



CAIXA GERAL DE DEPÓSITOS

# CONSOLIDATED RESULTS

## 9M2021

Unaudited financial information

*Investor Relations* | 04.11.2021



- 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.
- The financial metrics in this presentation refer to September 30, 2021, unless otherwise stated. These may be estimates subject to revision. Solvency ratios include net income for the period, unless where otherwise noted.
- In the first nine months of 2021, economic activity in Portugal and worldwide was significantly affected by the new variants of the Covid 19 pandemic and by the imposed containment efforts, conditioning a series of economic activities. The third quarter of 2021 continued to witness the gradual lifting of restrictions but the economic outlook remains surrounded by uncertainty, despite the level of vaccination achieved and the non-appearance of new variants.

The Portuguese economy maintains the recovery process that began in the third quarter of 2020, despite the longer impact on certain sectors and companies. Bank of Portugal and supranational institutions anticipate an acceleration of growth in 2022 as a result of the lifting of restrictive measures, the reduction in the savings rate and the recovery of the main trading partners.

In light of these uncertainties, and based on the information available at this time, CGD estimated and recognized in its financial statements for the period ending on September 30, 2021 its best estimate of the financial effects of this pandemic, including the valuation of financial assets and the measurement of expected losses in the loan portfolio, which will be subject to continuous monitoring and reassessment.

- This document is intended for general information only and does not constitute investment recommendation or professional guidance and may not be construed as such.
- This document is an English translation of the Portuguese language document “Resultados Consolidados 9M2021”. In the event of any inconsistency, the original version prevails.

# Agenda



- 1 Highlights
- 2 Commercial & Digital Banking
- 3 Sustainability
- 4 Results
- 5 Balance Sheet
- 6 Asset Quality
- 7 Liquidity
- 8 Capital
- 9 Summary



## Highlights

Consolidated net income reaches €429M resulting in a ROE of 6.9% and an 9.4% increase over the same period in 2020.

CGD approved the payment of an extraordinary dividend in the amount of € 300M, as previously anticipated, and its payment is expected in 2021.

Including net income and deducting the extraordinary dividend, the fully loaded CET 1 ratio reached 18.2%, Tier 1 19.4% and Total ratio 20.8%, above the Portuguese and European banking average, further strengthening CGD's robust and adequate capital position.

Significant growth (up 5.9%) in Portugal in loans to corporates and businesses (excluding construction and real estate) and in new mortgage loans with a 24.2% year-to-date market share in August 2021.

Improvement in asset quality: NPL ratio drops to 2.8% and specific coverage level increases to 68.0% vs 44.3% average for European banks <sup>(1)</sup> NPL ratio net of total impairments of 0%.

Recurrent operating costs down 1.6% over 9M2020, reflecting the continued improvement in efficiency levels expressed in the decrease of the cost-to-income ratio to 47.3%.

In September Moody's upgraded CGD's rating for a second time to Baa2 and, in October, Fitch changed the outlook to positive, sustaining the possibility of a future upgrade.

CGD carries out the first sustainable debt issue by a Portuguese bank with a 0.375% coupon, the lowest ever it achieved in capital market.

# CGD is now rated at investment grade level by two of the main international agencies



Sep/21: BCA : ba1 → baa3  
Senior debt : Baa3 → Baa2 / P-3 → P-2  
Outlook stable

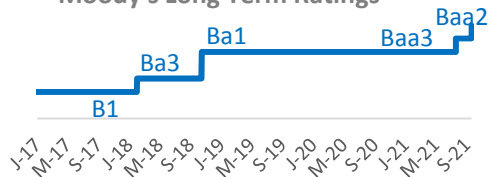
Investment grade

Out/21: IDR affirmed at BB+  
Outlook: negative → positive  
Deposits: BBB-

Mai/21: BBB/R-2 (high) confirmed with  
negative trend  
Deposits: BBB (high)/R-1 (Low)

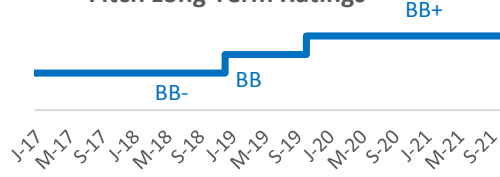
Investment grade

Moody's Long Term Ratings



Moody's

Fitch Long Term Ratings








Fitch Ratings





DBRS Long Term Ratings



DBRS Morningstar

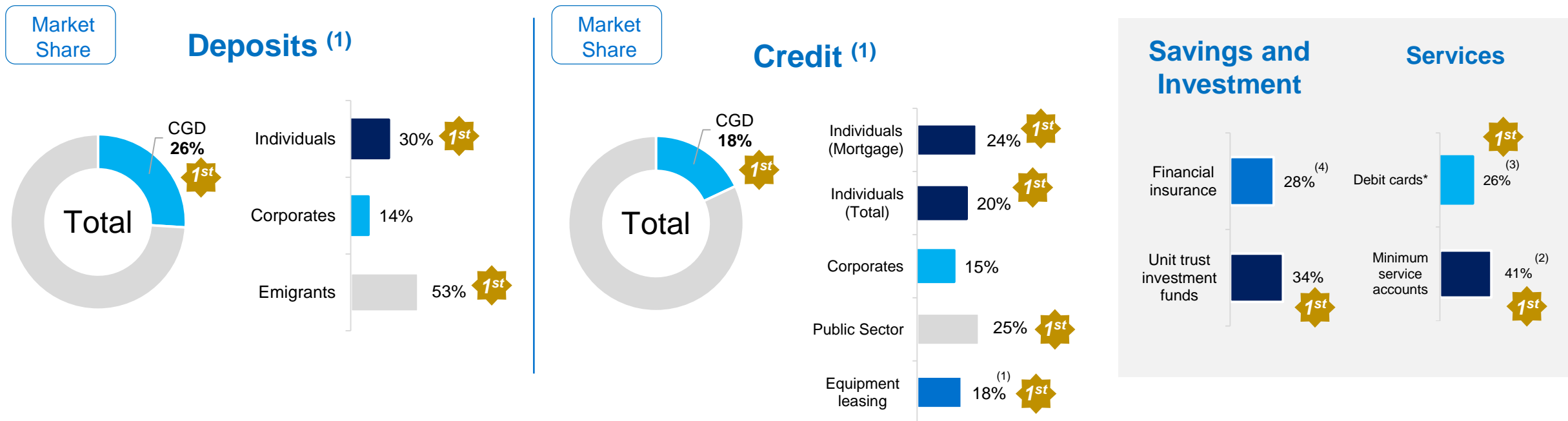
Aaa
Aa1
Aa2
Aa3
A1
A2
A3
Baa1
Baa2   Debt and Deposits Bank 1 Bank 2
Baa3
Ba1 Bank 3
Ba2
Ba3
B1
B2
B3 Bank 4
Caa1
Caa2 Bank 5
Caa3

AAA
AA+
AA
AA-
A+
A
A-
BBB+ Bank 2
BBB  Bank 1
BBB-  Deposits
BB+  Debt Outlook Positive
BB Bank 3
BB-
B+
B
B-
CCC+
CCC Bank 4
CCC-

AAA
AA(high)
AA  Covered Bonds
AA (low)
A(high)
A Bank 2
A (low)
BBB (high)   Deposits
BBB  Debt Outlook Negative
BBB (low) Bank 3 Outlook Negative
BB (high)
BB
BB (low)
B (high) Bank 5 Outlook Negative
B Bank 4 Outlook Negative
B (low)
CCC (high)
CCC
CCC (low)

# Commercial & Digital Banking

CGD strengthens its leadership in the domestic market



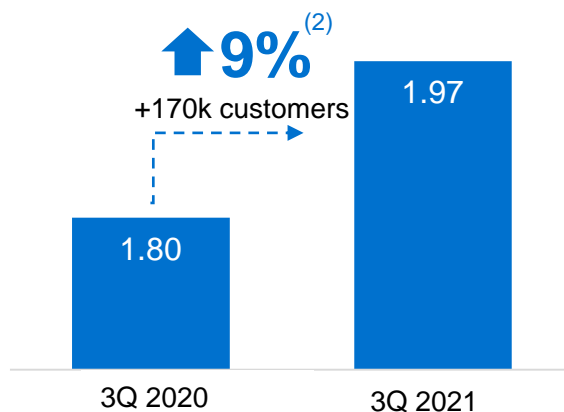
(1) August 2021; (2) June 2021; (3) September 2021; (4) December 2020

## Caixa continues to grow in digital: more customers, more operations and more business

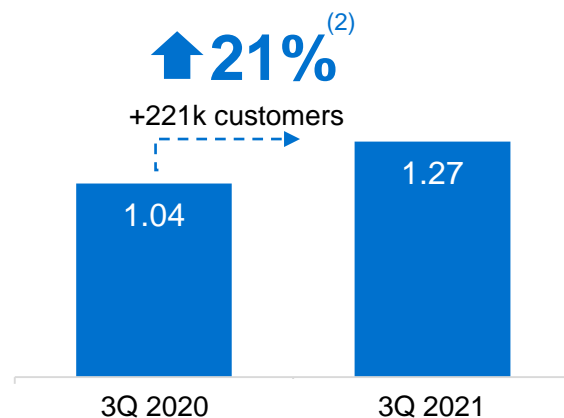
### Customers

Millions

**Active Digital**<sup>(1)</sup>

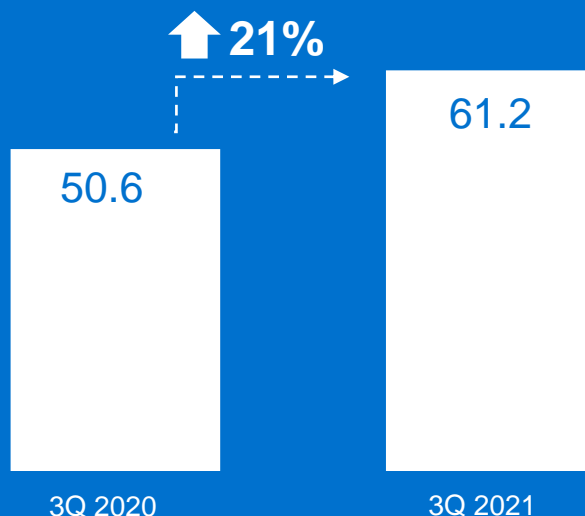


**Active Mobile**<sup>(1)</sup>



### Operations

Millions



**↑19%**<sup>(1)</sup>

Caixadirecta logins

**↑15%**<sup>(1)</sup>

Inbound interactions  
Contact Center

### Digital Business

Strong growth in the digital business in 3Q 2021



Consumer Loans

**↑188%**<sup>(2)</sup>



Mutual Funds

**↑78%**<sup>(2)</sup>



"Conta Caixa" accounts

**↑47%**<sup>(2)</sup>



Opening Online Account

**↑12%**<sup>(2)</sup>



Factoring &amp; Confirming

**↑33%**<sup>(2)</sup>

(1) Individuals and companies (domestic perimeter); (2) 3Q 2020 VS 3Q 2021

## Apps active users are growing 21% and represents 76% of logins

### APPS



App Caixadirecta

4.5<sup>(2)</sup>



> 120k<sup>(2)</sup>  
Store ratings

76%

Of the total logins to Caixadirecta  
come from app

↑ 30%<sup>(1)</sup>

#### Digital Assistant News

- ✓ English conversations
- ✓ Personal Loans registration



✓ New interface

1.23M

Active customers

↑ 21%<sup>(1)</sup>

### Caixa Easy

#### Focus on University clients

- ✓ Virtual Student Identification Card
- ✓ Pre registration to signing up at Caixadirecta  
(represents 16% from the total sign ups)



1.3M ↑ 147%<sup>(1)</sup>

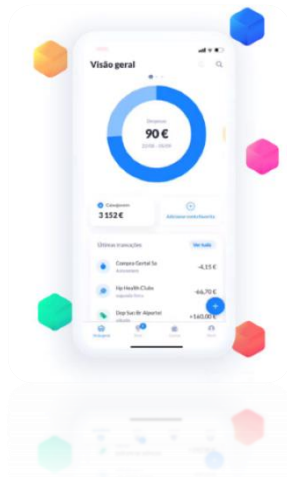
Unique customers served  
by Digital Assistant

(1) 3Q 2020 vs 3Q 2021; (2) AppStore+ GooglePlay+ AppGallery; (3) SIBS API Market Sep. 2021;



# DABOX grows in market share and number of users and wins 2 more Awards

## APP Dabox



Lider in Open Banking

**46%** transfer initiation <sup>(2)</sup>

**40%** account aggregation <sup>(2)</sup>

News

**23** Available entities to aggregate

✓ **Universo Card now available**

## AWARDS

### Digital Communication Awards



Content & Publishing  
(Blog, Podcast, Magazine, Newsroom, App)

### SAPO Awards



Financial Services

**85k**

DABOX active users  
27% <sup>(1)</sup>

**52%**

Banking aggregation  
≠ de CGD

**1.4**

Agregate bank by  
customer (average)

**37%**

Of customers are  
not CGD

**39%**


das transferências  
são iniciadas a partir  
de outros bancos

(1) 3Q 2020 VS 3Q 2021; (2) SIBS API Market Sep. 2021


# Sustainability

The **2021-2024 Sustainability Strategy** is underpinned by **5 courses of action**




 Invest 2Bn euros worth of ESG financing by 2025




 Reach carbon neutrality in the financing portfolio by 2050 and in its own operations by 2030




 Increase the digital access and the financial inclusion of over 1 million adults (>45 years old) by 2025



 Reach at least 1/3 of each gender in the Board of Directors by 2021



 Disclose the greenhouse gas emissions related to financing operations by 2023

**Ambition: market leadership in sustainable finance in Portugal**



## Supporting the transition to a low-carbon economy and financing projects with a social impact on people's lives

### SUSTAINABLE DEBT ISSUANCE



- Issuance of senior preferred debt, amounting to **500 million euros** placed on national and international markets
- The funds raised will be used to finance a range of projects from energy efficiency to job creation in less-development areas
- **First sustainable debt issuance by a Portuguese bank**
- About 60% of the emission was allocated to ESG investors
- Listed on the Luxembourg Green Exchange (LGX), thus complying with the eligibility criteria of the LGX platform.

