CA

press release

Lisbon, 04 March 2023

Unaudited Earnings Release as of 31 December 2023[1]

Grupo Crédito Agrícola performance in 2023

Main highlights

- *Consolidated Net Income reached 296.8 million euros in 2023, corresponding to a YoY increase of 209.0 million euros (+238.1%), leading to a Return on Equity of 13.1% in 2023.*
- *Core Operating Income reached 993.0 million euros, representing YoY growth of 67.1% (+398.6 million euros), due to Net Interest Income growth of 381.7 million euros (+103.8% in comparison with 2022) to 749.5 million euros in 2023.*
- *Gross loans and advances to customers portfolio increased 76.4 million euros in comparison to December 2022, to 12,059 million euros, driving a YoY improvement in Crédito Agrícola's market share of 0.13 p.p. to 5.78%.*
- *Customer Deposits amounted to 20,004 million euros at the end of December 2023, which compares with 19.989 million euros in September 2023. Crédito Agrícola's market share stood at 8.02%, a YoY increase of 0.05 p.p..*
- *In July 2023, the second social, senior preferred debt issuance took place through Caixa Central, in the amount of 200 million euros, complemented in August with a tap issuance in the amount of 50 million euros which, in conjunction with own funds of 2,360 million euros (including FINREP perimeter Net Income of 297 million euros), enabled the Group to comply with its binding target of the MREL TREA + CBR minimum requirement, which came into force as of 1 January 2024, of 25.28%, with a margin of comfort of 2.30 p.p..*
- *Grupo CA has extremely robust levels of solvency and liquidity, with CET1 and Total Own Funds ratios of 22.4% (including net income for the period), a leverage ratio of 9.7% (including net income for the period), a liquidity coverage ratio (LCR ratio) of 644.1% and a net stable funding ratio (NSFR) of 172.4% (not including net income for the period), all above the recommended, and required, minimum thresholds.*

[1] For comparability purposes, Full-Year 2022 figures have been restated. This restatement has not been audited, and is noted in all tables in this release, where applicable. The restatement is related to the application of IFRS 17 and 9, as from 1 January 2022, impacting only the individual accounts of the Group's insurance companies and, consequently, the consolidated accounts. All comparisons are relative to the restated 2022 figures. Prudential ratios presented as at 31 December 2023 are as reported in February 2024, and are still provisional.

press release

GRUPO CRÉDITO AGRÍCOLA RESULTS AND ACTIVITY (Unaudited)

Amounts in million euros, except for percentages

Consolidated indicators of Grupo CA *Income statement*	2021	2022	2022R	2023	Δ Abs. 2023/2022R	Δ % 2023/2022R
Net interest income	313.0	368.4	367.8	749.5	381.7	103.8%
Net fees and commissions	123.4	146.2	138.3	153.0	14.8	10.7%
Technical margin of insurance activity	66.3	144.5	88.3	90.5	2.2	2.5%
Core operating income	502.6	659.2	594.4	993.0	398.6	67.1%
Net trading income	63.0	-3.3	-14.7	28.5	43.3	n.a.
Other results	4.3	-3.9	-6.9	-13.3	-6.4	93.5%
Operating income	569.9	652.0	572.8	1,008.3	435.5	76.0%
Operating costs	-372.7	-400.9	-400.9	-421.2	-20.3	5.1%
Impairment and provisions for the year	2.2	-57.4	-57.4	-129.1	-71.7	125.0%
Consolidated net income	158.8	144.3	87.8	296.8	209.0	238.1%

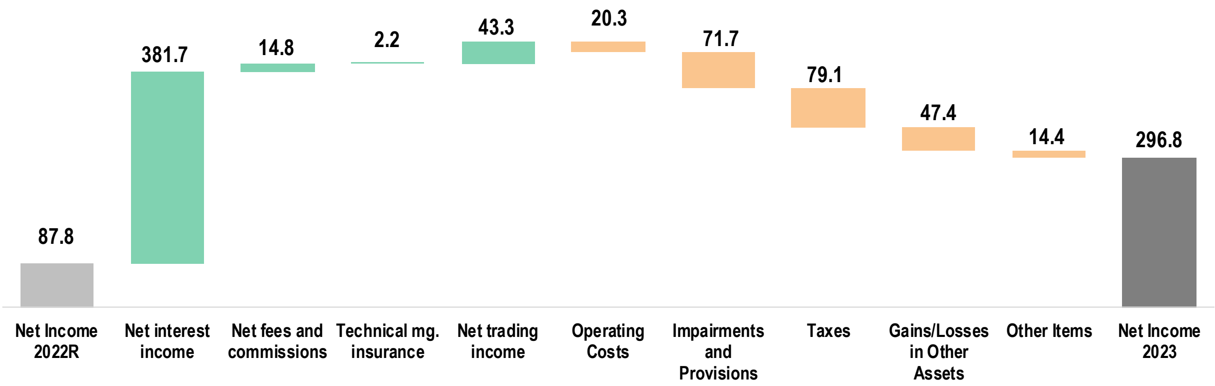
Note: for the purpose of comparability with 2023 reporting, namely in what concerns the reporting methodology of the Group's insurance companies (implementation of IFRS17 in CA Seguros and CA Vida), the 2022 figures have been restated, particularly the line "Technical Margin of Insurance Activity" (-56.2 million euros). The restated 2022 Net Income has thus been reduced by 56.5 million euros, in comparison to what had been reported in the audited and previously published accounts, from 144.3 million euros to 87.8 million euros.

