

Banco Comercial Português, S.A.

# Annual Report

# 2024

VOLUME 1

Millennium  
bcp

**Millennium**  
bcp

This document is an unofficial and unaudited version of the Individual and Consolidated Report and Accounts of Banco Comercial Português, S.A. for the year 2024, published on the CMVM website in ESEF format on March 27, 2025.

As a true copy of the aforementioned financial information, it is intended for disclosure through the Millennium bcp website. In case of discrepancy, the information disclosed on the CMVM website on March 27, 2025 prevails.

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# 2024 REPORT & ACCOUNTS

Pursuant to CMVM Regulation 1/2023, please find herein the transcription  
of the

2024 Annual Report

BANCO COMERCIAL PORTUGUÊS, S.A.

Public limited company

Registered Office: Praça D. João I, 28, 4000-295 Porto - Share Capital EUR 3,000,000,000.00

Registered at Porto Commercial Registry, under the single registration and tax identification  
number 501 525 882

The 2024 Annual Report is a translation of the “Relatório e Contas de 2024” document delivered by Banco Comercial Português, S.A. to the Portuguese Securities and Market Commission (CMVM), in accordance with Portuguese law.

The sole purpose of the English version is to facilitate consultation of the document by English-speaking Shareholders, Investors and other Stakeholders, and, in case of any doubt or contradiction between the documents, the Portuguese version of the “Relatório e Contas de 2024” prevails.

All references in this document to the application of any regulations and rules refer to the respective version currently in force.

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**Miguel Maya**  
Chief Executive Officer  
Vice-Chairman of the Board  
of Directors

**Nuno Amado**  
Chairman of the Board  
of Directors

# Joint Message of the Chairman of the Board of Directors and of the CEO

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Despite persistent geopolitical tensions, global economic activity remains on a moderate growth path in 2024, along with a deflationary trend that made it possible to lower interest rates in the Euro Area and the United States of America.

The strategic realignment of the main world powers has affected economic activity, impacted world trade flows and production chains, as well as prompting the reorientation of public and defence policies, resulting in a reallocation of resources.

The Portuguese economy recorded a favourable performance in several areas in 2024 - GDP growth of 1.9%, an external surplus of 3.3% of GDP, a stable unemployment rate at historically low levels (6.4%), the consolidation of public accounts - contributing to the improvement of the sovereign rating and to the reduction of the Portuguese Republic's risk premium. In 2025, the Portuguese economy will tend to benefit from lower interest rates and investment incentive programs, but will remain subject to the political context, both external and internal, which looks demanding.

In Poland, economic activity is accelerating, with robust GDP growth figures (2.9% in real terms in 2024) and expectations of a continuation of this trend throughout 2025. Downside risks are associated, above all, with the external environment. The continuation of high interest rates has favoured the appreciation of the Polish currency.

In Mozambique, economic activity contracted in the fourth quarter of 2024, hampered by the instability that arose after the presidential elections. In average annual terms, GDP grew 1.85% in 2024. The drop-in interest rates and lower mandatory reserve coefficients required by the Bank of Mozambique, combined with an expectation of social stability, are positive factors for the recovery of economic activity in 2025.

Macau recorded robust growth in 2024 (an 8.8% rise in GDP), driven by the evolution of domestic demand and export of services.

In this challenging global context, marked by conflict and geopolitical tension, Millennium bcp presented a consolidated net income of EUR 906.4 million in 2024, a rise of 5.9% in relation to the EUR 856 million net profit of the previous year. As a result, return on equity (ROE) at the end of 2024 was 13.8%, underlining the improvement of ROE from the 2.4% level recorded in 2021, when the "Deliver More Value" Strategic Plan was launched, and which concludes with the 2024 financial year.

The consolidated net profit was favourably impacted by the performance of the activity in Portugal and by the increase in the contribution from the activity in Poland, despite the lower contribution from the activity in Mozambique because of the aforementioned instability.