### RATING ESG



**CGD is the 1º Bank in Portugal with an ESG Rating Model** for its corporate clients

- Covers all business sectors
- Help clients in the transition toward a low-carbon and inclusive economy
- **CGD's ESG rating model made TOP 3 at the 33rd edition of the IRGAwards (Investor Relations and Governance Awards), in the category Sustainability Initiative Award, promoted by Deloitte**

# Supporting the transition toward a low-carbon economy and financing projects with a social impact on people's lives

## BUSINESSES TRANSFORMATION



**Caixa Invest Green Land funding facility,**  
Support companies' transformation into businesses models that are more sustainable for the environment

## TRAINING AND SKILL ENHANCEMENT



**Partner of the INDEG/ISCTE's MBA in Sustainable Management**  
Contributing to skill enhancement in terms of sustainability faced by managers and decision-makers

## SOCIAL RESPONSIBILITY



**Donation of 657 items of IT equipment to several institutions and schools**  
Helping students in need to overcome the difficulties imposed by distance learning

## EPIS 2021 SOCIAL SCHOLARSHIPS



**Social investors in the EPIS (Entrepreneurs for Social Inclusion) Social Scholarships**  
Assignment of social scholarships to help high school and higher education students in need and the donation of IT equipment

## GENDER EQUALITY



**CGD's 2022 Plan for Gender Equality**  
119 continuity initiatives and 9 additional measures in order to overcome structural impediments to gender equality

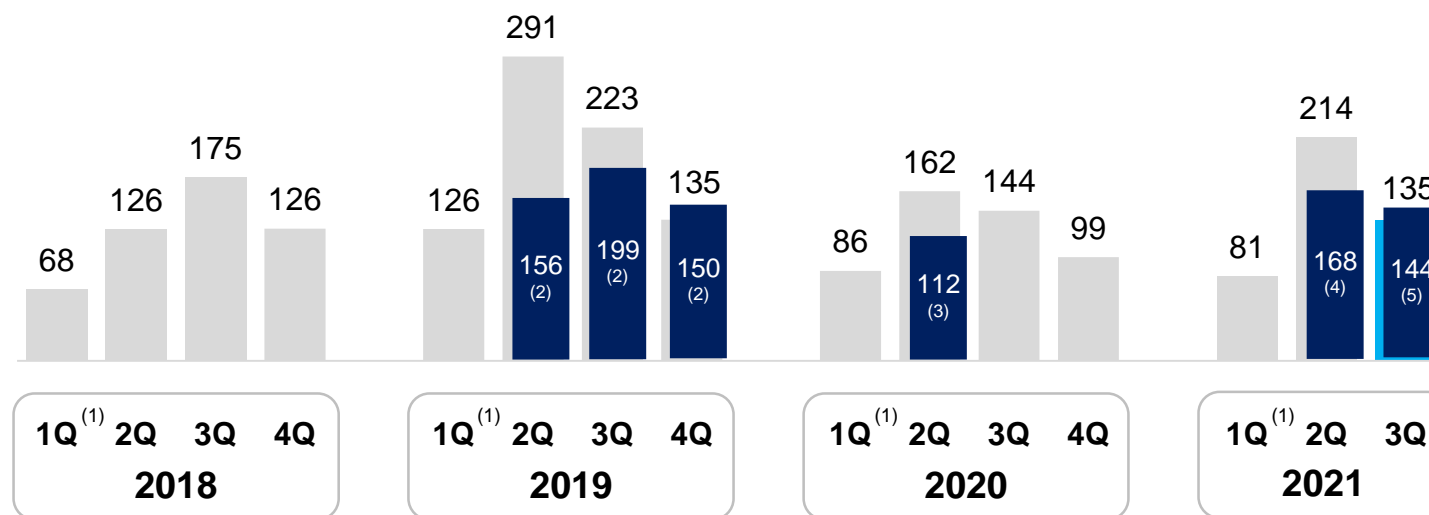


# Results

9M2021 consolidated net income an improvement over 9M2020; Recurrent ROE above 6.4%

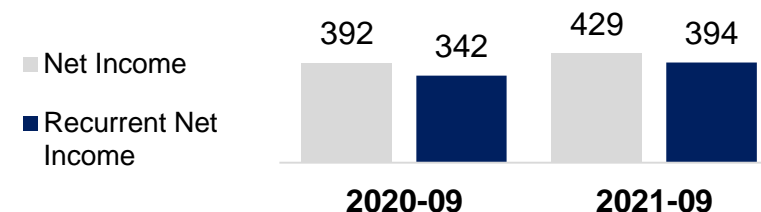
M€

## Quarterly Net Income



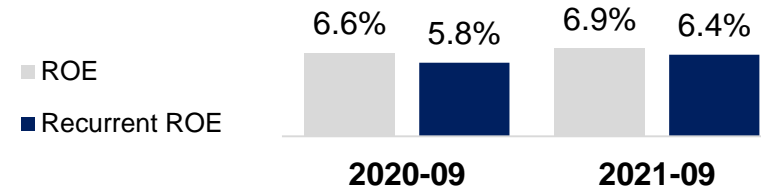
M€

## Net Income



%

## ROE

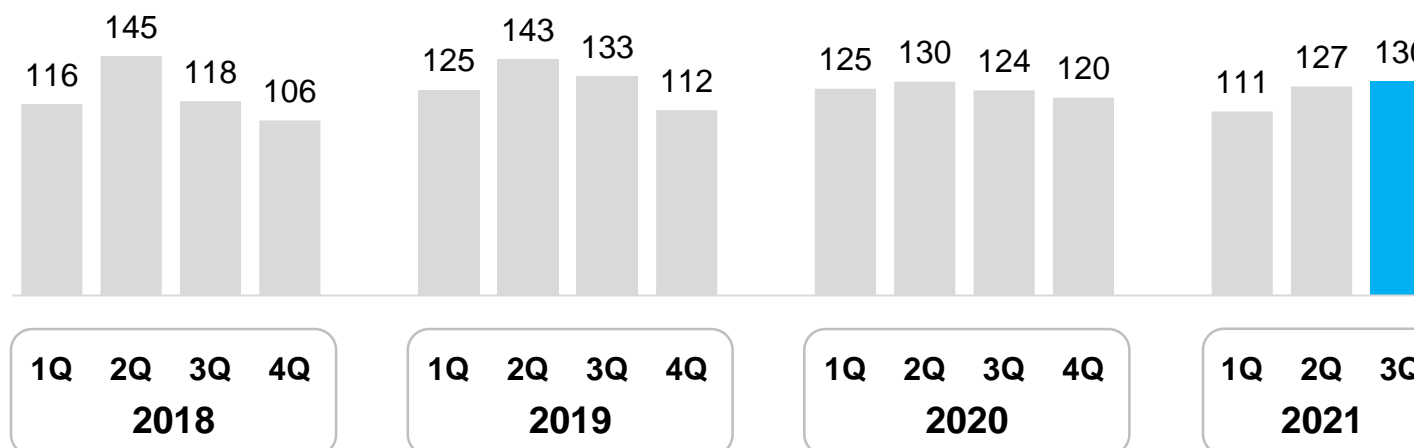


(1) Including regulatory costs for the year; (2) Excluding the extraordinary impacts of the sale of international assets, or in the process of being sold; (3) Excluding extraordinary impacts arising from the actuarial valuation of liabilities with post-employment benefits; (4) Excluding restructuring costs mainly associated to liabilities with post-employment benefits; (5) Excluding extraordinary impacts arising from net trading income

## Net Core Operating Income before Impairments recovers despite adverse evolution of net interest income

M€

### Quarterly Net Core Recurrent Operating Income before Impairments <sup>(1) (2)</sup> (Domestic Activity)



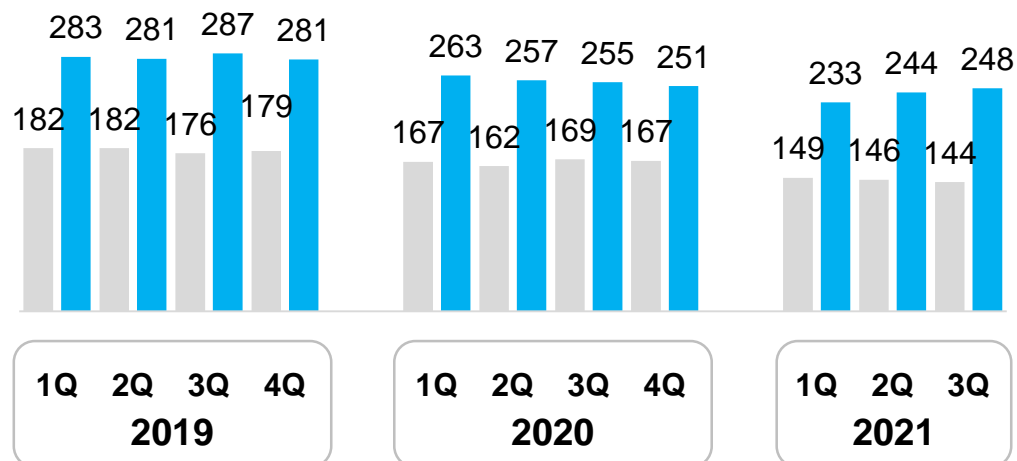
- (1) Net core operating before Impairments = Net interest income including income from equity investments + Net Fees and Commissions - Operating costs  
 (2) Excluding non recurrent effects

## Net Interest Income impacted by interest rate and spread levels

M€

### Quarterly Net Interest Income

- CGD Portugal
- Consolidated



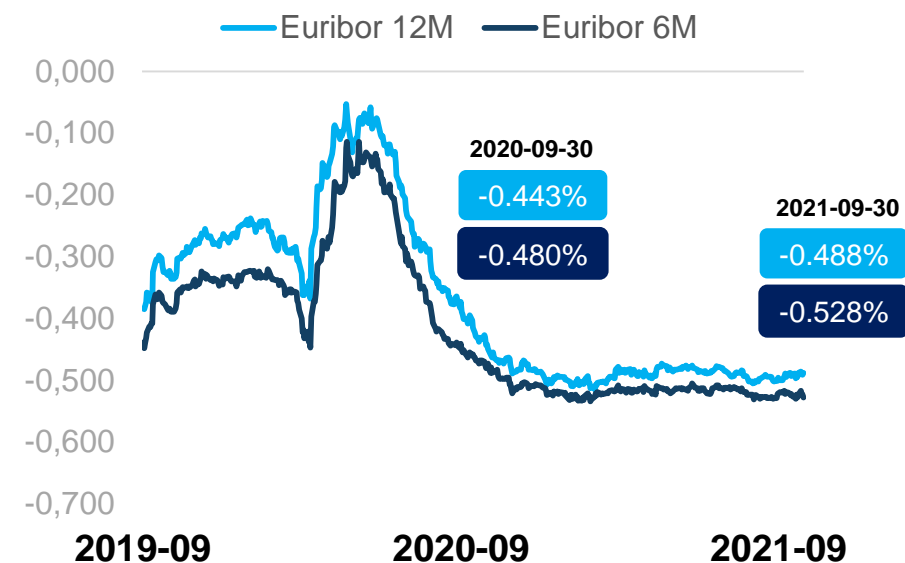
Change Year on Year:  
9M2021 vs. 9M2020

-6.5%

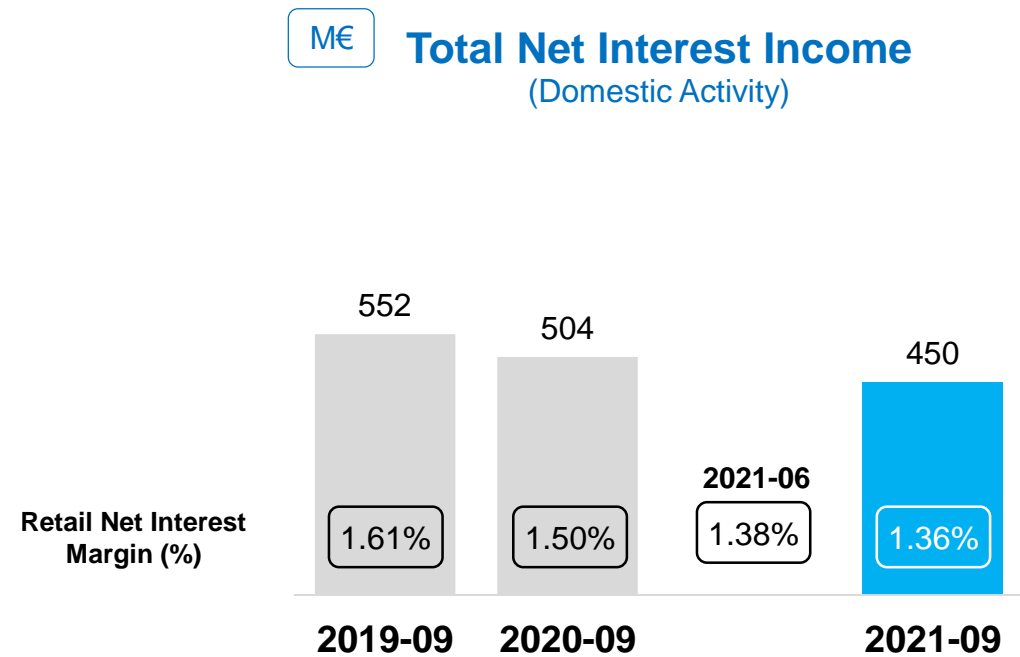
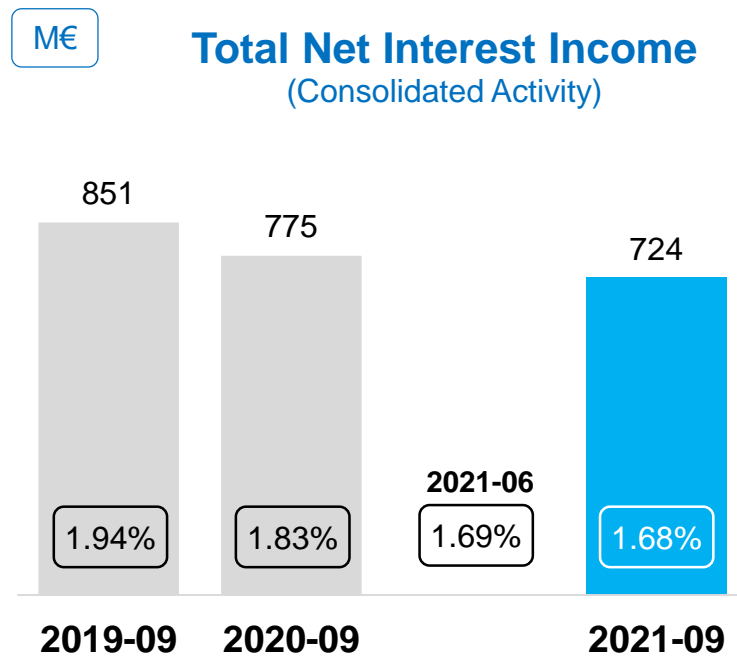
-11.7%