- Grupo Crédito Agrícola's **Consolidated Net Income** in 2023 reached 296.8 million euros, corresponding to a **Return on Equity** of 13.1%, reflecting the positive performance of its main business units (banking, life and non-life insurance and asset management). The 238.1% change in Net Income was mainly influenced by:
    - the increase of **Net Interest Income** by 103.8% to 749.5 million euros (+381.7 million euros in comparison with 2022);
    - growth in **Net Fees and Commissions** of 10.7% to 153.0 million euros (+14.8 million euros YoY);
    - the improvement of 43.3 million euros in **Net Trading Income** to 28.5 million euros, which compares with a loss of 14.7 million euros in 2022;
    - the reinforcement of **Impairments and Provisions**, which amounted to 129.1 million euros in 2023 (+71.7 million euros vis a vis 2022);
    - the increase of **Operating Costs** by 5.1% to 421.2 million euros (+20.3 million euros YoY);
    - the negative 6.4 million euros variation of **Other Results**, which amounted to -13.3 million euros in 2023;
    - the negative variation of 47.4 million euros in comparison to 2022 of **Gains and Losses in Other Assets**, mainly explained by haircuts, applied in accordance to seniority, within the real estate portfolio, following the guidelines set out in the Banco de Portugal Circular Letter nr. CC/2023/00000021;

- and the greater amount paid in **Taxes**, which amounted to 115.2 million euros in 2023, 219.0% higher than in 2022 (+79.1 million euros).

- The contribution of the Group's **insurance companies** to consolidated Net Income in 2023 amounted to 14.4 million euros, 7.9 million euros from CA Seguros and 6.6 million euros from CA Vida.

Net Income Evolution 2022-2023 (millions of euros)



- **Net Interest Income Margin** was 3.31% in 2023, which compares with 1.55% in 2022. In the context of the evolution of Euribor interest rates, the average yield on interest earning assets in 2023 increased to 3.67% (1.67% in 2022), with the average rate on interest bearing liabilities (including funds from central banks, MREL bond issuances and others) growing to 0.37% (0.13% in 2022).

Amounts in percentages

Net Interest Income Evolution	2022	2023					Δ 2023 / 2022
		1Q23	2Q23	3Q23	4Q23	Total	
Net Interest Income Margin	1.55%	2.75%	3.22%	3.59%	3.71%	3.31%	1.76 p.p.
Average rate of financial assets	1.67%	2.84%	3.42%	4.06%	4.42%	3.67%	2.00 p.p.
Loans to customers	2.39%	3.66%	4.40%	5.13%	5.59%	4.68%	2.29 p.p.
Securities and other investments [1]	0.95%	1.88%	2.30%	2.83%	3.09%	2.52%	1.57 p.p.
Average rate of financial liabilities	0.13%	0.09%	0.20%	0.47%	0.72%	0.37%	0.24 p.p.
Customer deposits	0.03%	0.04%	0.14%	0.30%	0.54%	0.25%	0.22 p.p.
Central Bank funding and other liabilities [2]	1.09%	2.57%	3.17%	5.34%	5.07%	4.18%	3.09 p.p.
Market average deposits rate [3]	0.03%	0.12%	0.25%	0.45%	0.73%	0.39%	0.36 p.p.
Average Euribor 3M in the period	-0.135%	2.632%	3.362%	3.777%	3.953%	3.431%	3.566 p.p.
Average Euribor 6M in the period	0.132%	3.087%	3.674%	3.972%	4.043%	3.694%	3.562 p.p.
Average Euribor 12M in the period	0.509%	3.506%	3.875%	4.124%	3.966%	3.868%	3.359 p.p.

(1) Includes Cash balances, Investments in credit institutions and Investment in equity securities (shares)

(2) Funds from central banks, funds from other credit institutions and other subordinated liabilities, including MREL bond issuances

(3) Does not incorporate public sector (Source: BPStat)

- The **average yield on customer loans** grew by 2.29 p.p. to 4.68% in 2023, partially offset by increased customer deposit interest rates, which grew 0.22 p.p. to 0.25%, which is justified in part by (i) the weight of 47.3% of demand deposits (non-interest-bearing) in the total customer deposits (-3.6 p.p. compared to December 2022); and, (ii) the increase in the average rate of new time deposits, particularly from September 2023. In December 2023, a YoY increase of 3.04 p.p. in the remuneration of new time deposits was felt in Grupo Crédito Agrícola.

Amounts in percentages, average monthly rates

Interest Rates Monthly Evolution	Dec.2022	Mar.2023	Jun.2023	Sep.2023	Dec.2023	Δ Abs. Dec.2023 / Dec.2022
Total New Deposits						
Market [1]	0.68%	1.41%	2.15%	2.67%	3.25%	2.57 p.p.
Grupo Crédito Agrícola	0.01%	1.09%	1.75%	2.08%	3.05%	3.04 p.p.

Source: BPStat and SICAM (banking business)

(1) BPStat does not report interest rate of deposits from Public Sector.

