



# Announcement

## Amendment referring to September 2022

Caixa Geral de Depósitos, S.A. (CGD) informs that, by reference to the document "Consolidated Results 9M2022 - Press release", 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:

- € Page 1 (7th paragraph):  $\Delta$  change in business volume (from 1.4% to 1.5%) and  $\Delta$  change in customer resources (from +2,343 M€ to +1,639 M€); (9th paragraph):  $\Delta$  change of the mortgage loan portfolio (from +1.4% to +1.5%);
- € Page 5 (Table of Loans and Advances to Customers): CGD Portugal figures by segment without change to the Total; (2nd paragraph of the Balance Sheet section):  $\Delta$  change by customer segment (Corporate & General government from +2.6% to +2.4%, mortgage loans (from +1.4% to +1.5% and credit for consumption and other purposes from +10.6% to 11.9%);
- € Page 6 (Table of Resources Taken): breakdown in amounts of customer deposits in September 2022 and  $\Delta$  change, by customer segment in domestic activity and off-balance sheet funding (from 19,545 M€ to 19,048 M€), and respective changes and totals; (3rd paragraph): absolute amount of resources taken in domestic activity (from 87,068 M€ to 86,364 M€) and corresponding  $\Delta$  change (from 1.2% to 0.4%).

The following amendments were also made:

- Page 3 (Footnote 6): the expression "except 2021-09" has been added;
- Page 12 (Income Statement table): "Other provisions and impairment" figures, referring to September 2022, in Consolidated and Individual Activity, but with no impact on subsequent items.

The amended version of the document supplements this announcement.

Caixa Geral de Depósitos, S.A.

Lisbon, 23 November 2022

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# CONSOLIDATED RESULTS

## 9M2022



## Caixa recorded net income of €692 million with a reduction in impairment, based on the favourable evolution of the quality of the credit portfolio, and a strong contribution from the international area, with the prospect of distributing its highest ever dividend to taxpayers

In the first 9 months of 2022, Caixa Geral de Depósitos group generated consolidated net profit of €692 million, up 61% over the same period 2021.

Net of non-recurring effects, these results, together with Caixa's strong capital position, place the return on equity (ROE) of 10.1% in line with European benchmarks and exceeding the cost of capital for the first time in the last 14 years.

This evolution reflects a reduction of the cost of credit risk in the period following the most acute phase of the pandemic, one of the lowest ever, and the disposal of several non-core assets, in addition to the €155 million contribution from international activity to the group's net income, a growth of 58% over the 9 months period in 2021.

The net income of €692M, and in accordance with the dividend policy, corresponds, until now, to a maximum distributable amount of €286M referring to the activity of the first 9 months of 2022. The largest dividend in Caixa's history is projected, referring to the entire activity of the year, and with no domestic impact arising from the evolution of the international situation, to be paid in 2023, with a positive impact on the State Budget, continuing to return taxpayers for the effort made within the scope of the recapitalization process.

There was a 56% increase of around €117.5 million in the tax burden in September 2022 in comparison to the period ended September 2021. Extraordinary contributions on the banking sector, up to September 2022, rose by 29% to 37.1 million euros.

The evolution of the credit portfolio since the end of the moratoria, in the context of the pandemic, had a relevant impact on CGD's results, in allowing a partial reversal of impairment previously declared in 2020 and 2021. Recovery activity also continued to produce good results, with a reduction of €138 million in recovering stock. Globally, the evolution of the portfolio and recovery activity resulted in a cost of credit risk of -0.25%.

Business revenue was up 2% by €3.4 billion over the end of 2021. This evolution occurred in both credit (up 3% by €1,743 million) and resources (up 2% by €1,639 million) fuelled by an 11% growth of international activity.

In the corporate segment, credit production stands out, with growth of more than 3% in all segments.

Mortgage lending in the personal customers business sector in Portugal, was slightly up by 1.5% in the first 9 months of the year in comparison to the same period last year, to €2,443 million.

Three million customers now have a Caixa debit card.

Customer deposits in Portugal in the first 9 months of 2022 were up 3.8% by €2,591 million. Particular reference should be made to the personal customers segments (up 4.6%), confirming customers' trust in Caixa.

Net interest income was up 25% by €185 million with a strong increase of 28% in the contribution from international activity and treasury operations (including the ECB's TLTRO programme) and portfolio management which contributed €60 million.

In Portugal, the effects of the rise in the ECB's reference rates have gradually been reflected in the retail net interest income (individuals and corporates), which increased in the first 9 months of the year by around €18 million compared to the same period in 2021.

Caixa's continued implementation of its 2021-2024 Strategic Plan had the effect of improving such business areas as lending to SME, with a 6% increase in stock, consumer credit and the number of digital customers in particular.

Consumer Credit showed, between January and September 2022, a growth in production of 49% compared to the same period in the previous year, and an increase in the balance of 133 million euros. The new Express Credit offer, based on simplicity and rapid approval, remains the main precursor of this strong growth.



There were 2.19 million active digital banking users at the end of September 2022, with an 18% growth in mobile users. Sales through digital channels reached 80% in the Caixa Portugal universe.

The current cost-to-income ratio continues to indicate a sustained decrease to 41.5%, reflecting gains in efficiency levels and improved earnings.

Asset quality benefited from the decline of the NPL ratio to 2.6% whereas the NPL ratio, net of total impairment remained at 0% (zero), with NPE coverage (EBA ratio) exceeding 104%. This evolution reflects the recovery achieved from the historically high levels recorded during the financial crisis of the last decade. There was a 17% reduction of held-for-sale properties to €335 million.

Caixa continues to enjoy a robust capital position that is above the average for Portuguese and European banks. Tier 1 and total ratios stood at 18.7% and 20.1%, respectively, including net income deducted from the maximum distributable amount in accordance with the Dividend Policy.

To comply with its MREL obligations Caixa issued €500 million in senior preferred debt in the international marketplace, in October. This was its second "green" issuance and the third with ESG characteristics, totalling an amount of €1.3 billion on an ongoing commitment to sustainable financing goals.