%

### Euribor

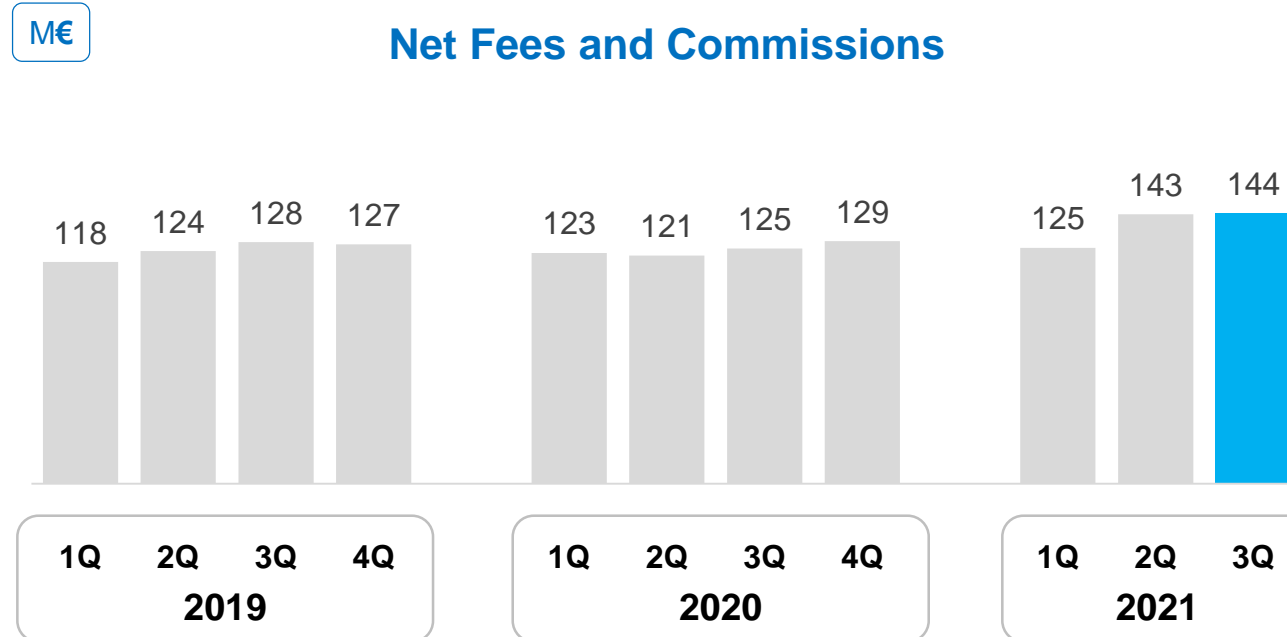


## Retail Net Interest Margin stabilizes





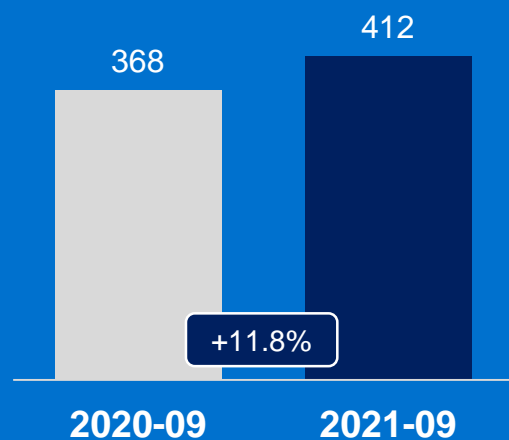
## Net Fees and Commissions shows recovery of economic activity and greater customer loyalty



## Fees and Commissions rise with growth in new loans and sale of investment products in Portugal

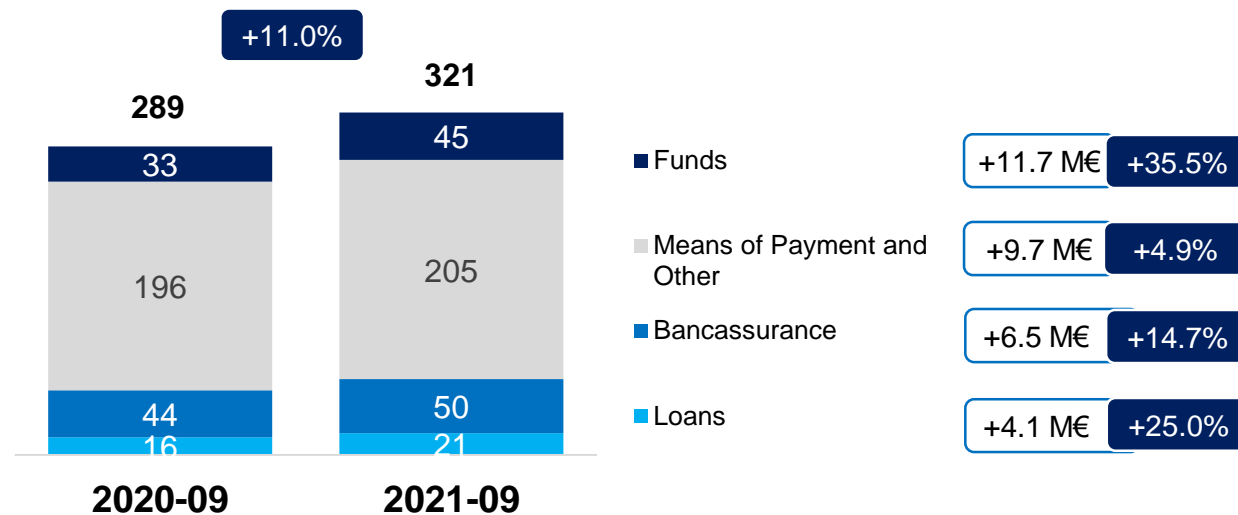
M€

### Net Fees and Commissions (Consolidated)



M€

### Net Fees and Commissions (CGD Portugal)



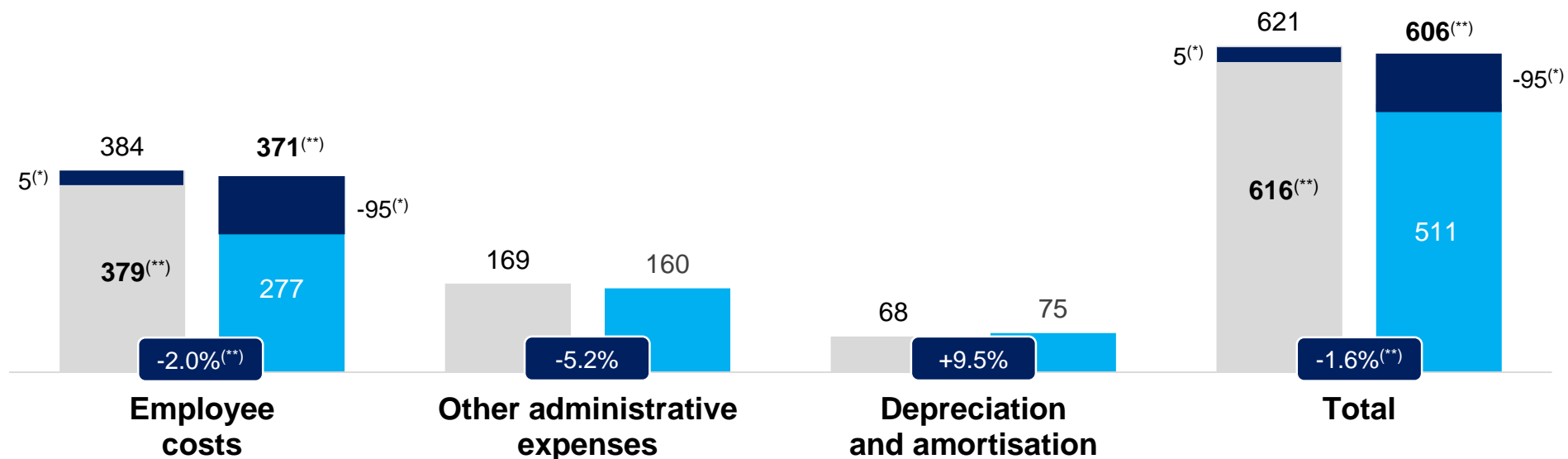
## Recurring Operating Costs with a 1.6% reduction

M€

### Operating Costs

■ 2020-09

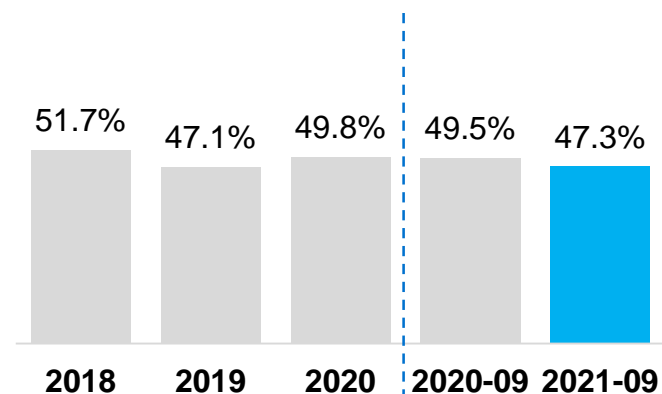
■ 2021-09



(\*) Non recurrent effects;  
 (\*\*) Excluding non recurrent effects.

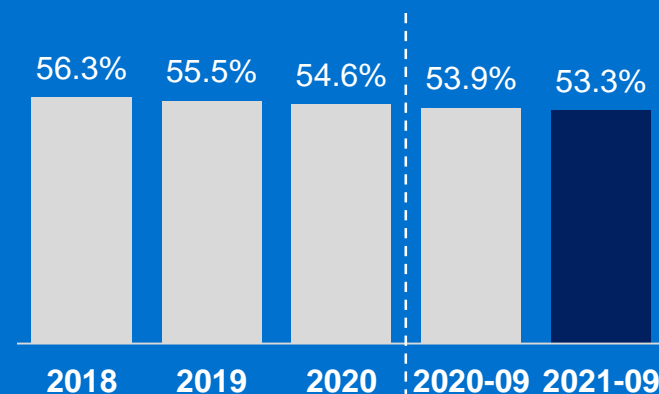
## Cost-to-Income on a downward trend reflecting improved efficiency

% **Cost-to-income (1)(2)**



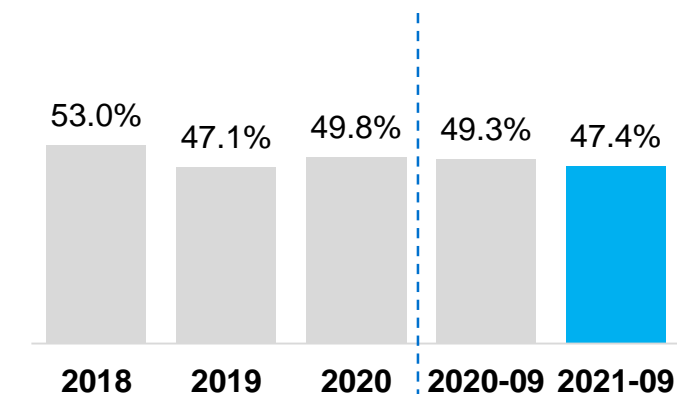
- (1) Ratio defined by the Bank of Portugal Instruction 6/2018 [Operating Costs / (Total Operating Income + Income From Associated Companies)];  
 (2) Excluding non recurrent effects.

% **Cost-to-Core income (2)(3)**



- (2) Excluding non recurrent effects;  
 (3) Operating Costs / (Net Interest Income + Net Fees and Commissions).

% **Cost-to-Income (1)(2)**  
(Domestic Activity)



- (1) Ratio defined by the Bank of Portugal Instruction 6/2018 [Operating Costs / (Total Operating Income + Income From Associated Companies)];  
 (2) Excluding non recurrent effects.

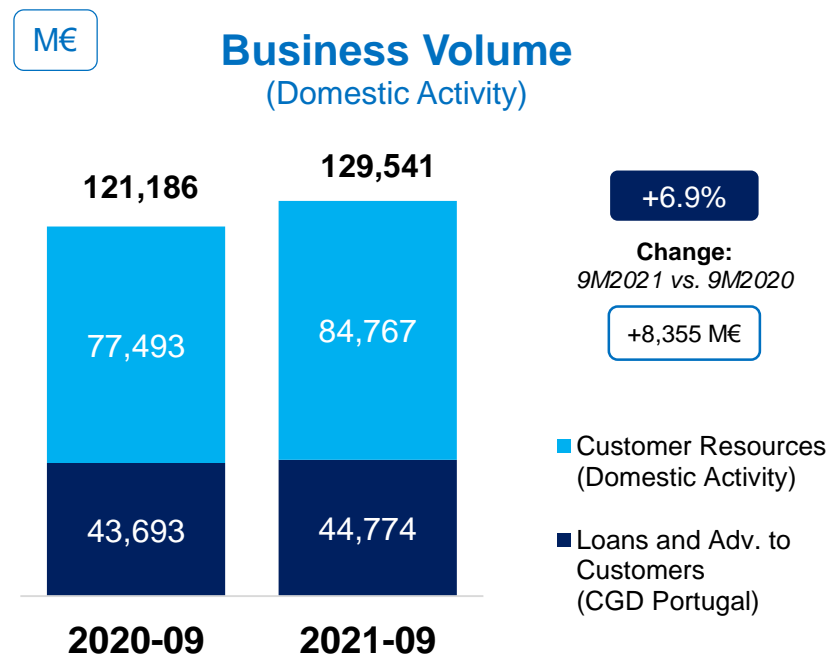


## Greater contribution from international activity despite exchange rate effects

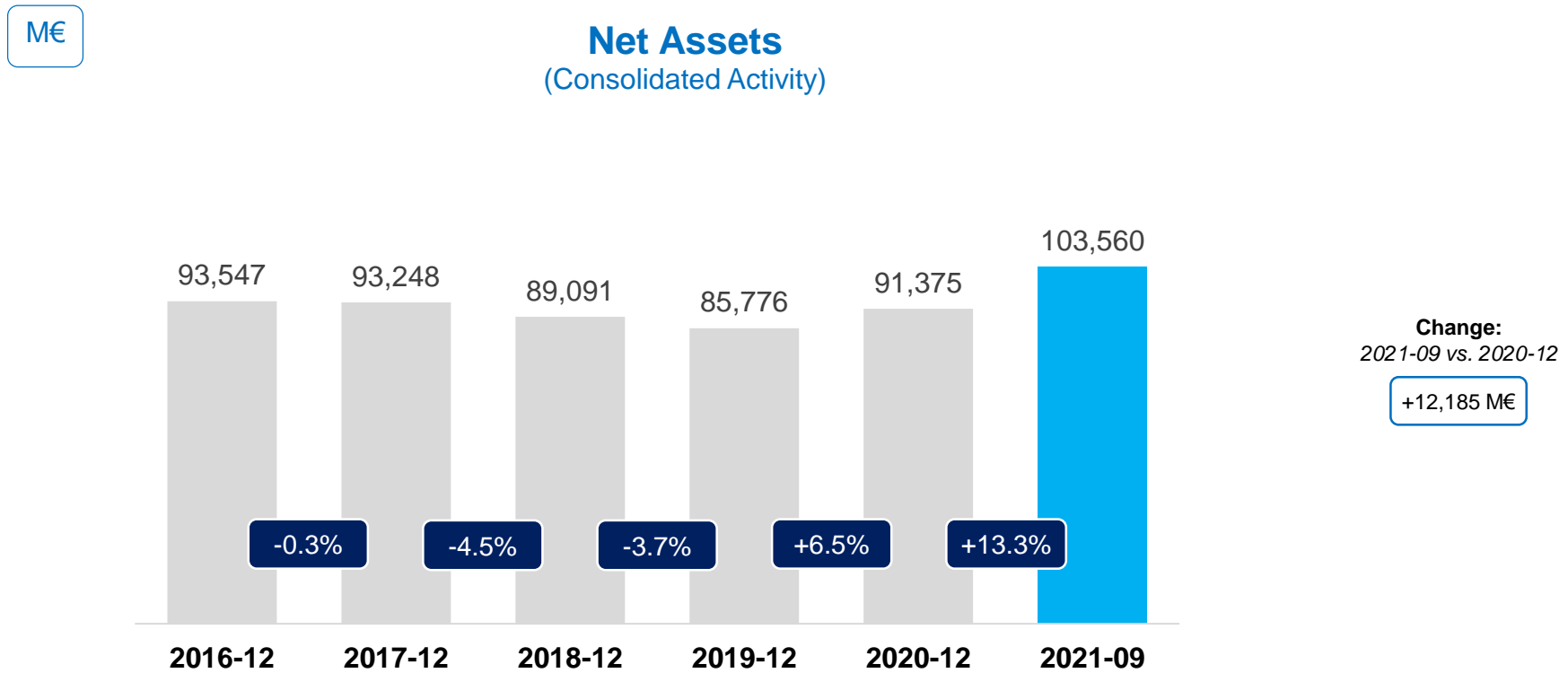
Entities	2020-09	2021-09	Var. (%) €	Var. (%) Local currency
<b>Banco Nacional Ultramarino (Macao)</b>	43.1	37.0	-14%	-8%
<b>Banco Comercial de Investimentos (Mozambique)</b>	14.3	24.4	70%	74%
<b>Banco Caixa Geral – Angola</b>	13.6	13.5	-1%	22%
<b>France Branch</b>	10.4	14.8	43%	-
<b>East Timor Branch</b>	2.4	0.0	-	-
<b>Banco Interatlântico (Cape Verde)</b>	1.8	1.5	-17%	-17%
<b>Subtotal</b>	<b>85.5</b>	<b>91.1</b>	<b>7%</b>	<b>-</b>
Other	-2.1	7.2	-	-
<b>Total</b>	<b>83.4</b>	<b>98.3</b>	<b>18%</b>	<b>-</b>