- **Net Fees and Commissions** also contributed to the performance of Core Operating Income during the year, with growth of 10.7% (+14.8 million euros), mainly driven by credit, cards and account management commissions.
- The **technical margin of the insurance activity** showed growth of 2.5% to 90.5 million euros (+2.2 million euros in comparison to December 2022).
- **Core Operating Income** booked YoY growth of 67.1% in 2023, representing an absolute increase of 398.6 million euros, to 993.0 million euros.
- In 2023, the amount of **mandatory banking sector contributions** paid by Grupo Crédito Agrícola reached 17.9 million euros, namely Contribution from the Banking Sector, Additional Solidarity on the Banking Sector, Single Resolution Fund, National Resolution Fund, Supervision Fees and the Deposit Guarantee Fund.
- **Operating Costs** reached 421.2 million euros during 2023, an increase of 5.1%, or 20.3 million euros, in comparison to 2022. This increase was mainly explained by **Staff Expenses,** which booked an increase of 5.5% (+13.0 million euros), mostly due to the increased number of Group employees (+3.7% YoY), updates to the salary scale (the update approved in 2023 was 4.6%) and the attribution of performance-related bonuses. **Other Operating Expenses** grew by 4.5%, or 5.8 million euros, related to the Group's continued efforts to develop its offering, digitalization, increased activity, and also in response to legal and regulatory requirements.
- The **Cost-to-Income ratio** registered a positive YoY evolution of 28.2 p.p. to 41.8%, representing an improvement in comparison to the 70.0% of 2022, due to the positive evolution of Operating Income.

- With the aim of continuously improving Grupo Crédito Agrícola's operating efficiency, during 2023 3 mergers took place between "Caixas de Crédito Agrícola Mútuo" (CCAM), **reducing the number of CCAMs from 71 to 68** at the end of December 2023.
- During 2023, **impairments and provisions** booked a net impairment of 129.1 million euros, mainly explained by 93.3 million euros of net loan impairments, as a result of increasing non-performing loans particularly in residential mortgages and, to a smaller degree, in the SME segment. As such, at the end of 2023, the **cost of credit risk** stood at 0.77%, which represents a YoY increase of 0.33 p.p., in comparison to 0.45% in 2022. The **impairment of non-financial assets** were also reinforced by 21.4 million euros, essentially due to the impairment of other assets related to credit recovery, mainly explained by haircuts, applied in accordance to seniority, within the real estate portfolio. **Provisions** in 2023 were also reinforced by 15.8 million euros, mainly due to the need to build up provisions to face pre-retirements to take place as from 1 January 2024.
- In 2023, **Gains and Losses in Other Assets** declined by 47.4 million euros in comparison to 2022, from 3.8 million euros to -43.6 million euros at the end of 2023, as a result of losses related to net impairments of real estate classified as non-current assets held for sale (-47.9 million euros in 2023) due to the abovementioned haircuts, applied in accordance to seniority, within the real estate portfolio.

Amounts in million euros, except for percentages

Breakdown of Grupo CA's Profit	2021	2022	2022R	2023	Δ Abs. 2023/2022R	Δ % 2023/2022R
Consolidated net income	158.8	144.3	87.8	296.8	209.0	238.1%
Net income from banking business	143.3	98.1	74.5	287.9	213.4	286.5%
Insurance Companies (CA Vida and CA Seguros)	11.9	58.7	2.1	14.4	12.3	582.7%
Real estate investment vehicles [1]	-12.0	-8.5	-8.5	-17.0	-8.5	99.3%
Other[2]	15.5	-4.0	19.7	11.4	-8.3	-41.9%

(1) Real estate investment funds and CA Imóveis, Unip. Lda.

(2) CA SGPS, CA Gest, CA Serviços, CA Informática, CA Capital, CCCAM GI, CA S&P, Fenacam, FIM CA Institucionais, non-controlling interests, consolidation effects.

press release

BALANCE SHEET OF GRUPO CRÉDITO AGRÍCOLA (Unaudited)

Amounts in million euros, except for percentages

Consolidated indicators of Grupo CA *Balance Sheet*	2021	2022	2022R	2023	Δ Abs. 2023/2022R	Δ % 2023/2022R
Balance sheet						
Total net assets	26,002	24,895	24,977	25,302	324	1.3%
Total loans and advances to customers (gross)[1]	11,726	11,982	11,982	12,059	76	0.6%
of which: Loans to companies and public administration (gross)[1]	6,698	6,881	6,881	7,132	252	3.7%
of which: Loans to individuals (gross)	5,029	5,111	5,111	4,926	-185	-3.6%
Total loans and advances to customers (net)	11,393	11,632	11,632	11,669	37	0.3%
Accumulated impairment and provisions	502	501	501	587	86	17.2%
Customer funds on the balance sheet	19,236	20,398	20,398	20,004	-394	-1.9%
Equity	2,019	2,042	2,109	2,438	329	15.6%

(1) Including customer debt instruments (commercial paper operations).

- At the end of 2023, **Total Assets** of Grupo Crédito Agrícola stood at 25.302 billion euros, an increase of 324.3 million euros in comparison to December 2022.
- Out of the Total Assets, 12.059 billion euros correspond to the **(gross) loans and advances to customers portfolio**, representing an uptick of 0.6% in comparison with December 2022, which compares with a 1.7% decline for the market as a whole during 2023. This increase incorporates a reduction of 118.1 million euros (-3.3%) in mortgage loans, in comparison to December 2022. Grupo Crédito Agrícola's total market share in terms of gross loans granted to customers stood at 5.78%[2].