In 2024, activity in Portugal generated net income of EUR 786.4 million, an increase of 8.5% compared to the EUR 724.9 million net income recorded in 2023.

In Poland, Bank Millennium closed the year with a net profit of EUR 167.1 million, 31.7% more than the EUR 126.8 million achieved in 2023. In 2024, the results of the Polish operation continued to be strongly conditioned by the charges associated with the mortgage loan portfolio denominated in Swiss francs, amounting to EUR 750.2 million, of which EUR 459.8 million were provisions, and by the costs of EUR 6.2 million related to the extension of mortgage loan moratoriums. Despite these constraints, the quality of the business model, the resilience and strong operational capacity of Bank Millennium allowed it to record positive results for the ninth consecutive quarter.

In Mozambique, Millennium bim's net profit amounted to EUR 48.5 million in 2024, having been strongly influenced by the impacts in the last quarter resulting from the aforementioned instability, reflected in an abrupt reduction in economic activity and the consequent downgrade of the sovereign public debt rating. This prompted a significant increase in the constitution of impairments of financial assets, especially sovereign debt. In a very challenging situation, Millennium bim demonstrated remarkable resilience and agility, standing out for the high

level of operationality maintained throughout this period, even in moments of greater complexity, counting on professional teams and a robust business model, able to support customers and the development of the Mozambican economy.

The contribution of international operations to the Group's consolidated results amounted to EUR 119.9 million in 2024, compared with a contribution of EUR 131.2 million in 2023.

Special mention should also be made of the very significant reinforcement made to the Group's capital position. Thanks to strict discipline in capital management, the Core Equity Tier 1 (CET1) ratio was 16.3% in December 2024 and the total capital ratio was 20.6%, including the effect of the share buyback in the amount of EUR 200 million authorized by the regulator as well as the allocation of 50% of the profits generated in 2024 for distribution to shareholders. These ratios demonstrate the bank's strong organic capital generation capacity and correspond to an increase of 89 bp and 72 bp, respectively, compared to December 2023, well above regulatory requirements.

Millennium bcp has consistently pursued a successful path of improving asset quality, with a reduction of EUR 127 million in non-performing assets and EUR 52 million in properties received for recovery in 2024, with the loan's NPE ratio standing at 3.2% at a consolidated level in December 2024, compared with 3.4% in December 2023.

The generalized improvement in credit quality indicators was accompanied by an increase in the coverage of NPEs by credit impairments, which reached 8.2 % in 2024, a level that positions Millennium bcp appropriately in a comparative analysis of the sector, maintaining a robust total coverage of 119.1%, considering the remaining collateral.

The focus on prudent risk management and value recovery in non-productive assets allowed the Group's and Portugal's cost of risk in 2024 to stand at 32 bp and 31 bp, respectively, despite having been favourably affected by non-recurring effects with the reversal of some impairments. Excluding this effect, the cost of risk would have been 40 bp and 43 bp, in the Group and in Portugal, respectively, within the expected threshold and considered appropriate for the Bank's business model.

Thanks to the quality of its teams, distinctive digital skills and the robustness of its business model, the Bank continues to strengthen its customer base, with emphasis on mobile Customers, who represented 71% of total active customers in December 2024, representing a growth of 10% compared to the previous year.

In parallel with the expansion of the Customer base, which at the end of 2024 amounted to nearly 7 million active Customers, the Group maintained an intense commercial dynamic that allowed it to close 2024 with total Customer resources of EUR 102.9 billion and a credit portfolio of EUR 57.2 billion.

In 2024, Millennium bcp once again stood out for its central role in delivering proximity, trust and quality in the services provided to Customers, continuing to support the economy, companies, and families in the countries where it is present.

The loan portfolio remained stable, with a variation of 0.7% between the end of 2023 and 2024, with the slight reduction seen in Portugal offset by an increase in international operations. In terms of performing loans in Portugal, the 4.6% increase in credit to individuals stands out, particularly in the production of mortgage loans, with mortgage loans totalling EUR 19.3 billion at year-end.