# Balance Sheet

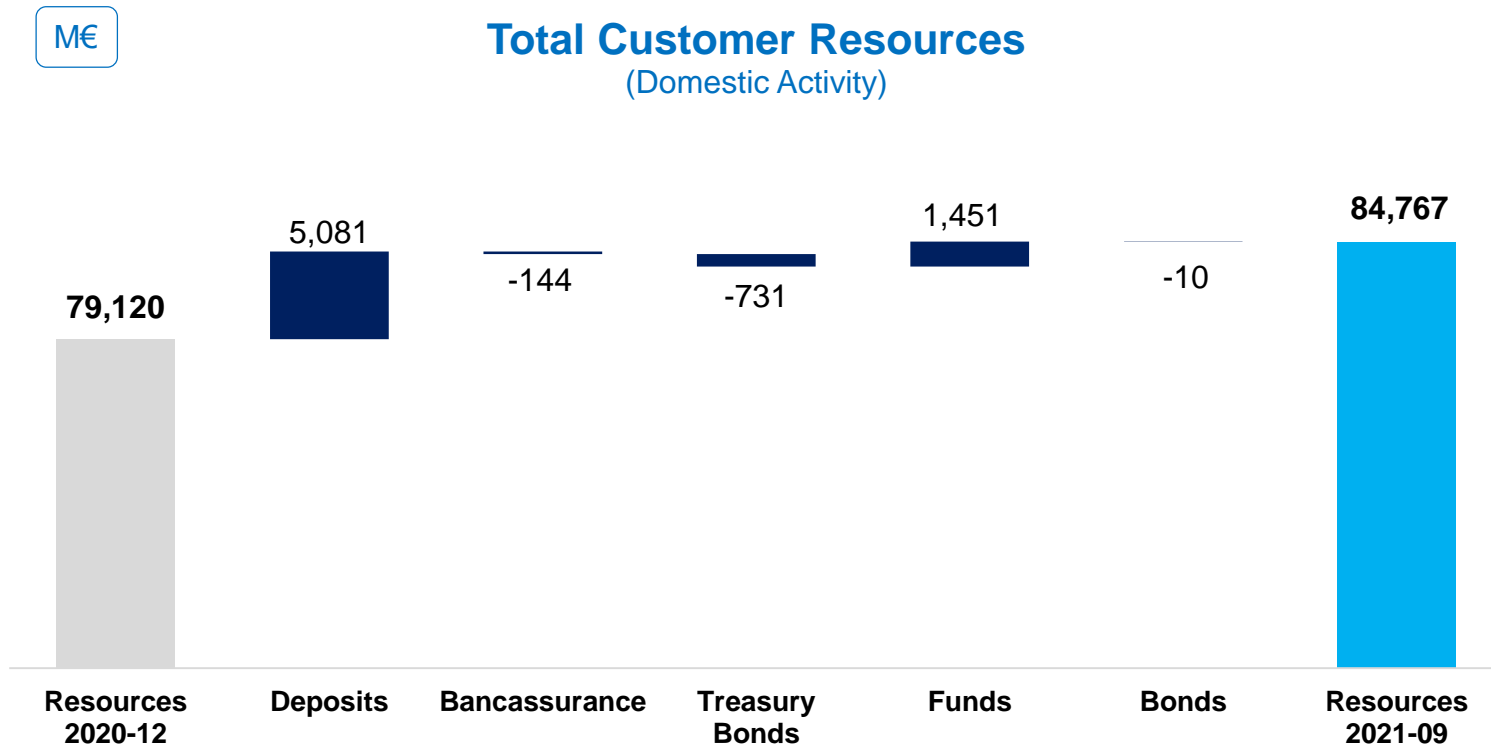
Business Volume increases



## Net Assets have a significant increase

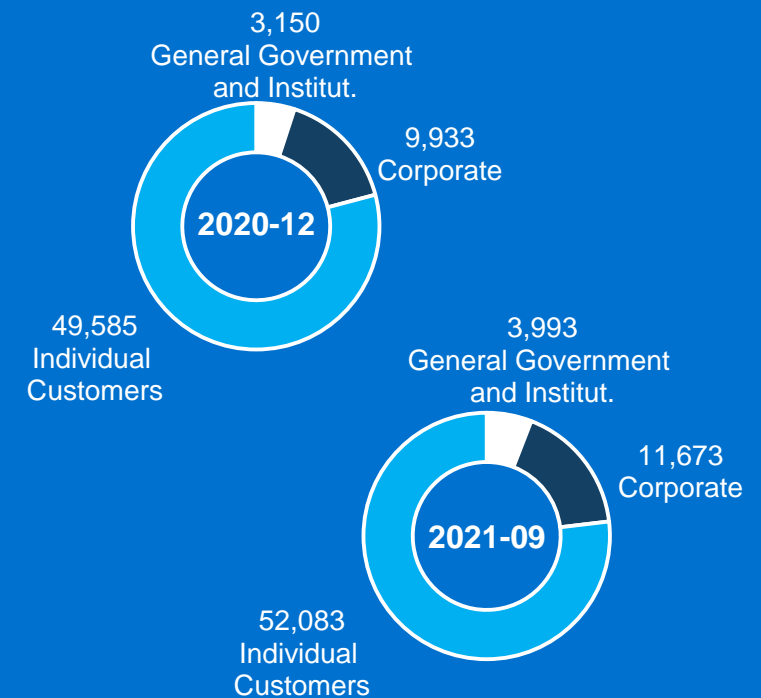


## Customer Deposits in Portugal with strong growth in all segments



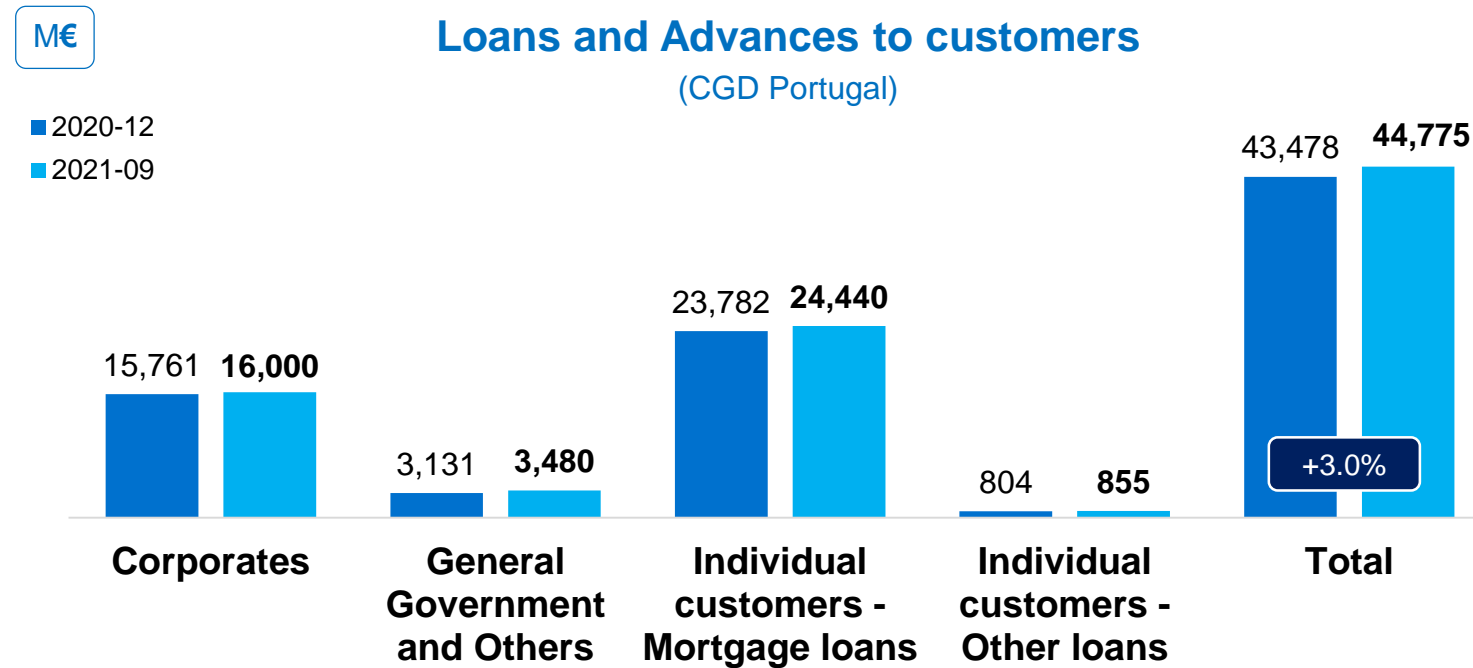
M€

### Customer Deposits (Domestic Activity)





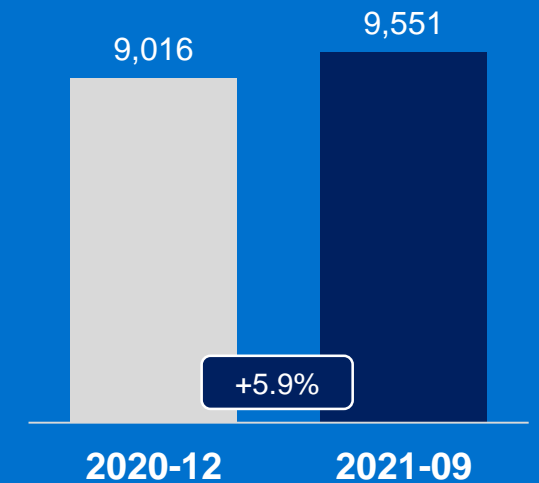
## Increase in credit in all customers segments in Portugal



M€

### Gross loans to corporates

excluding construction and real estate sectors  
(CGD Portugal)

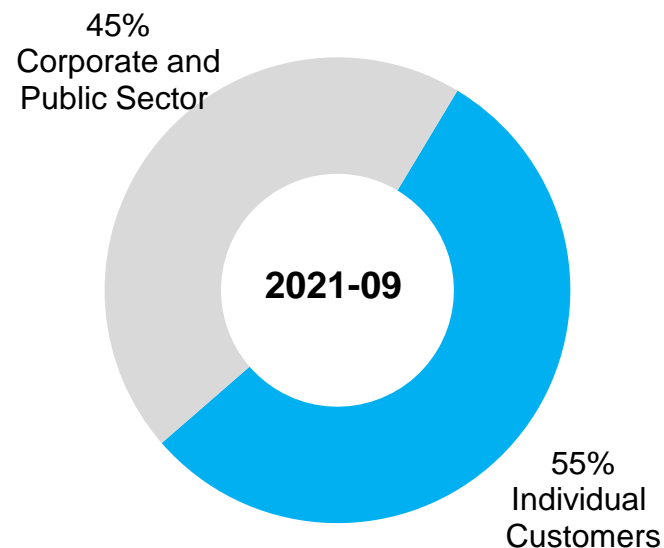


## Diversified Domestic Activity Loan portfolio and with a high level of collateral

%

### Loans and Advances to Customers

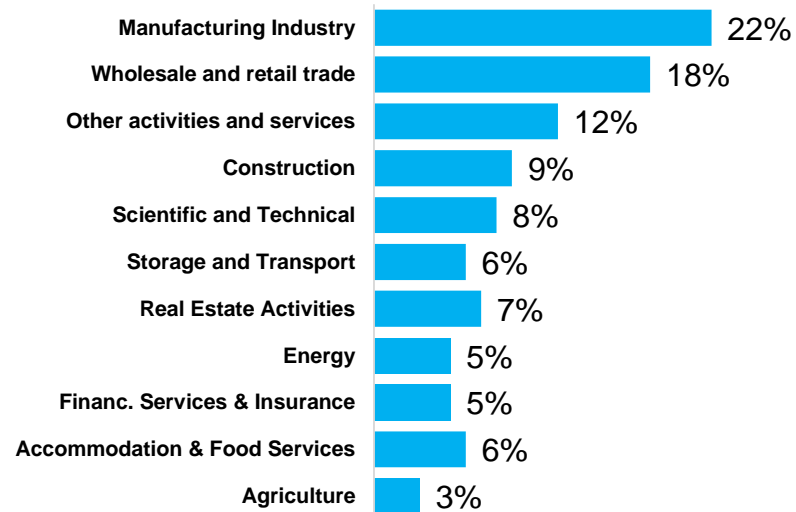
Customer Segment Exposure



%

### Corporate Loans

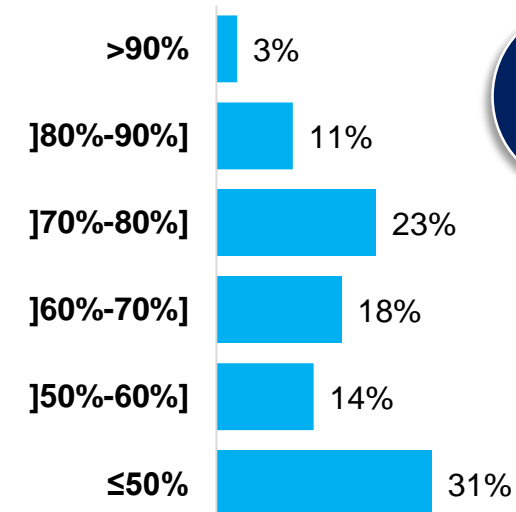
Industry Exposure



%

### LTV

Mortgage Loan Portfolio

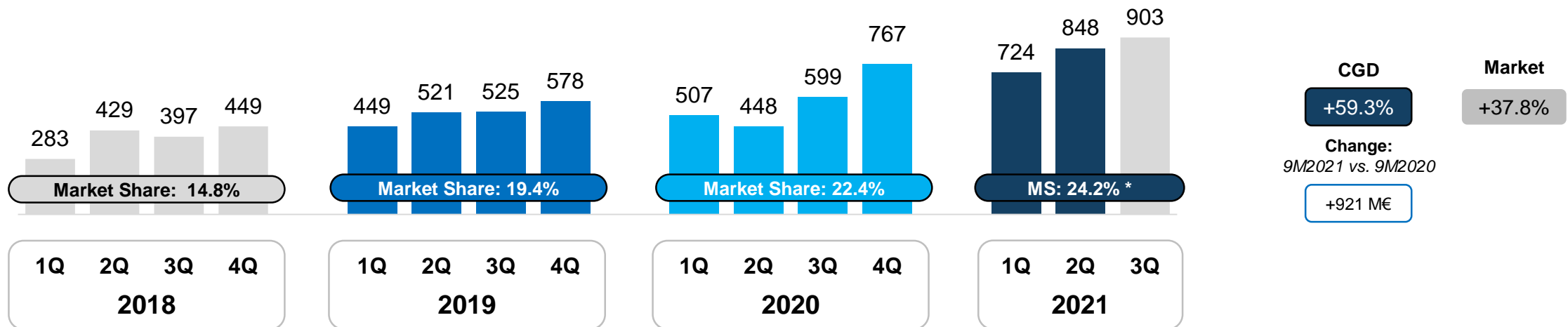


LTV  
60,4%  
(weighted  
average)

