020, confirming the bank's relevance to both customers and non-customers (Brandscore study, 3rd quarter 2024).

The RepScore brand reputation study confirms that in the first 9 months of the year, the positive evolution of CGD's performance outperformed the sector as a whole.

In the ranking of the 25 Most Valuable Portuguese Brands, CGD is the most valuable banking brand in the financial sector − Financial Bank category – with €988 million, a growth of 47.1% over 2023 and the largest rise in terms of national banks, coming sixth in the global ranking.

## Awards and distinctions

During the first 9 months of 2024, the following prizes and distinctions were awarded relating to the CGD Group's activity:

<u>Human Resources</u>

- CGD is **the most attractive commercial bank to work for** in Portugal, according to Randstad Employer Brand Research
- CGD was **the winning company in the Management and Recruitment 50+ category** of the Human Resources 2024 Award

<u>Brand</u>

- CGD, by reference to 2023, was considered **the banking brand with the best emotional reputation** in Portugal, in the RepScore 2024 Emotional Relevance and Reputation study – OnStrategy

- CGD was **distinguished in the “Banking and Finance” category**, with the Marketeer Award
- CGD is **the most valuable banking brand in Portugal** in the Top 25 Most Valuable Brands – OnStrategy.
- CGD was considered the **company with the best reputation in its sector**, according to Merco Portugal 2024
- CGD was **elected Superbrand by Portuguese consumers**, according to Superbrand 2024

Financial Strength

- **CGD is leader in Tier 1 capital in Portugal** in the Top 1000 World Banks – The Banker

ESG

- CGD was **the winner in the Sustainable Finance category** of the 4th edition of the National Sustainability Award 2024, with the ESG Rating Model – Jornal de Negócios/Deloitte
- CGD is **the best ESG bank in Portugal** according to Euromoney
- CGD was recognized by Sustainalytics/Morningstar for its **performance in ESG risk management**, evaluating the bank with a **low-risk rating (14.3)**.

Digital and Technology

- The Portuguese elected CGD, for the 3rd consecutive year, in the category of **best Virtual Assistant** with the Digital Assistant of the Caixadirecta App – 5-star award
- CGD's Business Platform was considered, for the 2nd consecutive year, **the best commercial support platform in the banking sector** – 5-star award
- CGD was **distinguished for its excellence in the implementation of innovative processes in the area of Human Resources**, by SAP Portugal, at the HR Connect event, with the SAP Success Factors Awards
- CGD has **the Best Homebanking website** in 2023 – Caixadirecta Service, according to PC Guia magazine
- CGD received the **Best Banking App** and **Excellence in Digital Banking Solutions Portugal 2024** distinctions, by Gazet International
- CGD was distinguished in the **Best Mobile Banking App** category with the Caixadirecta app, by Global Finance
- CGD received the award for Best digital project in financial services with the Caixadirecta App, by ACEPI Navegantes XXI
- CGD received the award for Best digital project in Technology with the Metaverso project, by ACEPI Navegantes XXI

Asset Management

- Caixa Gestão de Ativos received two awards: in the category of **Best “European Equity UCI”** and **Best “Other Bond UCI”**, in the Jornal de Negócios/Portuguese Association of Investment, Pension and Wealth Funds Awards 2024

Investment Banking

- Caixa – Banco de Investimento was **distinguished in the Bookrunner – Bonds** category with the Euronext Lisbon Awards 2024
- Caixa – Banco de Investimento is **the best investment bank in Portugal** according to Euromoney
- Caixa – Banco de Investimento was **distinguished in 2024 for its ESG debt issuance** by Euromoney