## MAIN INDICATORS

CGD CONSOLIDATED	<i>Restated</i>		
BALANCE SHEET AND P&L INDICATORS (EUR million)	2021-09	2021-12	2022-09
Net assets	103,553	104,010	107,137
Net assets (domestic activity)	90,110	90,300	91,727
Loans and advances to customers (gross)	52,339	52,498	54,241
Loans and advances to customers (net)	50,014	50,184	51,975
Customer deposits	78,405	79,666	83,580
Total operating income	1,310	1,773	1,594
Net core operating Income before impairments <sup>(1)(2)</sup>	551	730	754
Net income	429	583	692
<b>PROFIT AND EFFICIENCY RATIOS</b>			
Gross return on equity - ROE <sup>(3) (4)</sup>	10.1%	10.0%	15.5%
Net return on equity - ROE <sup>(4)</sup>	6.9%	7.0%	10.8%
Gross return on assets - ROA <sup>(3) (4)</sup>	0.9%	0.9%	1.4%
Net return on assets - ROA <sup>(4)</sup>	0.6%	0.6%	1.0%
Total operating income / Average net assets <sup>(3) (4)</sup>	1.9%	1.8%	2.1%
Employee costs / Total operating income <sup>(2)(3)</sup>	29.0%	28.6%	24.0%
Cost-to-income BoP <sup>(3)</sup>	38.7%	42.4%	44.7%
Recurrent cost-to-income <sup>(2) (3)</sup>	47.3%	47.9%	41.5%
<b>CREDIT QUALITY AND COVER LEVELS <sup>(6)</sup></b>			
NPL ratio - EBA	2.8%	2.8%	2.6%
NPL ratio (net)	0.0%	0.0%	0.0%
NPE ratio - EBA	2.3%	2.3%	2.1%
NPL coverage - EBA	111.8%	107.8%	115.4%
NPE coverage - EBA	103.3%	98.6%	104.1%
NPL specific coverage - EBA	67.8%	65.1%	64.0%
NPE specific coverage - EBA	63.8%	61.7%	59.4%
Forborne ratio for loans and advances - EBA <sup>(7)</sup>	2.2%	2.2%	2.1%
Coverage ratio on forborne loans and advances - EBA <sup>(7)</sup>	81.6%	96.2%	78.8%
Cost of credit risk <sup>(*)</sup>	0.11%	0.08%	-0.25%
<b>STRUCTURE RATIOS</b>			
Loans & adv. customers (net) / Net assets	48.3%	48.2%	48.5%
Loans & adv. customers (net) / Customer deposits <sup>(3)</sup>	63.8%	63.0%	62.2%
<b>SOLVENCY AND LIQUIDITY RATIOS (CRD IV/CRR)</b>			
CET 1 (fully implemented) <sup>(6)</sup>	18.2%	18.2%	18.7%
Tier 1 (fully implemented) <sup>(6)</sup>	19.4%	18.2%	18.7%
Total (fully implemented) <sup>(6)</sup>	20.8%	19.7%	20.1%
Liquidity coverage ratio	389%	357%	339%
Net stable funding ratio <sup>(8)</sup>	174%	165%	173%
Leverage ratio	7.5%	7.3%	7.1%
<b>OTHER INDICATORS</b>			
Number of branches - CGD Group	929	927	891
Number of branches, local extensions and corporate offices - CGD Portugal	543	542	515
Number of employees - CGD Group	11,550	11,471	11,273
Number of employees - Domestic banking and financial activity	6,459	6,383	6,213
Number of employees - CGD Portugal	6,189	6,117	5,964
Number of ATM - CGD Portugal	2,515	2,580	2,543
<b>CGD RATING</b>		<b>Short Term</b>	<b>Long Term</b>
Moody's	P-2	Baa2	
FitchRatings	F3	BBB-	
DBRS	R-2 (high)	BBB	

Note: Indicators calculations according to glossary at:

[https://www.cgd.pt/English/Investor-Relations/Other-information/Glossary/Other-versions/Documents/Glossary\\_10MAY2018.pdf](https://www.cgd.pt/English/Investor-Relations/Other-information/Glossary/Other-versions/Documents/Glossary_10MAY2018.pdf)

(1) Net core operating Income before impairments = Net interest income incl. income from equity investments + net fees and commissions - Operating Costs; (2) Excluding non-recurring costs; (3) Ratios defined by the Bank of Portugal (instruction 62018); (4) Considering average shareholders' equity and net asset values (13 observations); (5) Operating costs / Total operating income of core activity; (6) Prudential perimeter including Net Income deducted of the maximum distributable amount according to dividend policy, and excluding AT1 issue called in March 2022, except for September 2021; (7) CGD Portugal Ratios; (8) September 2021, December 2021 and August 2022 ratios.



# CONSOLIDATED INFORMATION

## RESULTS

Caixa ended the first 9 months of 2022 with consolidated net income of €692.3 million, up 61% over the September 2021 figure of €429.1 million. This evolution allowed an increase of 3.9 percentage points in return on equity (ROE), from 6.9% in the same period last year to 10.8% in September 2022. This result exceeds the cost of capital for the first time in the last 14 years.