## New mortgage loans with growth above the banking sector; market share increases

M€

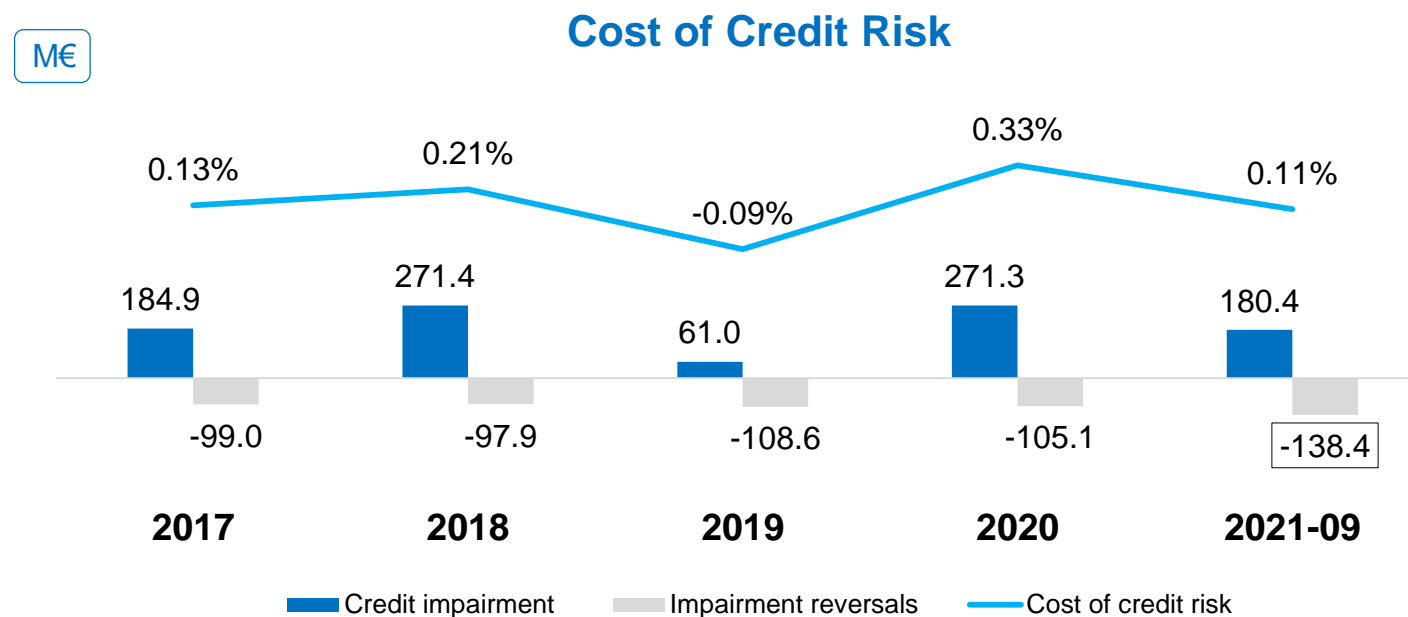
### New Mortgage Loans



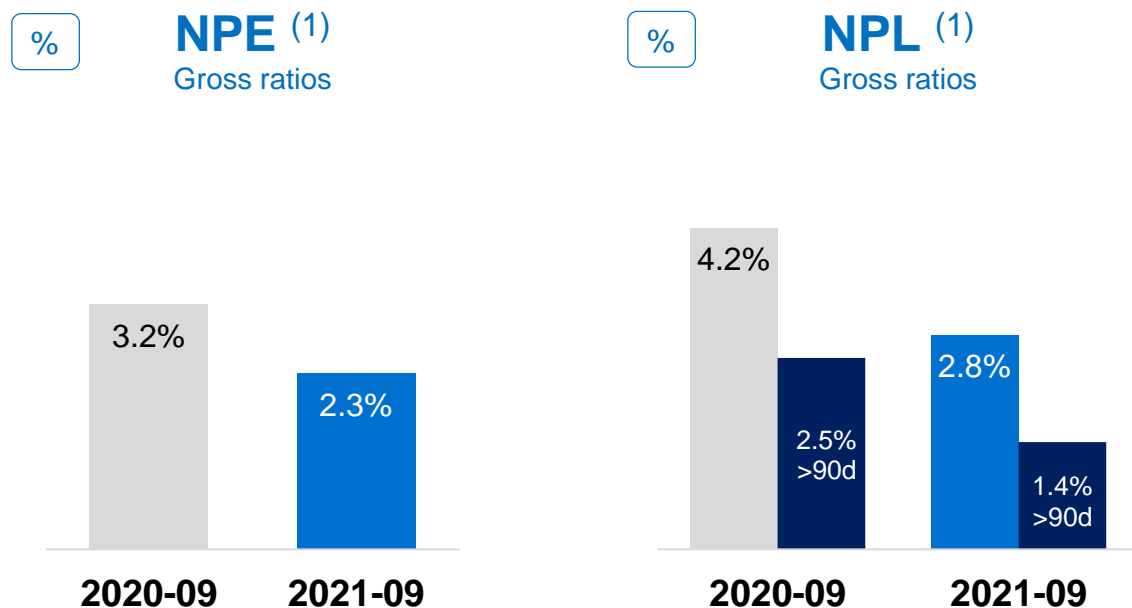
\* August 2021

# Asset Quality

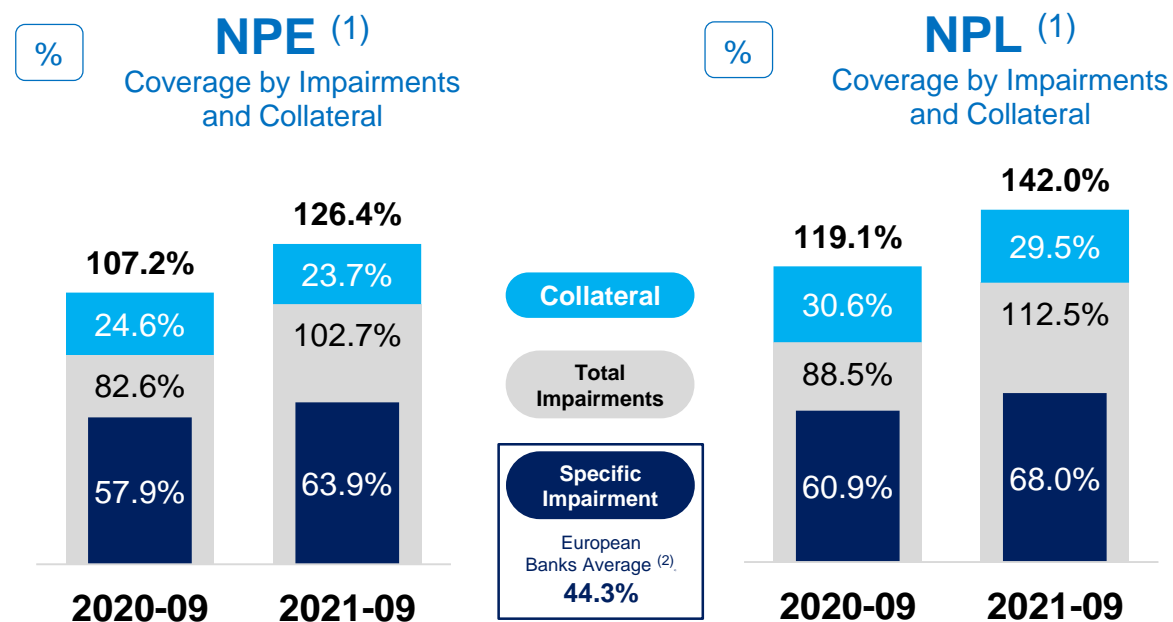
Cost of credit risk impacted by preventive measures and high level of recoveries



## NPE and NPL decreasing and with higher coverage level. NPL > 90 days down to 1.4%



(1) NPE – Non Performing Exposure and NPL – Non Performing Loans: EBA definitions;



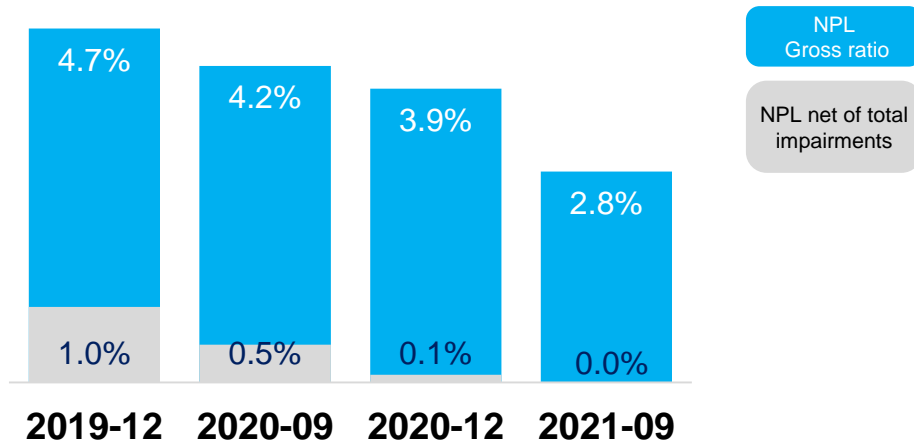
(1) NPE – Non Performing Exposure and NPL – Non Performing Loans: EBA definitions;

(2) EBA Risk Dashboard – June 2021

## NPL reduction continues in 3Q2021. NPL ratio at 2.8%. Ratio net of impairments at 0%

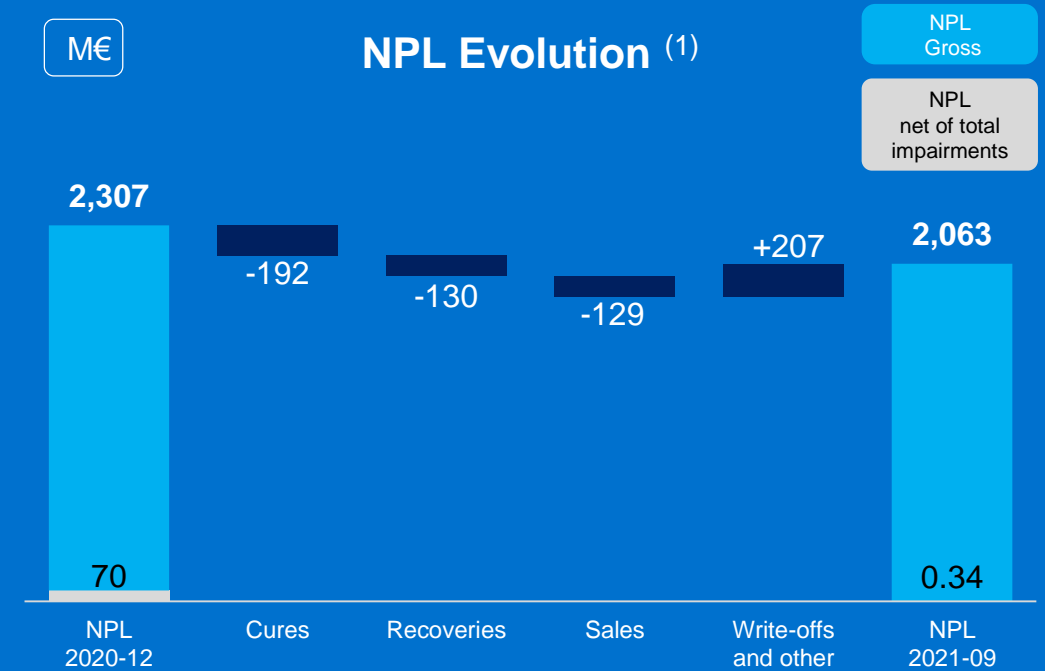
%

### NPL Evolution (1)



M€

### NPL Evolution (1)



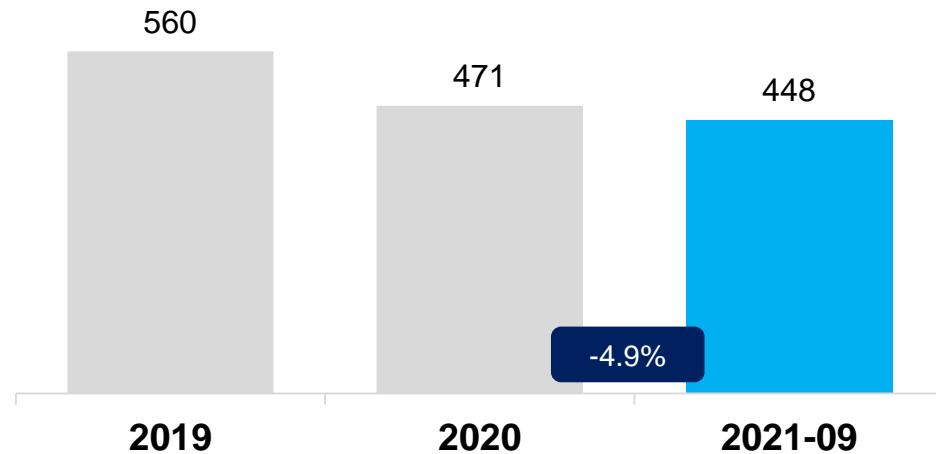
(1) NPL – Non Performing Loans: EBA definitions.