Amounts in million euros, except for percentages

Gross Loans and Advances of Grupo CA	2021	2022	2023	Δ Abs. 2023/2022	Δ % 2023/2022
Loans to individuals	5,029	5,111	4,926	-185	-3.6%
Mortgage	3,440	3,596	3,477	-118	-3.3%
Consumer and other purposes	1,589	1,516	1,449	-67	-4.4%
Loans to companies and public administration[1]	6,698	6,881	7,132	252	3.7%
Total gross loans and advances	11,726	11,982	12,059	76	0.6%

(1) Including customer debt instruments (commercial paper operations).

- At the end of 2023, **customer deposits** amounted to approximately 20,004 billion euros, a 1.9% reduction in comparison to FY22, representing a variation of -394 million euros. In comparison to September 2023, it represented an increase in the amount of 114 million euros, or 0.5%. Customer funds in **capitalization insurance and investment funds** commercialized by the Crédito Agrícola Group, increased to 2,161 million euros by 31 December 2023, a 7.1% increase in comparison to 31 December 2022.

[2] Including the public sector.

Crédito Agrícola

- As of the same date:
  - 81% of customer deposits were covered by Deposit Guarantee Fund;
  - 80% of total deposits corresponded to individual customers and 20% to corporate customers;
  - the average amount per depositor has remained stable over the last quarters, at approximately 12,600 euros.
- In 2023, customer deposits declined (-394 million euros) whereas net loans and advances to customers grew slightly (+37 million euros) in the same period, leading to an increase in the **loan to deposit ratio**, reaching 58.3% in December 2023, which compares with 57.0% in December 2022.

QUALITY OF THE GROUP'S LOAN PORTFOLIO

- Considering the current **economic backdrop** and the high proportion of **loans with variable interest rates**, as of 31 December 2023, the weight of exposures in Stage 3 has increased by 1.0 p.p. in comparison to December 2022. The default exposure in the mortgage portfolio represented around 1.2% of total loans exposure and 22.1% of total default exposure, 13.0 p.p. more than in December 2022. The **weight of Stage 2 exposures** normalized in 4Q23 at 12.4% (-1.1 p.p. in comparison to December 2022) after a peak in 3Q23 which had been mainly due to the application of the criteria set out in Decree-Law nr. 80-A / 2022 of 25 November.

Amounts in million euros, except for percentages

Loan Exposure Staging	Dec. 2022	Sep. 2023	Dec. 2023	Δ Abs. Dec.2023 / Dec.2022	Δ % Dec.2023 / Dec.2022
Stage 1 Exposure (M€)	11,584.5	11,084.2	11,674.8	90.3	0.8%
Stage 2 Exposure (M€)	1,895.6	2,298.7	1,758.4	-137.2	-7.2%
Stage 3 Exposure (M€)	618.9	756.4	764.1	145.2	23.5%
Total Exposure (M€)	14,099.0	14,139.3	14,197.3	98.3	0.7%
Stage 1 (%)	82.2%	78.4%	82.2%	0.1 p.p.	
Stage 2 (%)	13.4%	16.3%	12.4%	-1.1 p.p.	
Stage 3 (%)	4.4%	5.3%	5.4%	1.0 p.p.	

- **In absolute terms, the NPL portfolio increased** 143.0 million euros in comparison to the end of December 2022 to 728.9 million euros in December 2023 (+24.4% YoY, despite a slight decline of 1.6 million euros in comparison to September 2023).
- The **gross ratio of Non-Performing Loans** (NPL), according to instruction 20/2019, was higher at 6.2% in December 2023, which compares with 5.1% at the end of December 2022, and a slight improvement vis a vis 6.3% in September 2023. The increase in the NPL ratio is mainly due to the higher level of "Unlikely to Pay" loans, which represented 65.8% of total NPL (+3.0 p.p. in comparison to 2022). Loans which are "90 Days Past Due" weighed 34.2% of total NPL, thus representing a smaller proportion of the NPL ratio.

- The **accumulated credit impairments** (loan loss reserves) with reference to the end of December 2023, amounted to 389.3 million euros, which equates to a level of NPL coverage by credit impairments of 53.4%.

- The **accumulated Non-Performing Loans impairments** with reference to the end of December 2023, amounted to 276.9 million euros, which equates to a level of NPL coverage by NPL impairments of 38.0% and **NPL coverage by NPL impairments and collateral (FINREP)**[3] of 89.4% (or a ratio of 140.1%, not considering the exposure limit per contract). The **Texas ratio**, determined by the ratio between the NPL stock and the sum of the tangible common equity with the stock of impairments (loss reserves), reached 29.9% at the end of December 2023.

- The rising inflation rate and subsequent increase in interest rates by the central banks during 2023, have shaped the current economic context, which has been continuously monitored by Crédito Agrícola, with the aim of best supporting and serving Portuguese families. Within the framework of Decree-Law nr. 80-A/2022 from 25 November, as of 31 December 2023, from a universe of 14,619 contracts falling within the scope of the Article nr. 3 (significant worsening and significant effort rate[4]), 3,991 contracts (27.3% of the universe of contracts falling within the scope of the Article nr. 3) were subject to at least one contractual change, corresponding to a total exposure of 389.9 million euros (14% of the 2,769 million of euros from the mortgage loan portfolio falling within the scope of the Article nr. 3).

- It is also worth noting that, as of 31 December 2023, Crédito Agrícola received 409 requests to join the fixed monthly payment scheme laid out in Decree-Law nr. 91 / 2023, of which 172 had been accepted.

- At the end of 2023, 74% of the mortgage loans portfolio showed LTV (Loan-to-Value) lower than 70%.