# CONSOLIDATED AND SEPARATE ACCOUNTS

(EUR Thousand)

| INCOME STATEMENT | Consolidated Activity | | | | Separate Activity | | | |
|---|---|---|---|---|---|---|---|---|
| | 2023-09 | 2024-09 | Change | | 2023-09 | 2024-09 | Change | |
| | | | Total | (%) | | | Total | (%) |
| Interest and similar income | 2,568,959 | 3,316,954 | 747,994 | 29.1% | 2,113,507 | 2,839,492 | 725,985 | 34.3% |
| Interest and similar costs | 478,876 | 1,195,504 | 716,628 | 149.6% | 346,787 | 1,050,547 | 703,761 | 202.9% |
| Net interest income | 2,090,084 | 2,121,450 | 31,366 | 1.5% | 1,766,720 | 1,788,945 | 22,225 | 1.3% |
| Income from equity instruments | 6,003 | 4,679 | -1,325 | -22.1% | 108,771 | 167,331 | 58,561 | 53.8% |
| **Net interest inc. incl. inc. from eq. investm.** | **2,096,087** | **2,126,128** | **30,042** | **1.4%** | **1,875,490** | **1,956,276** | **80,785** | **4.3%** |
| Fees and commissions income | 542,861 | 554,214 | 11,353 | 2.1% | 450,849 | 461,203 | 10,354 | 2.3% |
| Fees and commissions expenses | 117,223 | 117,528 | 304 | 0.3% | 88,614 | 93,490 | 4,875 | 5.5% |
| Net fees and commissions | 425,638 | 436,687 | 11,049 | 2.6% | 362,235 | 367,714 | 5,479 | 1.5% |
| Net trading income | 163,894 | 119,571 | -44,322 | -27.0% | 118,421 | 58,737 | -59,684 | -50.4% |
| Other operating income | 122,407 | 7,230 | -115,177 | -94.1% | 97,215 | 13,701 | -83,514 | -85.9% |
| **Non-interest income** | **711,939** | **563,488** | **-148,450** | **-20.9%** | **577,871** | **440,151** | **-137,720** | **-23.8%** |
| **Total operating income** | **2,808,025** | **2,689,617** | **-118,409** | **-4.2%** | **2,453,361** | **2,396,427** | **-56,934** | **-2.3%** |
| Employee costs | 486,337 | 466,810 | -19,527 | -4.0% | 372,087 | 349,680 | -22,407 | -6.0% |
| Administrative expenses | 211,469 | 203,997 | -7,472 | -3.5% | 156,020 | 151,657 | -4,363 | -2.8% |
| Depreciation and amortisation | 93,583 | 109,115 | 15,533 | 16.6% | 76,160 | 91,694 | 15,534 | 20.4% |
| Operating costs | 791,389 | 779,923 | -11,466 | -1.4% | 604,267 | 593,032 | -11,235 | -1.9% |
| **Net operating income before impairments** | **2,016,636** | **1,909,694** | **-106,942** | **-5.3%** | **1,849,095** | **1,803,395** | **-45,699** | **-2.5%** |
| Provisions and impairments for credit risks | 154,441 | -197,059 | -351,500 | - | 125,898 | -216,135 | -342,033 | - |
| Other provisions and impairments | 355,134 | 90,663 | -264,471 | -74.5% | 320,595 | 80,060 | -240,535 | -75.0% |
| **Provisions and impairments** | **509,575** | **-106,396** | **-615,971** | **-** | **446,493** | **-136,075** | **-582,568** | **-** |
| **Net operating income** | **1,507,061** | **2,016,089** | **509,028** | **33.8%** | **1,402,601** | **1,939,470** | **536,869** | **38.3%** |
| **Income Tax** | **507,154** | **643,274** | **136,121** | **26.8%** | **462,558** | **595,004** | **132,446** | **28.6%** |
| of which Contribution on the banking sector | 39,456 | 32,983 | -6,473 | -16.4% | 39,334 | 32,791 | -6,543 | -16.6% |
| **Net op. inc. after tax and before non-controlling int.** | **999,907** | **1,372,815** | **372,908** | **37.3%** | **n.a.** | **n.a.** | **n.a.** | **n.a.** |
| Non-controlling interests | 55,092 | 56,506 | 1,414 | 2.6% | n.a. | n.a. | n.a. | n.a. |
| Results of associated companies | 26,725 | 37,731 | 11,006 | 41.2% | n.a. | n.a. | n.a. | n.a. |
| Results of subsidiaries held for sale | 15,831 | 15,322 | -509 | -3.2% | n.a. | n.a. | n.a. | n.a. |
| **Net income** | **987,371** | **1,369,361** | **381,990** | **38.7%** | **940,044** | **1,344,466** | **404,423** | **43.0%** |