## Foreclosed Assets (Real Estate) reduction while Coverage is reinforced

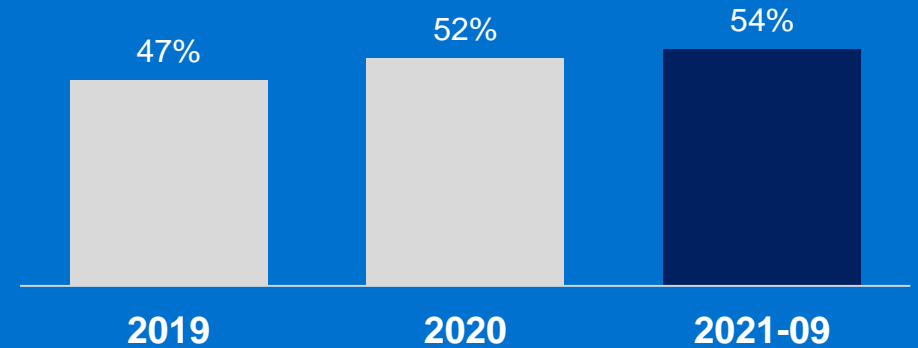
M€

### Foreclosed Assets



%

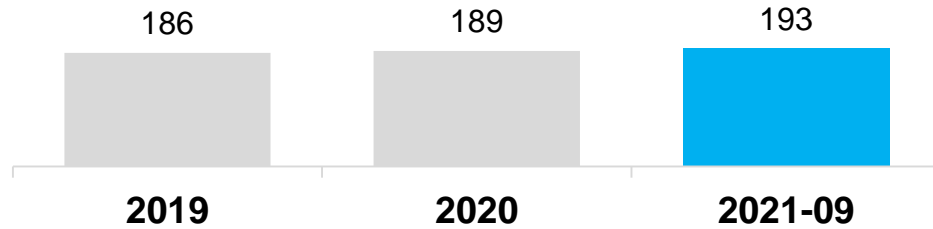
### Coverage by Impairments



## Investment Properties and exposure to Corporate Restructuring Funds stabilized

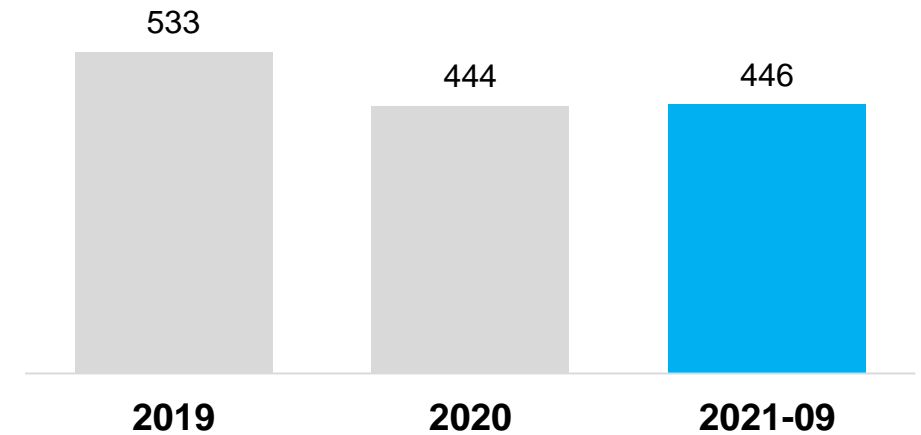
M€

### Investment Properties



M€

### Corporate Restructuring Funds



## Moratoriums for households and companies

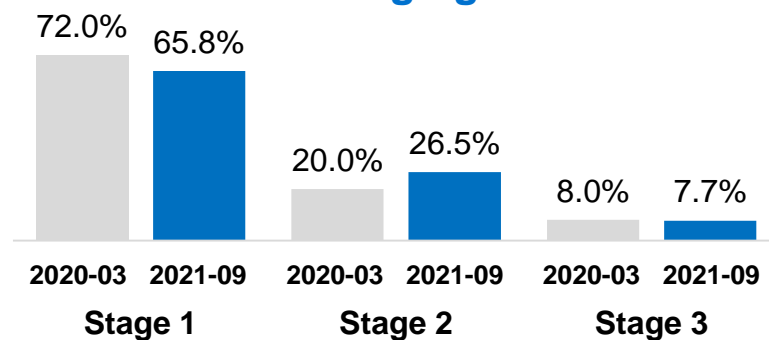
### CGD Portugal

M€	Moratoriums expired until September	Moratoriums to expire after September
Households	3,135	28
Companies	3,071	182
<b>TOTAL</b>	<b>6,206</b>	<b>210</b>



Moratoriums to expire (as of November 3)
4
145
<b>149</b>

### Staging



**With the end of the moratoriums, restructuring measures were applied to:**

~3,000 households, with a total exposure of €330 million

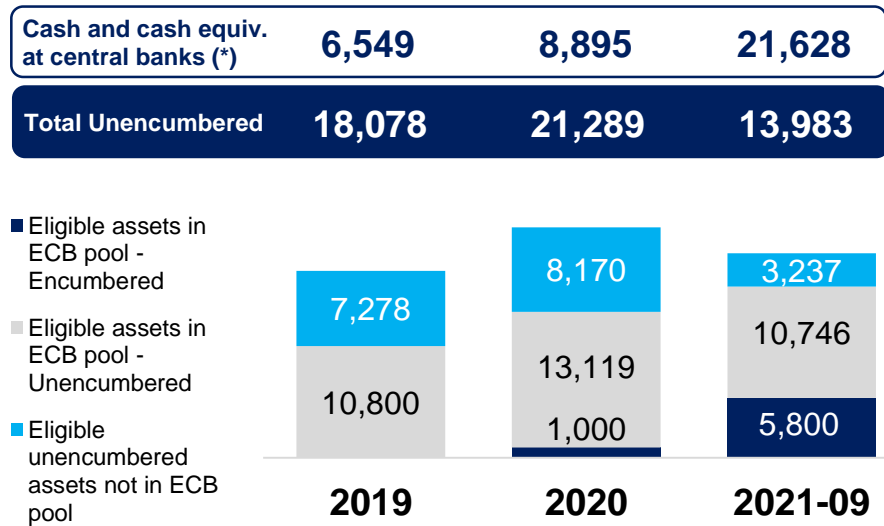
~600 companies, with a total exposure of €150 million (additional operations still under negotiation)

# Liquidity

CGD with ample capacity to access funding; TLTRO totals 5.8 B€

M€

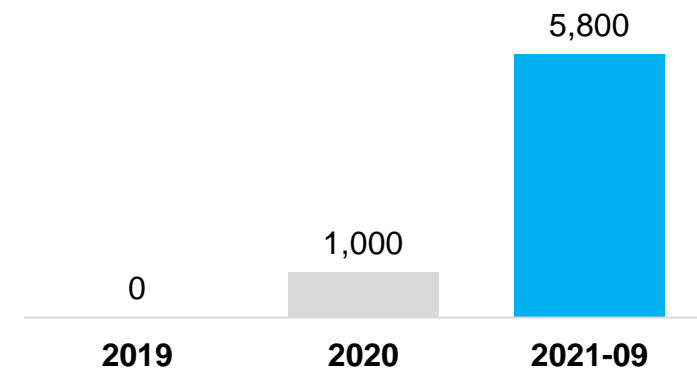
## Assets in ECB Pool and Other Eligible Assets



(\*) Excluding minimum reserves

M€

## ECB Funding



16,545

600

8,234

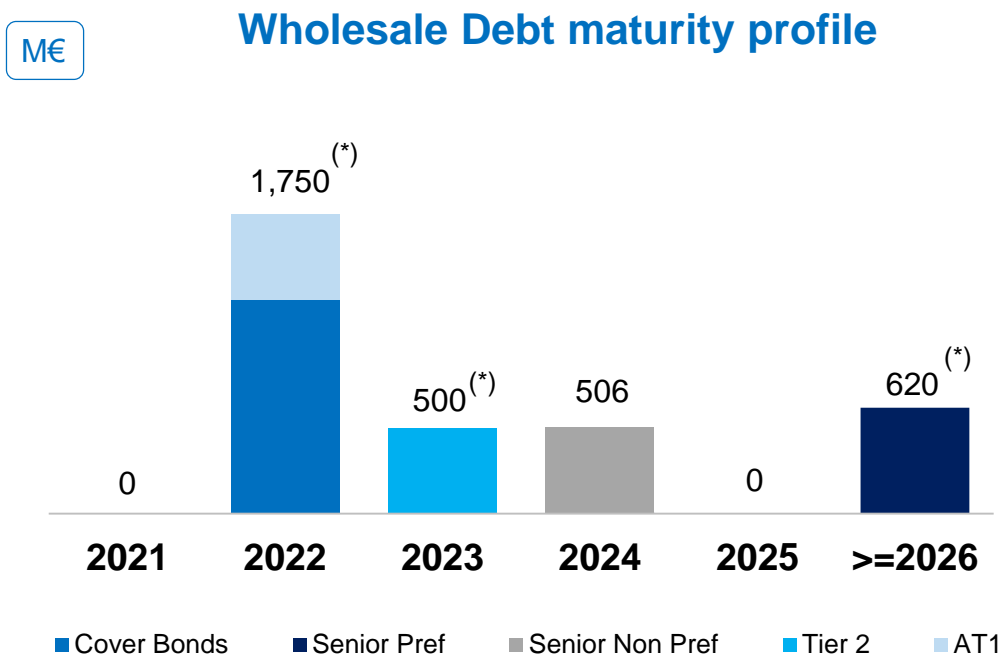
4,996

2,715

2021-09

- Other bonds
- Other sovereign debt
- Portuguese sovereign debt
- CGD Group issuances

## Smooth redemption profile of wholesale debt with high level of coverage



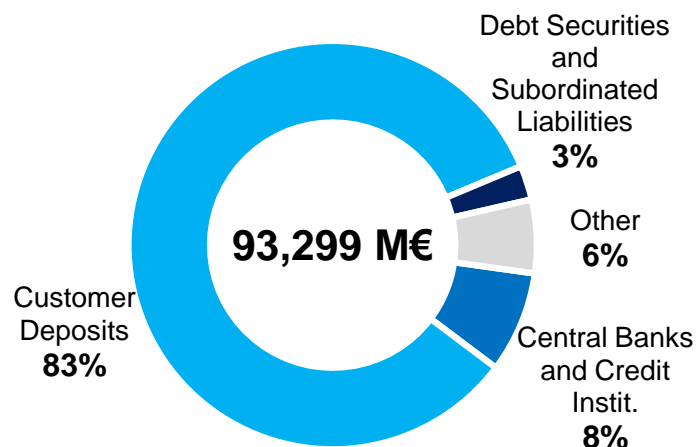
(\*) Considering the exercise date of the Call



## Stable funding structure based on retail funding

%

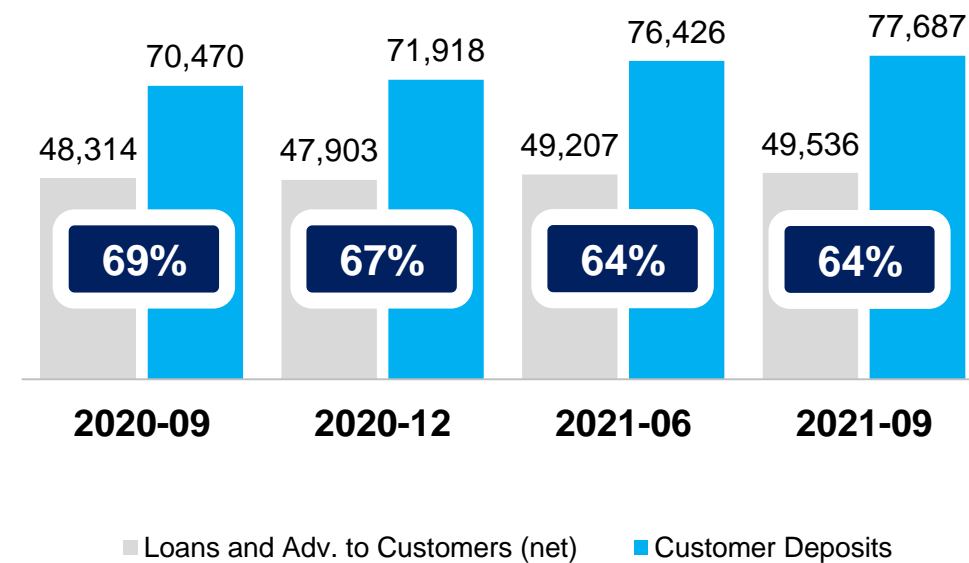
### Liabilities Structure



(\*) Excluding non-current liabilities held for sale.

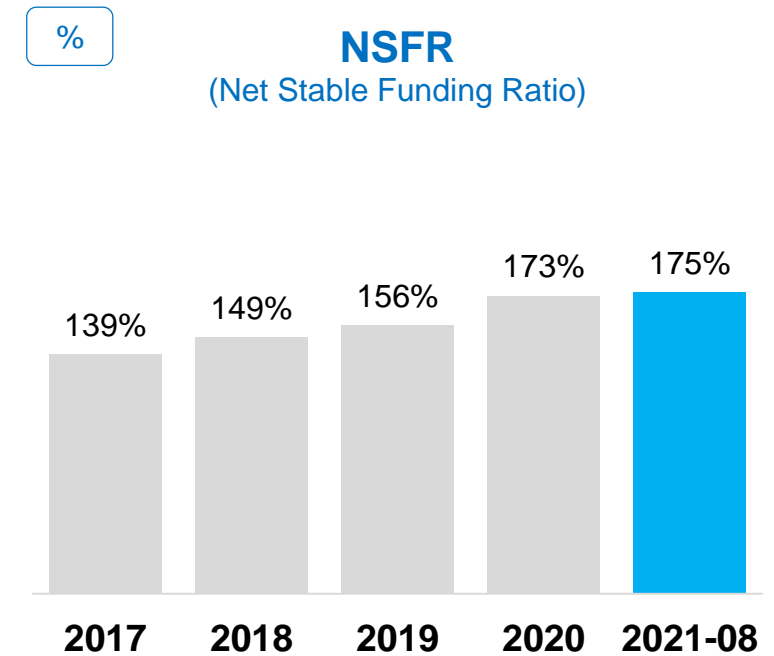
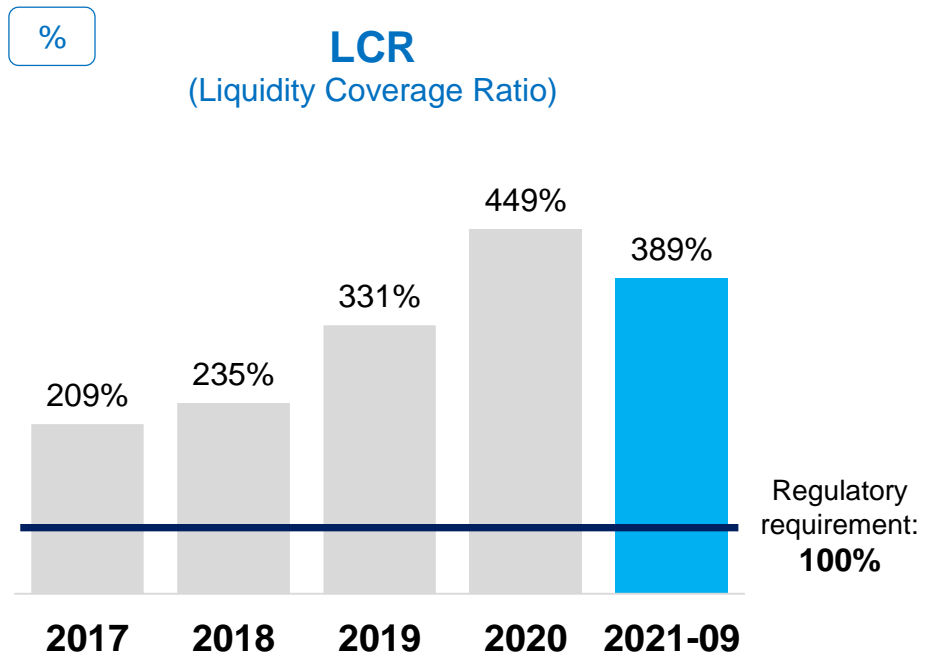
M€