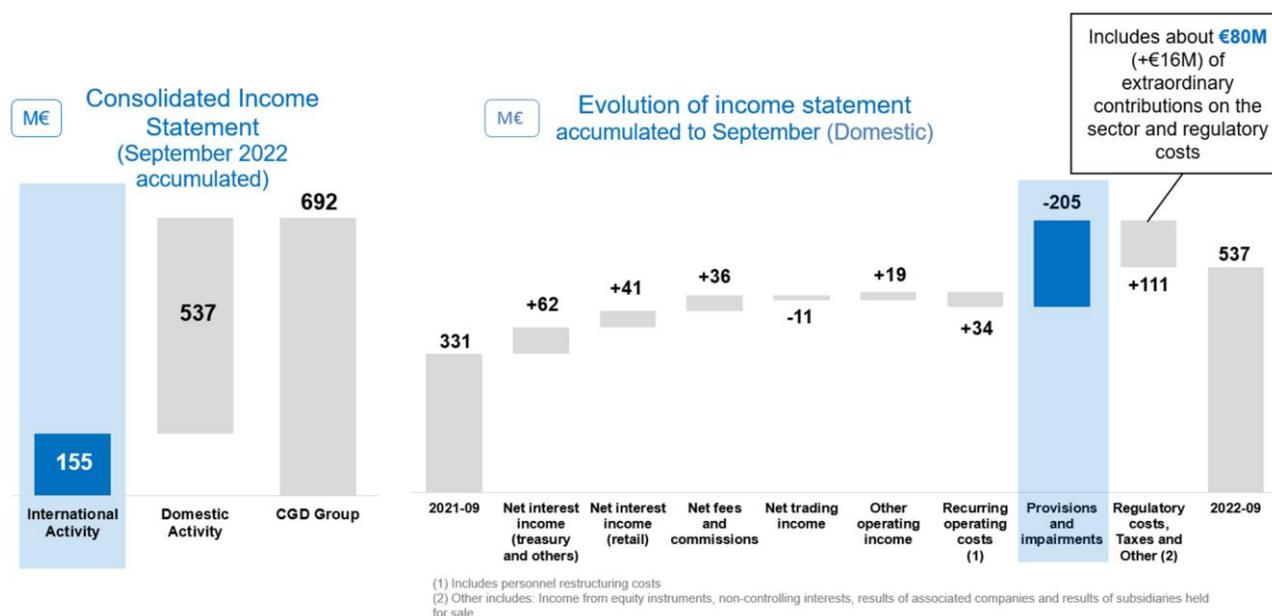
A particularly positive impact on net income was the €336.3 million reduction of provisions and impairment constituted in the context of Covid. This essentially derived from the evolution of the cost of credit risk from +11 bps in September 2021 to -25 b.p, in September 2022 (-€140.2 million), together with the effect of the €59.2 million reversal associated with PPR 2022 (early retirement plan) which, in 2021, was up by €92.7 million.

Net interest income was up 24.9% by €185.4 million, mainly on account of CGD Portugal's contribution (up €100.7 million), which includes the positive impact related to treasury operations, such as the TLTRO-III program, of

the securities portfolio and of international activity, especially BCI Moçambique (up €44.9 million) and BCG Angola (up €31.1 million). The increase in the net interest income also includes the exchange rate variation (+53.3 million euros, +28.8%), as well as the effect of the increase in the volume of the loan portfolio, and also the variation in pricing which, despite the increase in the index, was attenuated by the reduction of spreads.

Other operating income was up €46.4 million over the same period 2021. This is explained by the effect of the disposal of real estate in Portugal (up €25.1 million) and France branch (up €35.9 million).

Commissions were up €45.2 million. Here too, international activity contributed a significant amount of €9.2 million, with the increase in Portugal focusing on fees charged on placements of investment funds (up €9.4 million), insurance brokerage activity (up €6.6 million) and credit operations (up €2.3 million), who benefited from the favorable developments in the economic environment.



There was a slight 2.7% variation of €3.8 million, to a total €144 million in income from financial operations in comparison to September 2021. Net of the extraordinary effects recorded in 2021, the variation would have been €51 million.

Recurring structural costs in September 2022 were up 5% by €31 million over the same period 2021, mostly occurred at CGD in Portugal.

On a consolidated level, structural costs were up 38.8% by €202.8 million over the same period 2021. This was determined by a non-recurring event, in 2021, comprising a €145.4 million reduction of provisions for past services associated with the medical services protocol entered into by CGD in Portugal. A provision of €58.7 million in 2022 (€30.8 million in 2021) was also set up in Portugal for the

PPR (early retirements) and RMA (voluntary redundancies) restructuring programmes. Reference should also be made to BCI Moçambique with a 23% increase of €18.1 million, largely on account of the positive evolution of exchange rates (up €13.5 million) and BCG Angola with a 56.3% increase of €10.8 million, explained exclusively by the exchange rate effect of €11.3 million.

As regards the evolution of provisions and impairment, the stability registered in asset quality indicators allowed a €179.4 million reversal of impairment on credit registered in 2020 and 2021, in the context of the Covid-19 pandemic, with a significant impact on Caixa's consolidated results.

It should also be noted that credit recovery activities, including asset write-offs and NPL and real estate disposals had a positive impact on several components of



Caixa group's profit and loss statement, essentially resulting in increases in net interest income, other operating income and the recovery of impairment (€61.5 million).

There was a 56% increase of around €117.5 million in the tax burden in September 2022 in comparison to the period ended September 2021. Extraordinary contributions on the banking sector, up to September 2022, rose by 29% to 37.1 million euros.

Tax and other operating income accounts have been impacted by the 24% increase in extraordinary contributions in the sector and regulatory costs for 2022,

accounted for in September, totalled €80.3 million, an increase of €15.7 million over the same period 2021.

As regards the remaining items in Caixa group's profit and loss statement, the results of companies, as measured by the equity accounting method, totalled €30.8 million and were down 28.2% over September 2021. The results of held-for-sale subsidiaries totalled €785 thousand, a variation of €899 thousand over the same period 2021. The non-controlling interests component posted remarkable growth of €25.8 million of which an amount of €14.3 million was associated with exchange rate variations affecting CGD's principal companies. Income from equity instruments was up by a significant 37.9% in September in comparison to the same period 2021, totalled €12.7 million.

## BALANCE SHEET

Caixa's consolidated net assets were up 3% over the €104,010 million at the end of December 2021 to €107,137 million at the end of September 2022.

The loans and advances to customers portfolio was up 3.3% over the end of 2021 to €54,241 million (gross). In Portugal, growth was recorded in all segments, namely Corporate & General government (+2.4%), mortgage loans

(+1.5%) and credit for consumption and other purposes (11.9%), reflecting the initiatives of the Strategic Plan 2021-2024 in the consumer credit area.

Caixa achieved a domestic credit market share of 18% in August 2022 (14% for corporate and 24% for mortgage loans).