- During 2023, **real estate**, recovered as settlement of debts, held by the CA Group continued its downward trajectory, with a YoY decline of 24.9%, to 237.9 million euros (direct and indirect exposure).

[3] Applying haircuts and recovery costs, limited by the exposure of each contract.

[4] Note: Article nr. 3 of Decree-Law 80/A refers to the significant worsening of the borrowers' effort rate when (i) the effort rate reaches 36% or (ii) was above 36% in the same period of the previous year and the effort rate or the reference interest rate in the contract increases, within the framework defined by this decree-law. The effort rate is calculated by the ratio between the monthly payment, calculated including all the borrowers' loans, and their monthly income. The income is calculated as the annual amount received by the borrowers, net of taxes and mandatory contributions to social security, according to the last income statement for tax purposes provided by the borrowers to the banking institutions, divided by 12 months or; in the case of borrowers who are self-employed, the average monthly income of the last 3 months, according to the elements provided to the banking institutions by the borrowers; or in the case of self-employed workers with seasonal or irregular income, the average monthly income calculated according to the information provided to the banking institutions by the borrower.

Amounts in million euros, except for percentages

Quality of Grupo CA's Loan Portfolio	2021	2022	2023	Δ Abs. 2023/2022	Δ % 2023/2022
Non-Performing Loans (NPL)	819.1	585.9	728.9	143.0	24.4%
NPL to individuals	180.0	131.1	310.5	179.4	136.9%
of which: Mortgages	98.5	71.5	212.3	140.8	196.8%
NPL to companies and public administration	639.1	454.9	418.2	-36.6	-8.1%
of which: SME	632.2	449.9	410.5	-39.4	-8.8%
Non-Performing Loans (NPL) ratio [1]	7.2%	5.1%	6.2%	1.2 p.p.	
NPL coverage by credit impairments [2]	40.6%	61.3%	53.4%	-7.9 p.p.	
NPL coverage by NPL impairments [2]	32.6%	41.2%	38.0%	-3.2 p.p.	
NPL coverage by NPL impairments and collateral [2]	133.5%	151.3%	140.1%	-11.2 p.p.	
NPL coverage by NPL impairments and collateral [2 3]	87.6%	91.9%	89.4%	-2.6 p.p.	
Texas ratio [4]	38.8%	27.3%	29.9%	2.7 p.p.	
Restructured Credit Ratio	6.1%	5.0%	5.0%	0.0 p.p.	

(1) Ratio calculated pursuant to BdP Instruction 20/2019.

(2) Applying haircuts and recovery costs.

(3) Applying haircuts and recovery costs, limited by the exposure of the contract.

(4) Determined by the ratio: NPL/(Tangible common equity + Stock of impairments)

GROUP SOLVENCY, LEVERAGE AND LIQUIDITY

- Complying with CRD IV/CRR rules, Grupo Crédito Agrícola has a level of solvency measured by the **common equity tier 1 (CET1)** and **total own funds ratios** of 22.4% (including net income for the period), **a leverage ratio** of 9.7% (including net income for the period), a **liquidity coverage ratio (LCR ratio)** of 644.1% and a **net stable funding ratio (NSFR)** of 172.4% (not including net income for the period), all above the recommended, and required, minimum thresholds. Own funds showed, as of December 2023, an increase of 410.8 million euros in comparison to December 2022 (+21.1%), benefitting from net income generated during 2023, in the amount of 296.8 million euros.
- As at 31 December 2023, Crédito Agrícola's total liquidity (immediate liquidity in cash and liquid assets) amounted to approximately 8.32 billion euros, representing around 41.5% of total customer deposits.
- As at 1 January 2024, CA Group had 2,910 million euros in MREL eligible instruments, of which 2,360 million euros of own funds (including FINREP perimeter Net Income of 297 million euros) and senior preferred debt in the amount of 550 million euros, which enabled the Crédito Agrícola Group to comply with its 25.28% binding target of the MREL TREA + CBR minimum requirement, which came into force as of 1 January 2024, with a margin of comfort of 2.30 p.p..

Amounts in million euros, except for percentages

Solvency of Grupo CA	2021	2022	2023	Δ Abs. 2023 / 2022	Δ % 2023 / 2022
Total Own Funds	1,937.2	1,949.5	2,360.3	410.8	21.1%
Common equity tier 1	1,937.2	1,949.5	2,360.3	410.8	21.1%
Tier 1	1,937.2	1,949.5	2,360.3	410.8	21.1%
Tier 2	0.0	0.0	0.0	0.0	n.a.
Exposure value [1]	26,130.7	24,463.2	24,207.5	-255.8	-1.0%
Risk weighted exposure amounts	10,095.2	9,788.1	10,558.8	770.6	7.9%
RWA Density	45.5%	36.1%	43.2%	7.1 p.p.	
Solvency ratios [2]					
Common equity tier 1 [3]	19.2%	19.9%	22.4%	2.4 p.p.	
Total own funds [3]	19.2%	19.9%	22.4%	2.4 p.p.	
Leverage ratio [3]	8.7%	7.6%	9.7%	2.0 p.p.	
Liquidity coverage ratio (LCR)	477.2%	500.0%	644.1%	144.1 p.p.	
Net stable funding ratio (NSFR)	150.2%	167.7%	172.4%	4.8 p.p.	

(1) Includes on-balance-sheet and off-balance-sheet positions and derivatives, net of impairment.