### Loan-to-Deposit Ratio



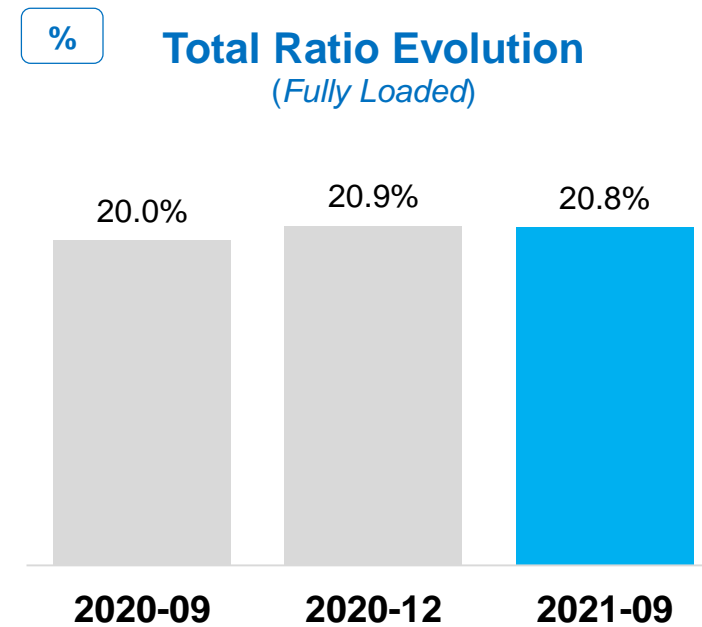
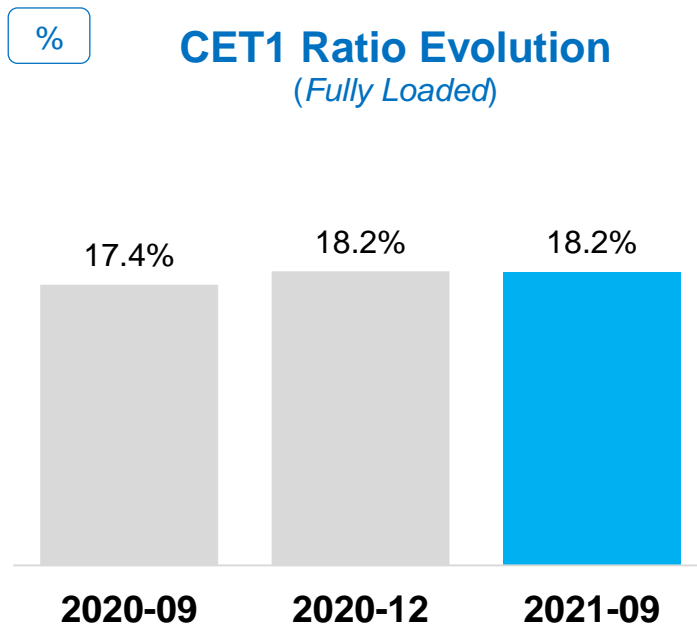


## Robust and sustainable liquidity position



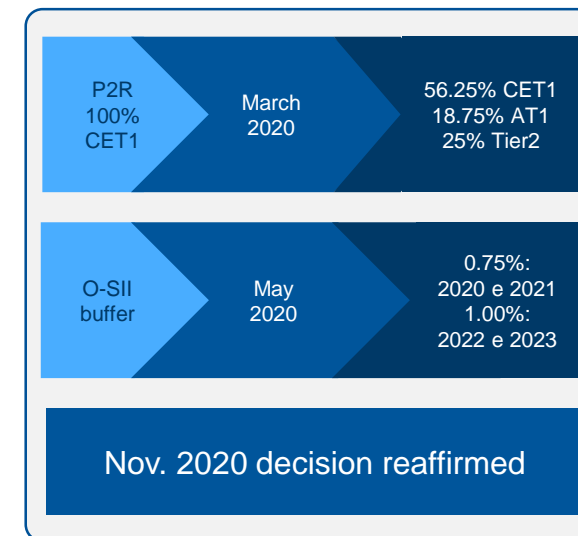
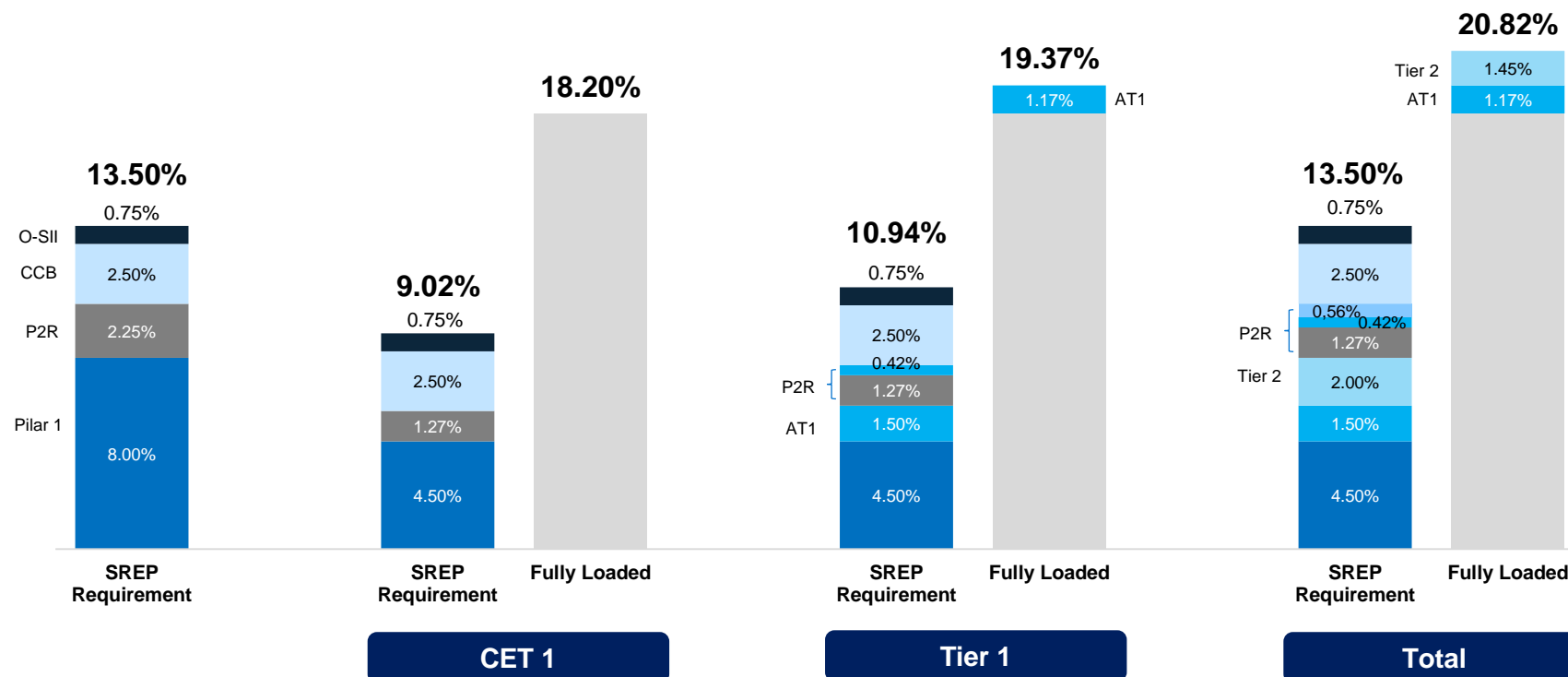
# Capital

Robust capital ratios allow payment of extraordinary dividend



## CGD fulfils with ample margin capital requirements

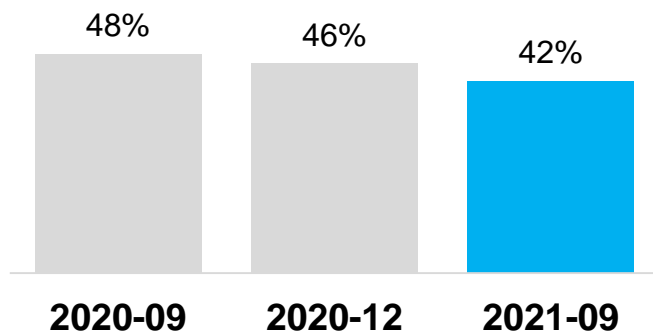
SREP 2021 Requirements and CGD Capital Ratios in 30 September 2021



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

%

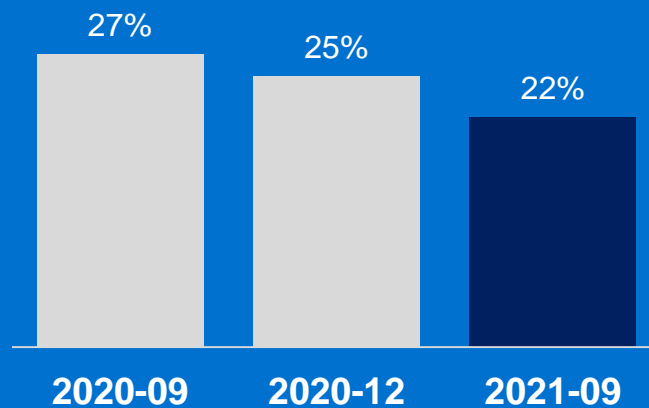
### RWA Density



RWA fully implemented (2021-09): 43.3 B€

%

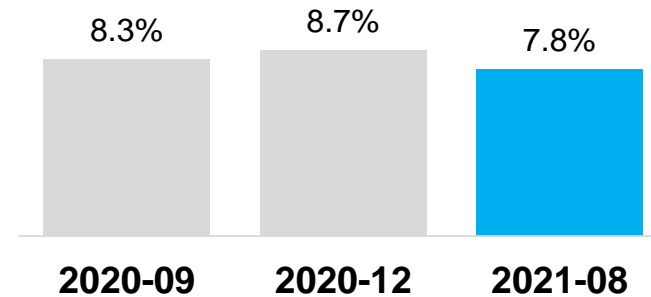
### Texas Ratio <sup>(1)</sup>



(1) Texas Ratio =  $\frac{\text{Non Performing Exposure EBA}}{\text{Impairment} + \text{Tangible Equity}}$

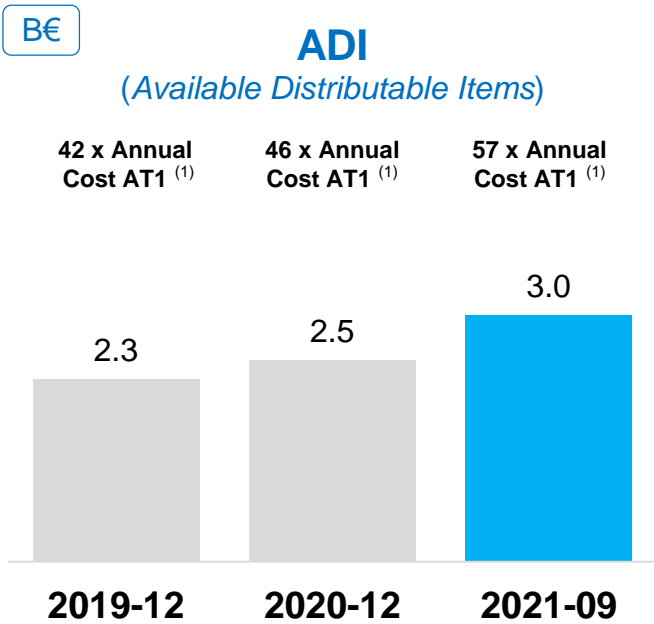
%

### Leverage Ratio

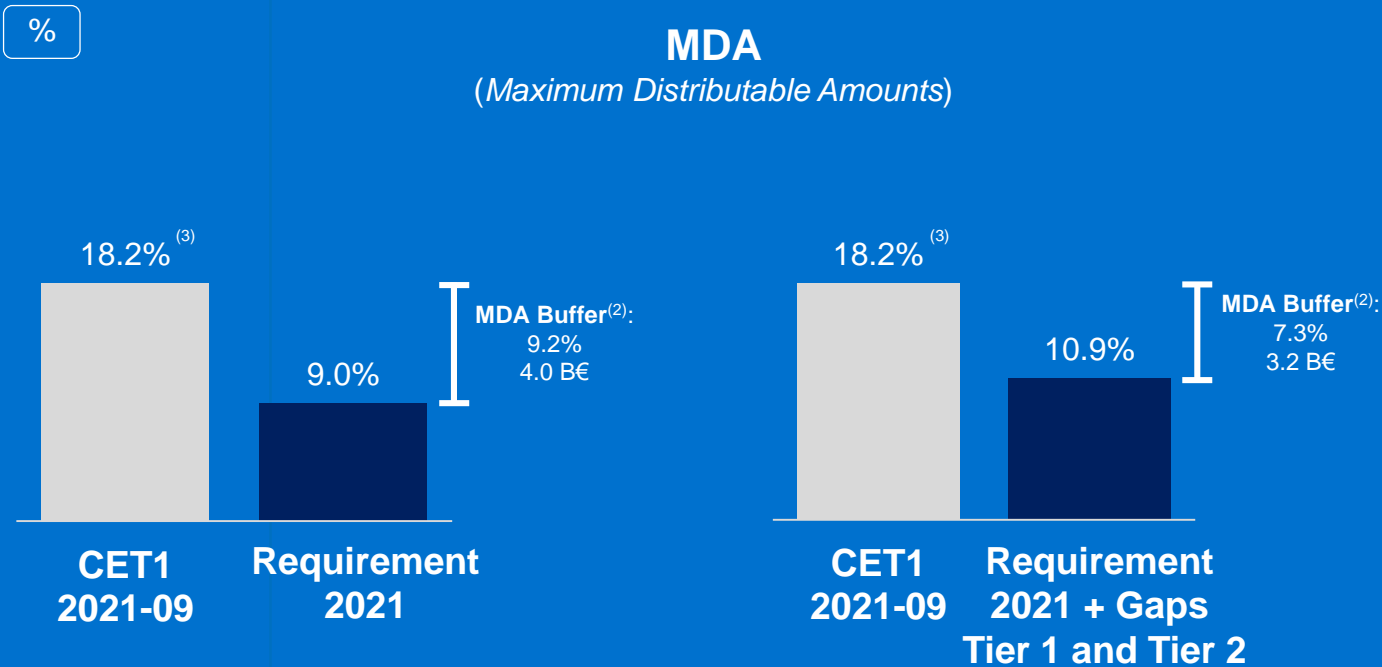




# Available Distributable Items (ADI) and Maximum Distributable Amount (MDA)



(1) 10.75% coupon for current 500 M€ AT1 issuance;



(2) Considering fulfilment of buckets of 1.92% in AT1 and 2.56% in T2; (3) Post proposed dividend.