		(EUR Million)		
LOANS AND ADVANCES TO CUSTOMERS		Change		
		2021-12	2022-09	Total (%)
<b>CGD Portugal</b>		<b>44,945</b>	<b>45,887</b>	<b>942 2.1%</b>
Corporate & General government		19,382	19,843	461 2.4%
Individual customers		25,563	26,044	481 1.9%
Mortgage loans		24,665	25,040	375 1.5%
Consumer credit & other		898	1,004	107 11.9%
<b>Other CGD Group companies</b>		<b>7,553</b>	<b>8,354</b>	<b>801 10.6%</b>
<b>Total</b>		<b>52,498</b>	<b>54,241</b>	<b>1,743 3.3%</b>

Note: Gross loans and advances to customers

Customer deposits were up 4.9% by €3,914 million over the end of the previous year, essentially owing to the high domestic savings rate.

Caixa maintained its leading position in the domestic market, both in terms of total customer deposits, with a 23% market share in August 2022 as in personal customers' deposits, with a market share of 32%.

Total resources taken from domestic activity were up 0.4% over last December to €86,364 million at the end of September 2022.

The loans-to-deposits ratio in September 2022 stood at 62.2%, remaining stable in comparison to the end of 2021 and reflecting an increase in deposits and credit.

Asset quality continued to trend to improvement, with a 6.5% reduction of €138 million in NPLs (non-performing loans) according to the EBA definition, over December 2021, as a result of the positive evolution in terms of cures, recoveries, disposals and write-offs. The NPL reduction is 81% compared to 2016. The NPL ratio was 2.6% in comparison to 2.8% in December 2021. Considering the overall volume of impairment on credit, the coverage ratio is 115.4% (total coverage of 142% with the inclusion of collateral allocations). This puts the NPL ratio, net of impairment, at 0% (zero).

(EUR Million)

RESOURCES TAKEN	Change			
	2021-12	2022-09	Total	(%)
<b>Balance sheet</b>	<b>89,408</b>	<b>91,708</b>	<b>2,299</b>	<b>2.6%</b>
Central banks' & cred instit. resources	6,745	6,060	-685	-10.2%
Customer deposits (Consolidated)	79,666	83,580	3,914	4.9%
Domestic activity	68,728	71,318	2,591	3.8%
Individuals	53,289	55,737	2,449	4.6%
Corporates	11,859	11,912	53	0.4%
General Government	3,580	3,669	89	2.5%
International activity	10,939	12,262	1,323	12.1%
Covered bonds	1,259	0	-1,259	-100.0%
EMTN and other securities	1,648	1,943	294	17.8%
Other	89	125	36	40.1%
<b>Off-balance sheet</b>	<b>21,672</b>	<b>19,048</b>	<b>-2,624</b>	<b>-12.1%</b>
<b>Total</b>	<b>111,081</b>	<b>110,756</b>	<b>-325</b>	<b>-0.3%</b>
<b>Total resources (domestic activity) <sup>(1)</sup></b>	<b>86,048</b>	<b>86,364</b>	<b>316</b>	<b>0.4%</b>

(1) Includes customer deposits, investment funds, financial insurance, OTRV and other bonds, owned by customers.

## LIQUIDITY

The fact that Caixa continues to enjoy significant liquidity, made it possible to reimburse €1.25 billion in covered bonds without recourse to market refinancing.

In addition, after obtaining prior authorisation from the European Central Bank (ECB), the early repayment option on the perpetual additional tier 1 capital issuance was exercised on 30 March 2022, as the first contractually defined date for the call for the amount of €500 million and an interest rate of 10.75%, which enabled Caixa to achieve significant annual savings in interest.

The early repayment of the €2.5 billion Nostrum Mortgages 2010 securitisation issuance was made in August 2022. The bonds had been fully subscribed for by Caixa.

In accordance with the funding plan defined for compliance with MREL (Minimum Requirements for Own Funds and Eligible Liabilities), Caixa issued €300 million in senior preferred debt on 7 June 2022, with a maturity of four years and the possibility of early repayment after three years, issued at a coupon rate of 2.875%, lower than other Portuguese issuers, and sold in the international marketplace.

This was the second issuance with ESG characteristics and Caixa's first "Green" issuance whose funds raised were targeted at financing credit operations in the environmental domains.

In October 2022, and with the same objective of complying with MREL regulatory requirements, as in the first "Green" issuance, Caixa launched its second "Green" issuance of senior preferred debt, for the amount of €500 million with a maturity of 6 years and an early repayment option at the end of 5 years at a coupon rate of 5.75%.

Within the framework of Eurosystem monetary policy measures, CGD group maintains a total amount of €5.8 billion in financing with the ECB via the third series of targeted longer-term refinancing operations (TLTRO-III).

The total amount of around €10 billion in assets available as Eurosystem collateral remains stable, together with a significant volume of the balance of funds held with the Bank of Portugal.

The liquidity coverage ratio (LCR) at the end of September 2022, stood at 339%. This was much higher than the current regulatory liquidity coverage requirement of 100%.

## CAPITAL

As at 30 September 2022, consolidated shareholders' equity was up €350 million, to €9,637 million, over the end of 2021. The reduction of €500 million in "Other capital instruments", which referred to securities representing additional Tier 1 own funds (Additional Tier 1) that were called in March 2022, was offset by the €787 million

increase in "Other reserves and retained earnings", already taking into account the payment of dividends to the Shareholder. This change is justified, among others, by the incorporation of the positive results of 2021 and by the positive impacts of exchange rate variations.

SHAREHOLDERS' EQUITY	(EUR Million)			
	2021-12	2022-09	Total	Change (%)
Share capital	3,844	3,844	0	0.0%
Other capital instruments	500	0	-500	-100.0%
Revaluation reserves	255	130	-125	-49.2%
Other reserves and retained earnings	3,867	4,654	787	20.4%
Non-controlling interests	238	318	80	33.5%
Net income	583	692	109	18.7%
<b>Total</b>	<b>9,287</b>	<b>9,637</b>	<b>350</b>	<b>3.8%</b>

The fully loaded CET1, Tier 1 and Total ratios, including net income for the period deducted of the maximum distributable amount according to dividend policy, were 18.7%, 18.7% and 20.1% respectively, meeting CGD's current capital requirements with a comfortable margin. These ratios, above the Portuguese and European average, show CGD's robust and adequate capital position.