(2) Fully implemented ratios. The ratios are calculated in accordance with the rules of Directive 2013/36/EU (CRD IV - Capital Requirements Directive) and Regulation (EU) 575/2013 (CRR - Capital Requirements Regulation).

(3) The ratio incorporates net income for the period.

Note: Information based on reported values.

SUSTAINABILITY AND SOCIAL RESPONSIBILITY

- Crédito Agrícola is the sole bank operating in Portugal affiliated in the European cooperative banking sector (which includes some of the largest banks in the world). The Group is a reference in the Portuguese banking system, its capital held exclusively by national members.
- Grupo Crédito Agrícola, through the implementation of a coordinated strategy among the 68 Caixas de Crédito Agrícola Mútuo, continues to be committed to the social and economic development of Portuguese regions, cities and villages and to contributing to the social and territorial cohesion of Portugal, through its proximity banking practices, embodied by the territorial capillarity of its branch network.
- During 2023, some important milestones were achieved in terms of the 2023-2025 Sustainability Strategy, of which we highlight the following projects and initiatives:
    - The Group's first ESG Risk Rating, assigned by Sustainalytics, was announced, with Crédito Agrícola ranking favourably in the Portuguese banking sector with a rating of 20.0 (Medium Risk).
    - The Group's second Social Bond was issued, in the amount of 250 million euros, strengthening its commitment to funding social infrastructures and institutions and fostering employment and business in the less privileged areas of the country.

- The first impact partnership was established with the NGO JustAChange, under which Crédito Agrícola subsidized the improvement of energetic efficiency of 50 homes belonging to financially vulnerable families.
- A new credit product for individual customers was launched, “CA Casa Eficiente”, aiming to incentivize the purchase of homes with A+, A or B energy certificates, in order to accelerate decarbonization of Portuguese real estate.
- Development of the Net Zero Transition Plan, under which:
  - The carbon footprint of a significant portion of the Group’s value chain was exhaustively calculated, including scope 1 and 2 emissions, as well as categories 5,6,7 and 15 of scope 3;
  - Ambitious Net Zero targets were set for 2030, based on the “Science-Based Targets Initiative”, namely reducing CO_2 emissions by 60% and the internal management of all the Group’s operations (scope 1 and 2 emissions, and scope 3 categories 5, 6 and 7) and a set of CO_2 emissions reductions and, on the business level (scope 3, category 15 emissions), thus making Crédito Agrícola the Portuguese bank with the highest level of publicly stated ambitions in terms of the number of sectors (8) of its loan portfolio within the scope of its 2030 Net Zero Targets;
  - The main decarbonization initiatives to develop or reinforce were announced, such as i) transforming the funding offering to include mechanisms to incentivize corporate and private customers’ climatic transition; ii) closer and more educational monitoring of customers in their transition process, iii) reshaping credit concession policies to reflect proper management of climate risks, iv) implementing or strengthening internal decarbonization initiatives, so as to lead by example, and v) creating an ESG data culture, essential do measuring impacts and monitoring the fulfillment of these commitments;
  - Crédito Agrícola subscribed to the Responsible Banking Principles of the financial sector of the United Nations Environment Programme (UNEP FI), a unique framework for a sustainable banking sector developed through the involvement and cooperation of banks all around the world;
  - Crédito Agrícola joined the Net Zero Banking Alliance of the abovementioned initiative (UNEP FI), committed to aligning its investment and loan portfolios with Net Zero emissions until 2050 and setting intermediate targets for 2030, inline with the more ambitious targets set by the Paris Climate Agreement;
- Crédito Agrícola attended COP28 – 28th Edition of the United Nations Conference, with interventions on “Gender Equality and Climatic Transition” and “Sustainable Financing instruments towards a green world”;
- 12 videocasts / podcasts (Welectric Talks) were co-produced and broadcast, featuring 14 specialists in several areas of Sustainability (sustainable finance, energy transition, sustainable construction, agri-food sustainability, electric mobility, ecotourism, youth activism, gender diversity and human

rights in the value chain), with the purpose of disseminating quality knowledge on how to accelerate the sustainable development journey;

- Involvement and sounding out of internal and external stakeholders in selecting the relevant issues in building Grupo Crédito Agrícola's 1st Double Materiality Matrix;
- Considerable focus has been placed on internal awareness and capacitation, of which we highlight the awareness programme for gender equality and a Sustainability training programme.

EXTERNAL RECOGNITION[5]

- Early in 2023, **Crédito Agrícola** was voted by "**Escolha do Consumidor 2023**" (Consumer's Choice 2023) as the **best bank** in the **Small and Medium-Sized Banks** category for the second year running, earning the preference of Portuguese consumers with a global grade of 82.79%, including an 82.99% score in customer satisfaction and 82.00% in recommendations. This award is presented by "ConsumerChoice, Centro de Avaliação do Consumidor" (Customer Evaluation Centre).
- Crédito Agrícola, CA Seguros and CA Vida gained recognition as **Best Companies in the Customer Experience Index – BECX 2022**, in the **Banking, Non-Life and Life Insurance** categories, respectively, for the third time in the case of Crédito Agrícola, fifth consecutive year for CA Seguros and for the fifh time overall time for CA Vida. This recognition is awarded by "Best European Customer Experience".
- **CA Seguros**, the Group's non-life insurance company**, ranked #1 with the least complaints** reported to the Supervision Authority for Insurance and Pension Funds (Autoridade de Supervisão de Seguros e Fundos de Pensões - ASF), therefore appearing very favourably in the ASF's 2022 Regulation and Supervision of Market Conduct Report, published in late August 2023.
- **CA Seguros** also distinguished itself in the **Best Companies to Work 2023** study by Exame magazine, earning 6th place in the overall ranking. This was the sixth year in which Grupo Crédito Agrícola's non-life insurance company participated in the study, always positioning itself in the Top10 companies of the overall ranking, reflecting the focus on excellency in People management and its recognition.
- **Crédito Agrícola was recognized by The Bank of New York Mellon (BNY Mellon)**, the oldest bank in the United States and one of the most active and dynamic in the country, with the STP Platinum Award, for the highest quality pperations processing without human intervention in Portugal in 2022.