## CGD ensures compliance of the binding interim MREL requirement

### MREL Requirement in line with expectations and incorporated into funding plan

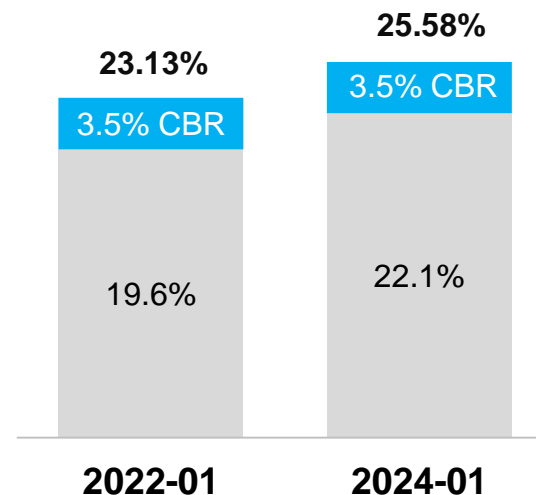
#### MREL Requirement

##### From 1 January 2024

- 22.08% of total risk-weighted assets plus the combined buffer requirement of 3.5%, corresponding to a total requirement of 25.58%;
- 6.00% of the total leverage ratio exposure.

##### From 1 January 2022

- 19.63% of total risk-weighted assets plus the combined buffer requirement of 3.5%, corresponding to a total requirement of 23.13%;
- 6.00% of the total leverage ratio exposure.



##### Funding Plan

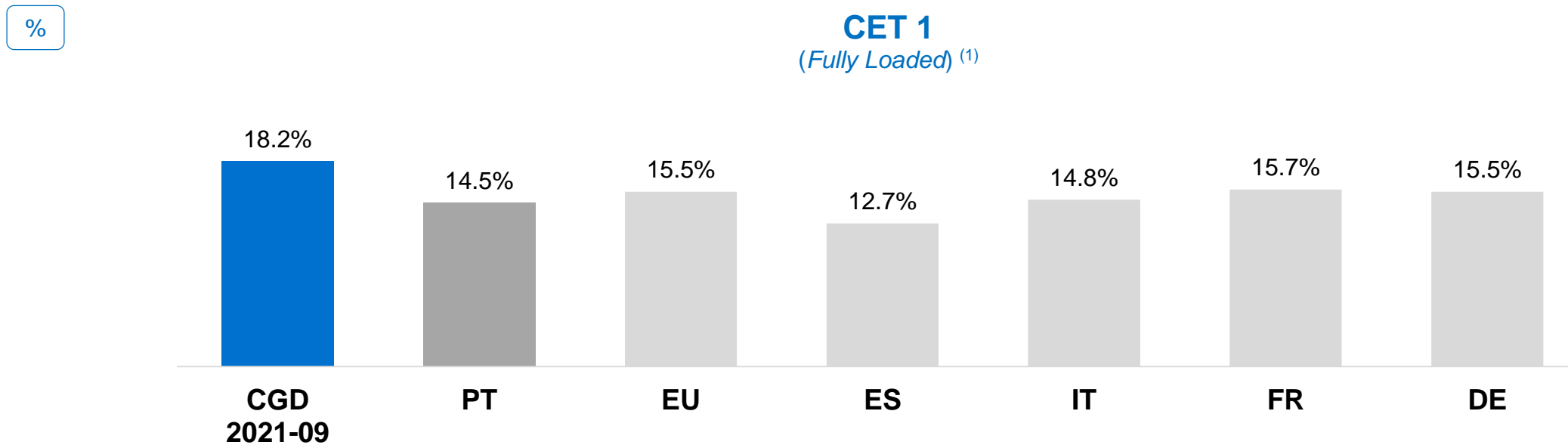
- November 2019: senior non-preferred debt issued in the amount of €500 million.
- **September 2021: senior preferred debt issued in the amount of €500 million.**
- Funding Plan until end 2023: €1.5 billion

CGD issued senior preferred debt, in the amount of 500 million euros, with a maturity of 6NC5, with a coupon of 0.375%, **the lowest ever achieved by CGD.** With this issue, CGD ensures compliance of the interim binding requirement for January 2022.

Note: The requirements apply to the sub-consolidated basis for the determined resolution perimeter (the European perimeter and Banco Nacional Ultramarino in Macau). The preferred resolution strategy is the “multiple point of entry” approach. On this date, a minimum subordination requirement was not applied to CGD;

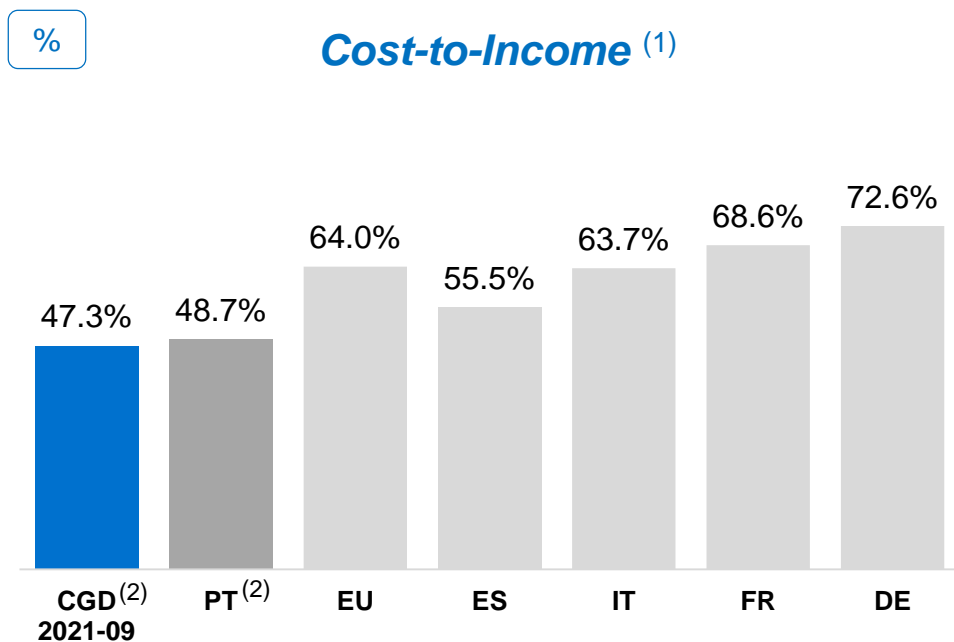
# Summary

Strength: CGD compares favorably with the European average



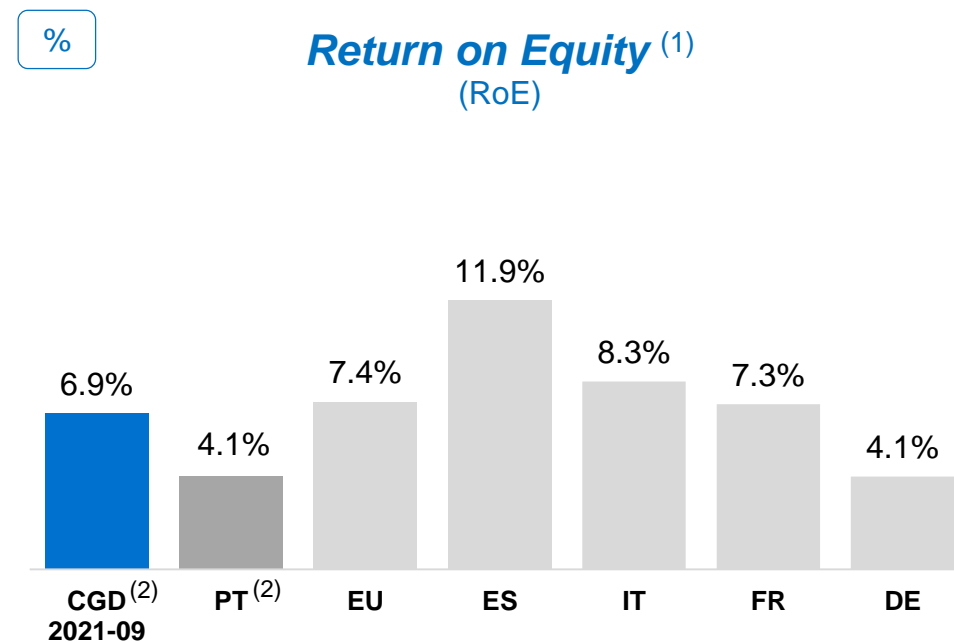
(1) Source: EBA Risk Dashboard – June 2021

## Efficiency and Profitability: CGD with favorable performance at European level



(1) Source: EBA Risk Dashboard – June 2021

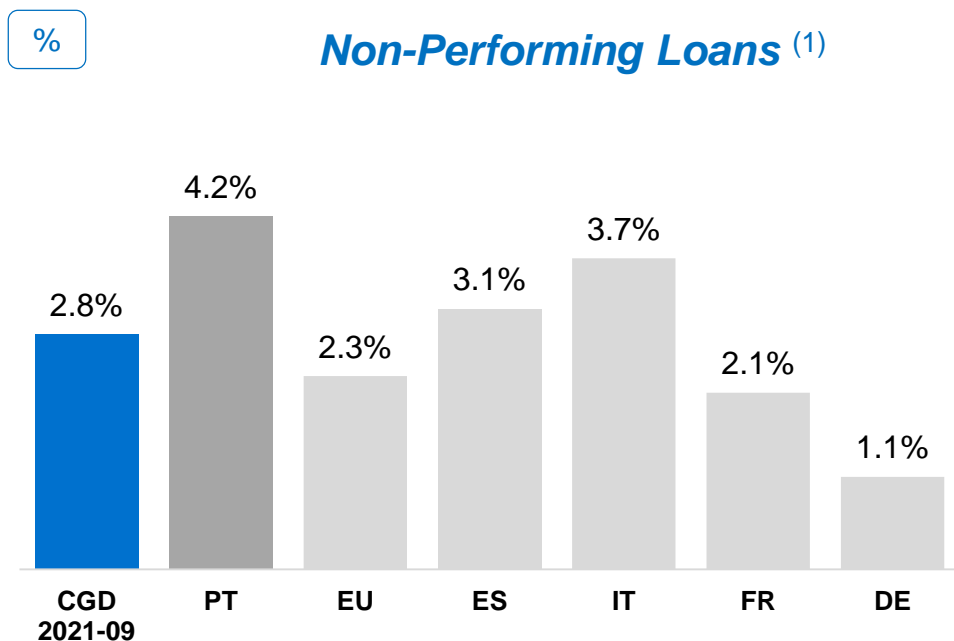
(2) Excluding non-recurrent results



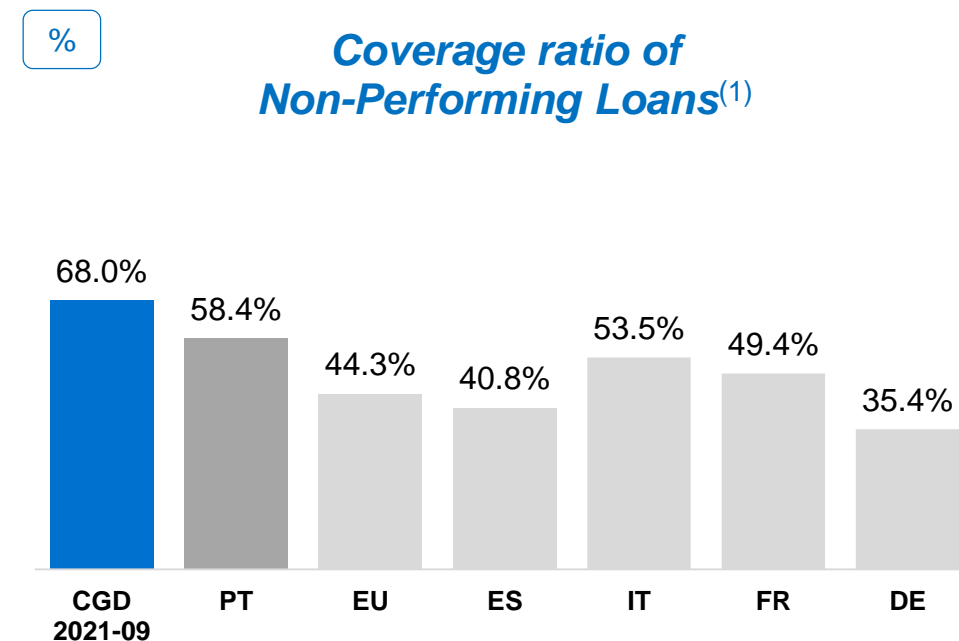
(1) Source: EBA Risk Dashboard – June 2021

(2) Excluding non-recurrent results

## Asset quality: NPL ratio improves convergence to the European level, coverage level largely exceeds European average




(1) Source: EBA Risk Dashboard – June 2021



(1) Source: EBA Risk Dashboard – June 2021

## Activity in 9M2021 marked by the growth in new loans and by the reinforcement in credit impairment and provisions

	Successful completion of the <b>Strategic Plan 2017-2020</b> with the fulfillment of most of the commitments
	<b>Profitability</b> with good progression (ROE 6.9%), above the average of national banks
	Significant growth in <b>new loans</b> reinforcing the support to companies and households
	Improved <b>efficiency levels</b> with a 1.6% reduction in operating costs
	<b>Net Core Operating Income before Impairments</b> grow in domestic activity
	Increase in market shares in financial resources is evidence of CGD's <b>reputational and trust levels</b>
	Strengthening of <b>asset quality</b> : reduction in the NPL ratio to 2.8% and strengthening of total impairment coverage to 112.5%
	Strong capital position allowing the <b>payment of an extraordinary dividend</b> of significant amount
	CGD is now rated at <b>investment grade level</b> by two of the main international agencies and had perspective of rising by a third



**CAIXA GERAL DE DEPÓSITOS**

Head Office: Av. João XXI, 63  
1000-300 LISBOA  
PORTUGAL  
(+351) 217 905 502  
Share Capital € 3,844,143,735  
CRCL and Tax no 500 960 046

INVESTOR RELATIONS OFFICE  
[investor.relations@cgd.pt](mailto:investor.relations@cgd.pt)  
<http://www.cgd.pt/Investor-Relations>

CAIXA GERAL DE DEPÓSITOS

# CONSOLIDATED RESULTS | 9M2021

Unaudited financial information  
*Investor Relations* | 04.11.2021