Applicable from that 2022 onwards, the Pillar 2 requirement is set to 2%, which represents a reduction of 0.25% compared to 2021, thus reflecting an improvement in the Supervisor's perception of the overall risk of the institution.

## MREL

CGD was informed of the Single Resolution Board's decision to revise its MREL (minimum requirement for own funds and eligible liabilities) requirements under the European Banking Resolution Directive (BRRD2), in first quarter 2022. Starting 1 January 2024, CGD's own funds and eligible liabilities must be equivalent to 25.95% of total risk-weighted assets (including a combined buffer requirement of 3.5%) and a total leverage exposure of 5.94%.

The requirements apply on a sub-consolidated basis for the determined resolution perimeter, translated into the European perimeter. Until this decision, the resolution perimeter also included Banco Nacional Ultramarino in Macau.

The revision of the requirement applicable on January 1, 2024 is consistent with CGD's expectations and with its

funding plan, which provides for the reinforcement of own funds and eligible liabilities to ensure due compliance.

In order to comply with the MREL requirements, Caixa issued two senior preferential debt operations in the international debt markets in 2022: in June, one operation in the amount of 300 million euros, and in October, another operation in the amount of 500 million euros. These issues are in addition to the non-preferred senior debt issue carried out in November 2019 and the preferred senior debt issue in September 2021 and the Tier 2 issue with the possibility of early repayment in June 2023.

The MREL requirement resolution is based on current legislation and is subject to a review by the supervisor in due course.

## RATING

On March 9, 2022, Fitch Ratings upgraded CGD's IDR and long-term preferred senior debt ratings from BB+ to BBB-, and revised its outlook from Positive to Stable.

The rating upgrade reflects the improvement in asset quality even during the pandemic period, the resilience of profitability - based on market leadership and strong levels of efficiency - and better capital ratios. The IDR and senior

short-term preferred debt ratings were upgraded from B to F3.

With this change, CGD is now rated investment grade by the three international agencies that monitor its rating.

In May, DBRS affirmed Caixa's rating at BBB, having revised the trend from Negative to Positive. This improvement reflects Caixa's leadership position in

Portugal, its solid funding and capital, as well as the resilience demonstrated during the pandemic.

## RELEVANT EVENTS

### Innovation and digital transformation

Caixa ended September 2022 with more digital customers, more access to remote channels and more business.

There were 2.19 million active personal and corporate digital customers in the domestic market. This represents 63% of the customer base and was up 11% over the same period last year.

Reference should also be made to the growth of the mobile channel, with 1.42 million personal and corporate customers (up 19% over the same period last year), which has been increasingly relevant to users who prefer convenience in a context of mobility.

The 271 million accesses to Caixadirecta over the first 9 months of 2022 were up 18% over the same period last year. The total number of 61 million operations was also significantly up by 12% over the same period last year.

The Contact Centre, which has had a Virtual Assistant since 2021, ensures a more efficient service, with high levels of satisfaction (75%).

Digital business was more expressive than in the same period last year, particularly as regards online subscriptions for core products and services for personal customers such as personal loans (up 148%), short term financing in the case of companies (up 22%) and factoring & confirming (up 24%).

### Enhanced value proposal and customer service

Caixa's support for micro and small companies is reflected in the 7.5 thousand new customers in the segment choosing Caixa for their investment or treasury needs.

There was a slight acceleration in the number of new Contas Caixa – up 68 thousand for personal customers (2.1 million) and up 12 thousand for Contas Caixa Business for companies

Three million customers now have a Caixa debit card.

The acquiring service has trended to growth in transaction volumes.

Reference should be made to the following in terms of Caixa's offer to meet the needs of personal customers in the third quarter:

- Availability of the Euribor 6 month indexer for mortgage loans;
- Provision of Iberian Investment 5 years July 2022, personal life insurance linked to investment funds based on the Iberian economy;
- Global Investment 5 years September 2022, personal life insurance linked to investment funds, linked in turn

Caixa continues to invest in the evolution of digital channels, introducing new features for its online services, such as, inter alia, investment and insurance fund simulators, PPR (retirement pension) subscriptions and private banking.

The Caixadirecta app continues to be the banking app with the largest number of users in Portugal. It provides for the use of credit cards to pay for services, possibility of upgrading the Caixa Conta offer, updating personal data by uploading photos of documents and associating cards with Apple Pay and PayPal.

Caixa's Digital Assistant, which is a reference in the national banking sector, not only for its transactional component but also as an inclusive solution, is a finalist in the Banking Tech Awards in the "Best use of AI" category.

The Caixadirecta app continues to be the bank's main access channel with more than 1.38 million active personal users, representing growth of 19% over the same period last year. The increase in the number of mobile customers has been accompanied by a growth in the number of reviews in the 3 app stores (app Store, Google Play and app Gallery) in which the Caixadirecta app maintains the lead as the Portuguese financial sector app with the highest number of reviews.

to benchmark European, American and Asian companies;

- Relaunch of the New University Academic Year Campaign, in partnership with higher educational institutions, through the provision of a simplified offer for young people.

Between January and September 2022, consumer credit was up 49% in comparison to the same period last year, accompanied by a €133 million balance growth to €642 million. The new Express Credit offer, based on simplicity and approval within a period of 24 hours continues to be the main driver behind such strong growth.

Caixa strengthened its lead of the payments market, with 4.6 million cards, surpassing the 3 million mark in terms of personal customers with a Caixa debit card, owing to the launch of various campaigns across the period. Purchases made with Caixa cards were up 23% over 2021 and 41.8% over 2020.

The strong focus on digitalisation and mobile payments is evident in the evolution registered in the 3rd quarter in which reference should be made to a 39% increase in online purchases, 76% increase in contactless purchases

and 241% increase in digital payments with tokens in comparison to the same period last year.