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[5] The awards are the exclusive responsibility of the entities mentioned.

MAIN CONSOLIDATED INDICATORS OF GRUPO CRÉDITO AGRÍCOLA (*Unaudited*)

Amounts in million euros, except for percentages

Consolidated indicators of Grupo CA	2021	2022	2022R	2023	Δ Abs. 2023 / 2022R	Δ % 2023 / 2022R
Balance sheet						
Total net assets	26,002	24,895	24,977	25,302	324	1.3%
Total loans and advances to customers (gross) [1]	11,726	11,982	11,982	12,059	76	0.6%
of which: Loans to companies and public administration (gross) [1]	6,698	6,881	6,881	7,132	252	3.7%
Total loans and advances to customers (net)	11,393	11,632	11,632	11,669	37	0.3%
Total customer funds	21,060	22,416	22,416	22,165	-251	-1.1%
Customer funds on the balance sheet	19,236	20,398	20,398	20,004	-394	-1.9%
Off-balance sheet funds	1,824	2,018	2,018	2,161	143	7.1%
Accumulated impairment and provisions	502	501	501	587	86	17.2%
of which: Accumulated impairment of credit	333	350	350	389	39	11.3%
Insurance contract technical provisions	713	782	0	0	0	n.a.
Equity	2,019	2,042	2,109	2,438	329	15.6%
Results						
Net interest income	313.0	368.4	367.8	749.5	381.7	103.8%
Technical margin of insurance activity	66.3	144.5	88.3	90.5	2.2	2.5%
Net fees and commissions	123.4	146.2	138.3	153.0	14.8	10.7%
Core operating income	502.6	659.2	594.4	993.0	398.6	67.1%
Net trading income	63.0	-3.3	-14.7	28.5	43.3	n.a.
Other results	4.3	-3.9	-6.9	-13.3	-6.4	93.5%
Operating income	569.9	652.0	572.8	1,008.3	435.5	76.0%
Operating costs	-372.7	-400.9	-400.9	-421.2	-20.3	5.1%
Impairment and provisions for the year	2.2	-57.4	-57.4	-129.1	-71.7	125.0%
Consolidated net income	158.8	144.3	87.8	296.8	209.0	238.1%
Cost-to-income and return-on ratios						
Cost-to-income ratio	65.4%	61.5%	70.0%	41.8%	-28.2 p.p.	
Core cost-to-income ratio	74.2%	60.8%	67.4%	42.4%	-25.0 p.p.	
Return on assets (ROA)	0.6%	0.6%	0.3%	1.2%	0.8 p.p.	
Return on equity (ROE)	8.1%	7.1%	4.3%	13.1%	8.8 p.p.	
Capital and liquidity ratios						
Common equity tier I [2] ratio	19.2%	19.9%	19.9%	22.4%	2.4 p.p.	
Total own funds [2]	19.2%	19.9%	19.9%	22.4%	2.4 p.p.	
Leverage ratio [2]	8.7%	7.6%	7.6%	9.7%	2.0 p.p.	
Loan to deposit Ratio [3]	59.2%	57.0%	57.0%	58.3%	1.3 p.p.	
Liquidity coverage ratio (LCR)	477.2%	500.0%	500.0%	644.1%	144.1 p.p.	
Net Stable Funding Ratio (NSFR)	150.2%	167.7%	167.7%	172.4%	4.8 p.p.	
Quality of assets ratios						
NPL ratio [4]	7.2%	5.1%	5.1%	6.2%	1.2 p.p.	
NPL coverage by NPL impairments [5]	32.6%	41.2%	41.2%	38.0%	-3.2 p.p.	
NPL coverage by credit impairments [5]	40.6%	61.3%	61.3%	53.4%	-7.9 p.p.	0.0 p.p.
NPL coverage by NPL impairments and collateral [5]	133.5%	151.3%	151.3%	140.1%	-11.2 p.p.	
NPL coverage by NPL impairments and collateral [5 6]	87.6%	91.9%	91.9%	89.4%	-2.6 p.p.	
Texas ratio [7]	38.8%	27.3%	27.3%	29.9%	2.7 p.p.	
Cost of risk [8]	0.04%	0.45%	0.45%	0.77%	0.33 p.p.	
Other Indicators						
# of employees	3,933	3,990	3,990	4,136	146	3.7%
# of bank branches	624	617	617	618	1	0.2%
Rating - Moody's (Last Rating Action - November 2023)						
Outlook	Stable					
Counterparty Risk Rating (CRR)	Baa1/Prime-2					
Bank Deposits	Baa2/P2					
Baseline Credit Assessment (BCA)	baa3					
Adjusted Baseline Credit Assessment	baa3					
Counterparty Risk Assessment (CR)	A3(cr)/Prime-2(cr)					
Senior Unsecured Notes	Ba1					

(1) Including customer debt instruments (commercial paper operations).