(EUR Million)

| BALANCE SHEET | Consolidated Activity | | | | Separate Activity | | | |
|---|---|---|---|---|---|---|---|---|
| | 2023-12 | 2024-09 | Change | | 2023-12 | 2024-09 | Change | |
| ASSETS | | | Total | (%) | | | Total | (%) |
| Cash and cash equiv. with central banks | 23,333 | 23,187 | -145 | -0.6% | 21,889 | 21,535 | -354 | -1.6% |
| Loans and advances to credit instit. | 2,602 | 2,983 | 381 | 14.7% | 1,372 | 1,580 | 208 | 15.1% |
| Securities investments | 16,427 | 19,849 | 3,422 | 20.8% | 14,599 | 17,817 | 3,218 | 22.0% |
| Loans and advances to customers | 50,529 | 52,009 | 1,480 | 2.9% | 46,244 | 47,656 | 1,412 | 3.1% |
| Assets with repurchase agreement | 154 | 297 | 143 | 93.2% | 154 | 297 | 143 | 93.2% |
| Non-current assets held for sale | 1,282 | 1,283 | - | 0.0% | 140 | 98 | -42 | -30.0% |
| Investment properties | 11 | 11 | - | - | 5 | 5 | - | -0.5% |
| Intangible and tangible assets | 719 | 853 | 135 | 18.8% | 554 | 686 | 131 | 23.7% |
| Invest. in subsid. and assoc. companies | 473 | 492 | 19 | 4.0% | 1,253 | 1,257 | 4 | 0.3% |
| Current and deferred tax assets | 836 | 1,052 | 216 | 25.9% | 761 | 987 | 226 | 29.8% |
| Other assets | 2,929 | 2,202 | -726 | -24.8% | 1,634 | 900 | -734 | -44.9% |
| **Total assets** | **99,294** | **104,218** | **4,924** | **5.0%** | **88,605** | **92,816** | **4,212** | **4.8%** |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | | | | |
| Central banks' and cred. instit. resources | 401 | 354 | -47 | -11.7% | 1,005 | 544 | -461 | -45.9% |
| Customer resources | 80,683 | 85,015 | 4,332 | 5.4% | 73,547 | 77,712 | 4,165 | 5.7% |
| Debt securities | 1,401 | 1,411 | 10 | 0.7% | 1,401 | 1,411 | 10 | 0.7% |
| Financial liabilities | 151 | 147 | -4 | -2.9% | 151 | 147 | -4 | -2.7% |
| Non-current liabilities held for sale | 1,025 | 1,068 | 43 | 4.2% | 0 | 0 | 0 | - |
| Provisions | 1,386 | 1,445 | 58 | 4.2% | 1,313 | 1,356 | 43 | 3.3% |
| Subordinated liabilities | 606 | 609 | 3 | 0.4% | 606 | 609 | 3 | 0.4% |
| Other liabilities | 3,815 | 3,776 | -39 | -1.0% | 2,106 | 2,027 | -79 | -3.8% |
| **Sub-total** | **89,468** | **93,825** | **4,357** | **4.9%** | **80,130** | **83,807** | **3,677** | **4.6%** |
| **Shareholders' equity** | **9,826** | **10,393** | **568** | **5.8%** | **8,474** | **9,009** | **535** | **6.3%** |
| **Total** | **99,294** | **104,218** | **4,924** | **5.0%** | **88,605** | **92,816** | **4,212** | **4.8%** |

## DISCLAIMER

- The financial statements have been prepared based on 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.
- The financial metrics in this presentation refer to September 30, 2024, unless otherwise stated. They may be estimated values, subject to change when they are definitively determined. Solvency ratios include the net income for the period, excluding the maximum distributable amount according to dividend policy, unless where otherwise noted.
- 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 “Resultados Consolidados 9M 2024”. In the event of any inconsistency, the original version prevails.

**CAIXA GERAL DE DEPÓSITOS**
Head Office: Av. João XXI, 63
1000-300 LISBOA
PORTUGAL
(+351) 217 905 502
Share Capital € 4.525.714.495
CRCL and Tax no. 500 960 046

INVESTOR RELATIONS
investor.relations@cgd.pt
http://www.cgd.pt/Investor-Relations