In the first 9 months of 2022, Caixa took several steps to increase its business revenue from non-financial insurance brokerage activity, improving customer ties and protection in the form of the launch of its online ophthalmology consultation; enhanced disability coverage for life insurance associated with mortgage loans, a free post Covid check-up and restoring of reimbursements for PCR tests.

Caixa's offer to meet the needs of its business customers in the third quarter particularly included:

- Treasury Support Line - Agricultural Sector 2022 – a line of credit line with a mutual guarantee to support the treasury needs of companies in the sector whose income has been affected as a result of adverse weather events or market disturbances.

The retail network ended September with 456 “universal” or general branch offices, 30 Caixa spaces, 3 mobile and 6 self-service branches. In its support for companies, the branch office network ended the period with 24 Caixa Empresas offices and 2 Caixa Empresas office extensions. Reference should also be made to the opening of the Covilhã Office to reinforce Caixa's regional business.

## Service Quality Assessment

In the 3rd quarter of this year, according to the Brandscore study, Caixa maintained a very positive assessment of its reputation (Customer assessment), namely in the attributes considered essential for the Bank's sustainability (Trust, Solidity, Governance, Ethics and Transparency).

In this quarter, Caixa recorded indices above the Banking average in the assessment of brand attributes: Trust, Solidity, Governance, Relevance and Prestige, reflecting

the recognition of the bank's importance in the financial sector (Brandscore study).

In the context of Portuguese banking, in the 3rd quarter of the year, Caixa maintained its leadership as the most attractive brand to new Customers and renewed its nomination as “Best Bank for Individuals” and “Best Bank for Young People” (spontaneous nomination) by Customers of each Bank.

## Sustainability

Within the scope of its commitment to playing a leading role in the sustainable and inclusive growth of the Portuguese society, CGD has endeavored to become the top sustainable finance bank in the country, supporting the transition to a low-carbon economy and funding projects that have an important social impact on people's lives. With this purpose in mind, CGD has defined five lines of action for the 2021-2024 Sustainability Strategy.

- Sustainable and Inclusive Finance;
- Climate Risk Management;
- Equity and Digital & Financial Inclusion;
- Transparent Governance Models;
- Disclosure of Sustainability Information.

In what concerns sustainable finance, CGD has monitored the assets related to the sustainable debt issuance performed in September, which gave rise to the Allocation and Impact Report published in August 2022. The document conveys to the stakeholders CGD's commitment to a more sustainable and inclusive future, as well as the impact resulting from the asset allocation:

- 5,746 companies supported (99% of which are SMEs);
- 31,400 jobs impacted;
- 122,285 tons of emissions avoided\*.

In terms of environmental responsibility, CGD has kept on developing, within the scope of the implemented Environmental Management System, projects and initiatives aiming to reduce the environmental impact of the CGD Head Office's activities. Through the optimization of implemented processes and measures, we observe a significant reduction in electric energy (-11.2%) and water

(-10.7%) consumption when compared to the pre-pandemic consumptions (2019).

In order to provide the top management with a thorough understanding of a topic that is a fundamental part of the 2021-2024 Strategic Plan, the members of CGD's Board of Directors and management bodies were provided with a PEP (Permanent Education Program) concerning climate risk, contributing to a greater alignment between the organization's culture, business and practices.

Regarding equity and inclusion, the Donation Program for private social welfare institutions has contributed to the refurbishment of articles of furniture and IT equipment for local communities, schools and underprivileged citizens, so as to promote the reuse of materials, contributing to waste reduction and mitigating the environmental footprint. One of the highlights of 2022 was the collection and distribution of 4,300 furniture articles and 300 items IT equipment, allowing to support 50 social welfare institutions.

Within the scope of the Circular Economy, the Card Recycling Program, created in 2015, allowed to collect and recycle approximately 24 tons of end-of-life cards. Obsolete cards are handed in at any CGD branch, reduced to PVC residue resulting from its destruction, which is later assembled into urban furniture articles made of 100% recycled plastic for social welfare institutions.

The 2022 Caixa Social Awards introduced a different approach, providing several social welfare institutions with the possibility to participate in a free training program where four particularly relevant topics were addressed within the scope of third sector social responsibility. The

program was attended by 282 participants and provided a total 40 social welfare institutions with new competences.

\*In the category "Renewable Energy", an estimate of emissions avoided vs. coal projects was performed. For more information refer to CGD's Sustainable Bond Allocation and Impact Report.

## Prizes and distinctions

In the first 9 months of 2022, the following awards and distinctions were awarded in relation to CGD Group's activity in retail and digital banking and fund management:

- Powerful Brand - CGD was distinguished in the Large Banks category by the Marktest Group and Cofina Media
- Best Bank in Sustainability – CGD was elected “Best Bank in Sustainability in 2021” by the Brandscore study, by consulting firm Scopen
- Banking – Virtual Assistant – Caixadirecta App Digital Assistant – 5 Star Award
- Banking – Open Banking – DABOX App - 5 Star Award
- Special Award - 34th edition of the Investor Relations & Governance Awards (IRGAwards) – Deloitte - Completion of the Recapitalization Plan
- National Sustainability Award - Sustainable Finance - First sustainable debt issue by a Portuguese bank - Jornal de Negócios
- Top 1000 World Banks 2022 - Caixa was distinguished as the 1st Portuguese Bank in the world top, in Tier 1 capital, occupying the 188th position worldwide – The Banker
- ACEPI Award – Navegantes XXI – Best digital transformation strategy

## DOMESTIC AND INTERNATIONAL ACTIVITY

Domestic activity's contribution to Caixa group's net income in September 2022 was €537.5 million, up 63% in comparison to the €330.8 million for the same period last year.

Caixa's and Caixa Banco de Investimento's activities in Portugal, with contributions of €453.8 million and €12.3 million respectively, were mainly responsible for the variation registered in domestic activity.

The positive performance of net interest income and commissions accounts shows that domestic core activity is recovering from an adverse environment.