In 2024, the context proved unfavourable for the expansion of loans to the business segment in Portugal, with the effects of the more restrictive monetary policy of the previous year and the delay in the implementation of European funds still being felt. However, the corporate segment remains a clear strategic priority for Millennium bcp, which continued to invest and deepen its relationship with companies, positioning itself as their preferred bank.

The performance of BCP shares throughout the strategic cycle that ended in 2024 was anchored in the proven ability to execute the "Excelling" strategic plan, confirmed by the achievement of its goals more than a year ahead of time. A corollary of this was the appreciation of the share price, by 87.4% and 69.4%, respectively, in 2023 and 2024, which demonstrates the market's recognition of Millennium bcp's track record. This was accompanied by an improvement in the Bank's risk perception by rating agencies, with upgrades of the ratings following the awarding of the investment grade rating in the previous year.

In October, Millennium bcp announced a new Strategic Plan for the 2025-28 cycle, called "Deliver More Value", with ambitious but realistic goals, and which aims to accelerate the Bank's growth and the delivery of value to its main Stakeholders: Customers, Employees, and Investors.

Expanding and increasing the value of customers, boosting their engagement with the Bank and providing them with distinctive experiences resulting from the symbiosis between high-quality human interactions and the use of differentiating technology.

Valuing and qualifying employees is a fundamental aspect for the development of the Bank and for the success in implementing the plan, which is supported by the teams' capacity for innovation and implementation of initiatives.

Deliver more value to Shareholders, generating attractive returns, above the cost of capital, and adequately remunerating their investment, combining relevant distributions with the essential preservation of a solid and resilient balance sheet that allows the Bank to face the challenges of a complex environment.

The Bank currently has a robust position in terms of solidity, efficiency and liquidity and is based on a business model of relationship and proximity to Customers, enhancing the advantages of the digital channels and thereby providing the best financial offer on the market to its customers.

Millennium bcp maintains a strong commitment to sustainability and sustainable finance, elements integral to the corporate culture and value proposition, aligned with ethical, inclusive, and responsible business practices. In 2024 the Bank continued to stand alongside people, in society and local communities, creating social value and protecting the environment, climate and biodiversity.

Millennium bcp reiterated its commitment to 10 Principles of the United Nations Global Compact, promoting measures related to human rights, labour practices, environmental protection, and anti-corruption, while also pursuing the 17 Sustainable Development Goals of the 2030 Agenda. Of these the Bank has selected 5 as priorities: Quality Education, Renewable and Accessible Energy, Decent Work and Economic Growth, Reducing Inequalities, and Climate Action.

Millennium bcp is also part of the United Nations Principles for Responsible Banking - Environment Program Finance Initiative (UNEP FI), a commitment that, by positioning sustainability at the centre of the Bank's strategy, translates into the strengthening of the governance model, risk management, credit and supply chain policies and processes, while also increasing the accessibility of distribution channels and diversifying the Environmental, Social and Governance (ESG) offer, which, through a multidisciplinary approach, responds to the growing ambitions of Stakeholders, the expectations of regulators and the requirements of an evolving legal and regulatory framework.

The path has been challenging, but also rewarding, given the results achieved. For the success of Millennium bcp's journey, we once again benefited from the essential and valuable contribution of our Employees, the trust of our Customers and the support of our Shareholders.

Miguel Maya

Chairman of the Executive Committee

Vice-Chairman of the Board of Directors

Nuno Amado

Chairman of the Board of Directors



From left to right:

**Maria José Campos** (Member of the Executive Committee); **Rui Teixeira** (Member of the Executive Committee);  
**Miguel Bragança** (Vice-Chairman of the Executive Committee); **Miguel Maya** (Chairman of the Executive Committee);  
**João Nuno Palma** (Vice-Chairman of the Executive Committee); **José Miguel Pessanha** (Member of the Executive Committee).