(2) The ratio incorporates net income for the period.

(3) Ratio calculated pursuant to BdP Instruction 23/2012, determined by the ratio between net loans to customers and customers deposits.

(4) Ratio calculated pursuant to BdP Instruction 20/2019.

(5) Applying haircuts and recovery costs. (6) Coverage limited by the exposure of the contract.

(7) Determined by the ratio: NPL/(Tangible common equity + Stock of impairments)

(8) The numerator refers to the cost of the period; the denominator refers to the balance at the end of the period.

Note: Information based on reported values.

press release

CONSOLIDATED FINANCIAL STATEMENTS (*Unaudited*)

In thousand euros

BALANCE SHEET	Dec. 2022	Dec. 2022 Restated	Dec. 2023	Δ Abs. Dec.2023 / Dec.2022R	Δ % Dec.2023 / Dec.2022R
Cash, cash balances at central banks and other demand deposits	1,356,383	1,356,383	1,615,303	258,921	19.1%
Financial assets held for trading	179,445	179,445	142,628	-36,816	-20.5%
Non-trading financial assets mandatorily at fair value through profit or loss	49,231	140,468	149,855	9,386	6.7%
Financial assets designated at fair value through profit or loss	3,755	0	0	0	n.a.
Financial assets at fair value through other comprehensive income	781,720	694,238	905,800	211,562	30.5%
Financial assets at amortised cost	20,631,058	20,663,435	20,867,887	204,451	1.0%
Of which: Loans and advances - customers	11,212,215	11,212,215	11,281,291	69,076	0.6%
Derivatives - Hedge accounting	885,429	885,429	686,290	-199,139	-22.5%
Investments in subsidiaries, joint ventures and associates	2,830	2,830	3,041	212	7.5%
Tangible assets	247,439	247,439	248,344	905	0.4%
Intangible assets	109,229	109,229	103,873	-5,357	-4.9%
Tax assets	83,848	84,289	80,894	-3,396	-4.0%
Non-current assets and disposal groups classified as held for sale	260,079	260,079	7,488	-252,591	-97.1%
Other assets	304,309	354,142	490,322	136,180	38.5%
Total Assets	**24,894,754**	**24,977,407**	**25,301,725**	**324,318**	**1.3%**
Financial liabilities held for trading	5,216	5,216	9,872	4,656	89.3%
Financial liabilities measured at amortised cost	20,804,720	20,804,720	20,810,314	5,594	0.0%
Of which: Customer Deposits	20,397,970	20,397,970	20,003,560	-394,410	-1.9%
Derivatives - Hedge accounting	27,415	27,415	97,297	69,882	254.9%
Provisions	823,463	41,143	50,336	9,193	22.3%
Tax liabilities	14,812	46,881	124,403	77,522	165.4%
Share capital repayable on demand	430	430	60	-371	-86.2%
Other liabilities	1,177,034	1,942,607	1,771,912	-170,695	-8.8%
Total Liabilities	**22,853,090**	**22,868,412**	**22,864,193**	**-4,219**	**0.0%**
Equity	2,041,664	2,108,995	2,437,532	328,537	15.6%
Total Equity + Liabilities	**24,894,754**	**24,977,407**	**25,301,725**	**324,318**	**1.3%**

Note: As a consequence of the abovementioned restatement of December 2022 figures, several items of the Consolidated Balance Sheet have changed, the most significant of which a reclassification from the item "Provisions" to "Other Liabilities" and “Other Assets”, related to Life and Non-Life insurance contracts and the constitution of the “Financial Component Reserve” of insurance and reinsurance contracts, recognized in Equity.

In thousand euros

INCOME STATEMENT	Dec. 2022	Dec. 2022 Restated	Dec. 2023	Δ Abs. Dec.2023 / Dec.2022R	Δ % Dec.2023 / Dec.2022R
Interest income	562,459	561,835	953,150	391,315	69.6%
Interest expenses	-194,035	-194,035	-203,671	9,636	5.0%
Net Interest Income	**368,424**	**367,800**	**749,479**	**381,679**	**103.8%**
Technical margin of insurance activity	144,534	88,329	90,529	2,200	2.5%
Net fees and commissions	146,224	138,265	153,028	14,763	10.7%
Net trading income	-3,262	-14,725	28,528	43,254	n.a.
Other net operating income	-3,896	-6,867	-13,291	6,424	93.5%
Operating Income	**652,025**	**572,802**	**1,008,273**	**435,471**	**76.0%**
Operating Costs	-400,912	-400,912	-421,208	20,296	5.1%
Staff expenses	-236,440	-236,440	-249,484	13,044	5.5%
Other operating costs	-129,651	-129,651	-135,443	5,792	4.5%
Depreciation	-34,821	-34,821	-36,282	1,460	4.2%
Gains/losses in modifications	5,855	5,855	-2,139	-7,995	n.a.
Provisions and impairments	-57,376	-57,385	-129,111	71,725	125.0%
Gains and losses in other assets (equity method and non-current assets held for sale)	3,765	3,765	-43,637	-47,402	n.a.
Earnings before taxes	**203,357**	**124,124**	**412,178**	**288,054**	**232.1%**
Taxes	-58,757	-36,109	-115,189	79,080	219.0%
Non-controlling interests	-304	-244	-229	-14	-5.9%
Net Income	**144,296**	**87,772**	**296,760**	**208,988**	**238.1%**

Additional Information:
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