In the case of domestic activity, structural costs were up 47.6% to €509.7 million. The largest contribution comprised employee costs of €319.7 million, essentially deriving from provisions adjustments associated with post employments benefits and the costs of the early retirement programme.

Provisions and impairment in the first nine months of 2022 were down €210.1 million owing to the €115 million net reduction of impairment on credit, and a €95.2 million reduction of provisions and impairment on other assets (net), reflecting favourable evolution in relation to initial expectations in a pandemic context.

(EUR Million)

CONTRIBUTION TO CONSOLIDATED P&L (*)	Domestic Activity			International Activity		
	Restated			Restated		
	2021-09	2022-09	Change (%)	2021-09	2022-09	Change (%)
Interest and similar income	744.5	811.2	9.0%	391.5	509.0	30.0%
Interest and similar costs	294.6	258.6	-12.2%	96.3	132.0	37.1%
<b>Net interest income</b>	<b>449.9</b>	<b>552.6</b>	<b>22.8%</b>	<b>295.2</b>	<b>377.0</b>	<b>27.7%</b>
Income from equity instruments	8.9	12.2	36.8%	0.3	0.5	73.8%
Net fees and commissions	349.0	385.1	10.3%	65.2	74.5	14.1%
Net trading income	112.4	101.7	-9.5%	28.4	42.8	50.9%
Other operating income	13.2	24.7	87.2%	3.0	40.2	-
<b>Total operating income</b>	<b>933.5</b>	<b>1,076.2</b>	<b>15.3%</b>	<b>392.0</b>	<b>535.0</b>	<b>36.5%</b>
Employee costs	172.2	319.7	85.7%	111.5	133.0	19.3%
Administrative expenses	117.4	117.8	0.3%	61.3	71.3	16.3%
Depreciation and amortisation	55.7	72.3	29.8%	20.9	29.2	39.8%
<b>Operating costs</b>	<b>345.3</b>	<b>509.7</b>	<b>47.6%</b>	<b>193.6</b>	<b>233.4</b>	<b>20.6%</b>
<b>Net operating income before impairments</b>	<b>588.1</b>	<b>566.5</b>	<b>-3.7%</b>	<b>198.4</b>	<b>301.5</b>	<b>52.0%</b>
Credit impairment (net)	20.1	-115.0	-	21.2	15.8	-25.7%
Provisions and impairments of other assets (net)	104.4	-95.2	-	11.2	15.0	34.0%
<b>Net operating income</b>	<b>463.7</b>	<b>776.6</b>	<b>67.5%</b>	<b>166.0</b>	<b>270.7</b>	<b>63.1%</b>
Income tax	173.3	269.1	55.3%	35.7	57.4	60.8%
<b>Net operat. inc. after tax and before non-controlling interests</b>	<b>290.4</b>	<b>507.5</b>	<b>74.8%</b>	<b>130.3</b>	<b>213.4</b>	<b>63.8%</b>
Non-controlling interests	1.7	0.0	-99.2%	32.7	60.2	84.2%
Results from subsidiaries held for sale	0.0	0.6	-	-0.1	0.2	-
Results of associated companies	42.1	29.4	-30.2%	0.8	1.4	-
<b>Net income</b>	<b>330.8</b>	<b>537.5</b>	<b>62.5%</b>	<b>98.3</b>	<b>154.8</b>	<b>57.4%</b>

(\*) Pure intragroup transactions with no impact on consolidated net income are not eliminated.

The international business area's contribution to consolidated net income in September 2022 was up 57% over the same period 2021 to €154.8 million. This evolution was influenced by exchange rate variations occurring in the countries of CGD group's principal business units abroad.

The main contributions to income from international activity were from BCI Moçambique (up €46 million), BNU Macao (up €32 million), BCG Angola (up €28 million) and France branch (up €37 million), the latter reflecting the recurring effect of the sale of its head office building.

Caixa's international units' contribution to the group's net income derived from to the positive performance of net

interest income and commissions accounts, which evidenced a scenario of economic recovery in the geographies in which CGD operates, having exceeded the increase in operating costs (including exchange rate effects) recorded in the period under review.

Total operating income from international activity was accordingly up 36.5% over September 2021. Structural costs were, in turn, up 20.6%, without cancelling out the positive variations in net interest income and commissions, resulting in a 52% increase in gross operating income.

Provisions and impairment also showed an improvement over the same period (down €1.6 million).

# CONSOLIDATED ACCOUNTS AND SEPARATE ACCOUNTS – CGD, S.A.

(EUR Thousand)