# Main highlights of the Results in 2024

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## A Solid and Efficient Bank

### Profitability

- Group's net income of EUR 906.4 million in 2024, representing an increase of 5.9% when compared to 2023.
- In the activity in Portugal, net income amounted to EUR 786.4 million in 2024, corresponding to an increase of 8.5% compared with 2023.
- Bank Millennium net income stood at EUR 167.1 million in 2024, despite charges of EUR 750.2<sup>1</sup> million related with CHF mortgage loan portfolio (out of which EUR 459.8<sup>2</sup> million in provisions) and costs related to the extension of credit holidays (mortgage in Zlotys) which totalled EUR 26.2<sup>3</sup> million.
- Millennium bim net income stood at EUR 48.5 million in 2024, despite the provision resulting from the downgrade of Mozambican public debt.

### Business Model

- Solid capital ratios. CET1<sup>4</sup> ratio stood at 16.3% and total capital ratio<sup>4</sup> at 20.6%, including the effect of the share buyback programme amounting to EUR 200 million approved by the supervisor, corresponding respectively to an increase of 89 bp and 72 bp compared with last year, reflecting the strong capacity of organic capital generation.
- Liquidity indicators<sup>5</sup>, well above regulatory requirements: LCR at 342%, NSFR at 181% and LtD at 66%.
- Group's total Customer funds grew 8.0% year on year to EUR 102.9 billion.
- Reduction in non-performing assets compared with December 2023: EUR 127 million in NPE, and EUR 52 million in foreclosed assets.
- Cost of risk of the Group stood at 32 bp in 2024, which compares with 42 bp in the previous year.
- Customer base grew 4%, highlighting the 10% increase in mobile Customers, which represented 71% of total active Customers at the end of December 2024.

<sup>1</sup> Before taxes and non-controlling interests. Includes provisions for legal risk, costs with out-of-court settlements and legal advice <sup>2</sup> Does not include provisions for legal risk on CHF mortgages of Euro Bank (guaranteed by a third party) <sup>3</sup> Before taxes and non-controlling interests. Reduction compared to 9M'24 due to the review of the estimated rate of adherence to the credit holidays. <sup>4</sup> Fully implemented ratio including unaudited net income of 2024 <sup>5</sup> Liquidity Coverage Ratio (LCR); Net Stable Funding Ratio (NSFR); Loans to Deposits Ratio (LtD).