INCOME STATEMENT	Consolidated Activity				Separate Activity			
	Restated							
	2021-09	2022-09	Change		2021-09	2022-09	Change	
			Total	(%)			Total	(%)
Interest and similar income	1,084,340	1,281,655	197,315	18.2%	752,814	843,139	90,325	12.0%
Interest and similar costs	338,994	350,894	11,900	3.5%	257,174	247,830	-9,344	-3.6%
Net interest income	745,347	930,761	185,415	24.9%	495,640	595,309	99,669	20.1%
Income from equity instruments	9,203	12,691	3,487	37.9%	69,151	71,132	1,981	2.9%
<b>Net interest inc. incl. inc. from eq. investm.</b>	<b>754,550</b>	<b>943,452</b>	<b>188,902</b>	<b>25.0%</b>	<b>564,791</b>	<b>666,441</b>	<b>101,650</b>	<b>18.0%</b>
Fees and commissions income	504,012	568,936	64,924	12.9%	410,650	461,499	50,849	12.4%
Fees and commissions expenses	89,564	109,298	19,734	22.0%	69,902	85,141	15,239	21.8%
Net fees and commissions	414,448	459,638	45,190	10.9%	340,748	376,359	35,610	10.5%
Net trading income	140,710	144,481	3,770	2.7%	113,267	104,357	-8,910	-7.9%
Other operating income	176	46,616	46,440	-	-11,396	19,950	31,346	-
<b>Non-interest income</b>	<b>555,334</b>	<b>650,734</b>	<b>95,400</b>	<b>17.2%</b>	<b>442,619</b>	<b>500,666</b>	<b>58,046</b>	<b>13.1%</b>
<b>Total operating income</b>	<b>1,309,884</b>	<b>1,594,186</b>	<b>284,302</b>	<b>21.7%</b>	<b>1,007,410</b>	<b>1,167,106</b>	<b>159,696</b>	<b>15.9%</b>
Employee costs	283,640	452,659	169,019	59.6%	181,486	331,364	149,878	82.6%
Administrative expenses	163,582	172,515	8,933	5.5%	121,923	122,376	453	0.4%
Depreciation and amortisation	76,117	101,007	24,890	32.7%	59,458	77,933	18,474	31.1%
Operating costs	523,340	726,181	202,842	38.8%	362,866	531,672	168,806	46.5%
<b>Net operating income before impairments</b>	<b>786,544</b>	<b>868,005</b>	<b>81,461</b>	<b>10.4%</b>	<b>644,544</b>	<b>635,434</b>	<b>-9,110</b>	<b>-1.4%</b>
Credit impairment	180,321	-37,722	-218,043	-	147,440	-57,806	-205,246	-
Credit recoveries	-139,035	-61,522	77,514	-	-135,427	-58,242	77,186	-
Provisions for reduction of employees	92,658	-59,203	-151,862	-	93,457	-58,484	-151,941	-
Provisions for guarantees and other commitments	-2,856	-29,302	-26,446	-	-2,690	-26,387	-23,697	-
Other provisions and impairments	25,830	8,371	-17,459	-67.6%	13,668	-48,065	-61,733	-
<b>Provisions and impairments</b>	<b>156,919</b>	<b>-179,378</b>	<b>-336,297</b>	<b>-</b>	<b>116,448</b>	<b>-248,984</b>	<b>-365,432</b>	<b>-</b>
<b>Net operating income</b>	<b>629,625</b>	<b>1,047,383</b>	<b>417,758</b>	<b>66.4%</b>	<b>528,096</b>	<b>884,418</b>	<b>356,322</b>	<b>67.5%</b>
<b>Income Tax</b>	<b>208,943</b>	<b>326,510</b>	<b>117,567</b>	<b>56.3%</b>	<b>170,819</b>	<b>275,231</b>	<b>104,412</b>	<b>61.1%</b>
of which Contribution on the banking sector	28,733	37,104	8,372	29.1%	28,555	36,909	8,354	29.3%
<b>Net op. inc. after tax and before non-controlling int.</b>	<b>420,683</b>	<b>720,873</b>	<b>300,191</b>	<b>71.4%</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>	<b>n.a.</b>
Non-controlling interests	34,415	60,243	25,828	75.0%	n.a.	n.a.	n.a.	n.a.
Results of associated companies	42,960	30,840	-12,120	-28.2%	n.a.	n.a.	n.a.	n.a.
Results of subsidiaries held for sale	-113	785	899	-	n.a.	n.a.	n.a.	n.a.
<b>Net income</b>	<b>429,114</b>	<b>692,255</b>	<b>263,141</b>	<b>61.3%</b>	<b>357,277</b>	<b>609,187</b>	<b>251,910</b>	<b>70.5%</b>

The September 2021 accounts of the consolidated activity were restated for comparability purposes due to the shareholder position in Banco Comercial do Atlântico (BCA) no longer being classified under "Non-current assets held for sale".

(EUR Million)

BALANCE SHEET	Consolidated Activity			Separate Activity		
	2021-12	2022-09	Change	2021-12	2022-09	Change
<b>ASSETS</b>			(%)			(%)
Cash and cash equiv. with central banks	23,000	1,937	-91.6%	22,082	924	-95.8%
Loans and advances to credit instit.	3,924	26,600	577.9%	2,236	24,699	1,004.8%
Securities investments	21,152	19,951	-5.7%	21,708	17,609	-18.9%
Loans and advances to customers	50,184	51,975	3.6%	45,613	46,588	2.1%
Assets with repurchase agreement	8	0	-	0	0	-
Non-current assets held for sale	336	392	16.7%	121	98	-18.7%
Investment properties	33	19	-41.8%	8	6	-22.0%
Intangible and tangible assets	746	821	10.0%	559	607	8.5%
Invest. in subsid. and assoc. companies	530	445	-16.0%	1,265	1,267	0.2%
Current and deferred tax assets	1,575	1,329	-15.6%	1,535	1,274	-17.0%
Other assets	2,522	3,668	45.4%	1,242	2,022	62.9%
<b>Total assets</b>	<b>104,010</b>	<b>107,137</b>	<b>3.0%</b>	<b>96,368</b>	<b>95,094</b>	<b>-1.3%</b>
<b>LIABILITIES</b>						
Central banks' and cred. instit. resources	6,745	6,060	-10.2%	7,216	6,666	-7.6%
Customer resources	79,756	83,705	5.0%	72,092	74,700	3.6%
Debt securities	1,790	828	-53.7%	1,790	828	-53.7%
Financial liabilities	382	244	-36.0%	381	244	-35.9%
Non-current liabilities held for sale	148	230	55.5%	0	0	-
Provisions	977	840	-14.1%	933	791	-15.2%
Subordinated liabilities	1,118	1,114	-0.3%	1,118	1,114	-0.3%
Other liabilities	3,808	4,479	17.6%	4,694	2,494	-46.9%
<b>Sub-total</b>	<b>94,723</b>	<b>97,500</b>	<b>2.9%</b>	<b>88,224</b>	<b>86,837</b>	<b>-1.6%</b>
<b>Shareholders' equity</b>	<b>9,287</b>	<b>9,637</b>	<b>3.8%</b>	<b>8,145</b>	<b>8,257</b>	<b>1.4%</b>
<b>Total</b>	<b>104,010</b>	<b>107,137</b>	<b>3.0%</b>	<b>96,368</b>	<b>95,094</b>	<b>-1.3%</b>

Lisbon, 10<sup>th</sup> of November 2022

## 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 "Resultados Consolidados 9M2022". In the event of any inconsistency, the original version prevails.



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