# Main highlights (1)

	2024	2023 (restated <sup>2</sup> )	2022 (restated <sup>2</sup> )	2021	2020	Chg. 24/23
<b>BALANCE SHEET</b>						
Total assets	102,144	94,371	89,868	92,905	85,715	8.2%
Equity	8,193	7,290	5,928	7,062	7,386	12.4%
Loans and advances to customers (net)	55,707	55,218	56,198	56,360	53,975	0.9%
Total customer funds	102,938	95,328	92,808	90,097	84,492	8.0%
Balance sheet customer funds	85,334	79,215	77,250	71,175	64,764	7.7%
Deposits and other resources from customers	84,042	77,928	75,907	69,560	63,259	7.8%
Loans to customers (net)/Deposits and other resources from customers (3)	66%	71%	74%	81%	85%	
<b>RESULTS</b>						
Net interest income	2,831	2,826	2,150	1,589	1,532	0.2%
Net operating revenues	3,575	3,770	2,857	2,334	2,257	(5.2%)
Operating costs	1,307	1,163	1,073	1,116	1,090	12.4%
Operating costs excluding specific items (4)	1,295	1,147	1,057	1,025	1,044	12.8%
Results on modification	(69)	(19)	(310)	—	—	<-200%
Impairment and Provisions	857	1,100	1,056	1,061	841	(22.0%)
Income tax	341	537	304	204	132	(36.5%)
Net income attributable to shareholders of the Bank	906	856	197	138	183	5.9%
<b>PROFITABILITY AND EFFICIENCY</b>						
Net operating revenues/Average net assets (3)	3.6%	4.1%	3.0%	2.6%	2.7%	
Return on average total assets (ROA)	1.0%	1.0%	0.1%	0.0%	0.2%	
Income before tax and non-controlling interests/Average net assets (3)	1.4%	1.6%	0.4%	0.3%	0.4%	
Return on average shareholders' equity (ROE)	13.8%	15.3%	3.1%	1.7%	2.5%	
Return on tangible equity (ROTE)	14.4%	15.9%	5.4%	1.8%	2.6%	
Income before tax and non-controlling interests/Average equity (3)	18.2%	23.8%	7.2%	3.3%	4.8%	
Net interest margin	3.04%	3.36%	2.46%	1.93%	2.00%	
Cost to core income (4)	35.6%	31.9%	36.2%	44.2%	47.3%	
Cost to income (3)	36.6%	30.8%	37.6%	47.8%	48.3%	
Cost to income (3)(4)	36.2%	31.6%	37.0%	43.9%	46.3%	
Cost to income - activity in Portugal (3)(4)	33.7%	29.5%	37.2%	42.6%	46.2%	
Staff costs/Net operating revenues (3)(4)	19.8%	17.0%	19.7%	24.1%	25.9%	
<b>CREDIT QUALITY</b>						
Non-performing exposures (loans to customers)	1,825	1,952	2,218	2,752	3,295	
Non-performing exposures (loans to customers)/Loans to customers	3.2%	3.4%	3.8%	4.7%	5.9%	
Total impairment (balance sheet)/NPE (loans to customers)	82.0%	81.8%	68.3%	68.0%	62.9%	
Restructured loans	1,530	1,729	1,866	2,564	2,661	
Restructured loans/Loans to customers	2.7%	3.0%	3.2%	4.4%	4.7%	
Cost of risk (net of recoveries) (5)	32 b.p.	42 b.p.	52 b.p.	60 b.p.	92 b.p.	
<b>LIQUIDITY</b>						
Liquidity Coverage Ratio (LCR)	342%	276%	212%	269%	230%	
Net Stable Funding Ratio (NSFR)	181%	167%	154%	150%	140%	
<b>CAPITAL (6)</b>						
Own funds fully-implemented	8,267	7,903	7,241	7,247	7,213	
Risk Weighted Assets fully-implemented	40,111	39,725	43,106	45,863	46,322	
Common equity tier I fully-implemented ratio	16.3%	15.4%	12.5%	11.7%	12.2%	
Total ratio fully implemented	20.6%	19.9%	16.8%	15.8%	15.6%	
Common equity tier I phased-in ratio	16.4%	15.5%	12.6%	11.7%	12.2%	
<b>BCP SHARE</b>						
Market capitalisation (ordinary shares)	7,023	4,147	2,213	2,130	1,862	
Adjusted basic and diluted earnings per share (euros)	0.058	0.054	0.010	0.007	0.010	
Market values per share (euros)						
High	0.4650	0.3309	0.1982	0.1709	0.2108	
Low	0.2543	0.1529	0.1218	0.1126	0.0697	
Close	0.4647	0.2744	0.1464	0.1409	0.1232	

(1) Some indicators are presented according to management criteria of the Group, which concepts are described and detailed at the glossary and at alternative performance measures chapter, being reconciled with the accounting values in the respective chapters.

Following the sale, in 2021, of the entire share capital of Banque Privée BCP (Suisse) S.A. to Union Bancaire Privée, UBP S.A. and the sale of 70% of the investment held in Seguradora Internacional de Moçambique, S.A. ("SIM"), now designated Fidelidade Moçambique - Companhia de Seguros, S.A., through its subsidiary BIM - Banco Internacional de Moçambique, S.A., the contribution of these subsidiaries to the consolidated results of the Group, till the date of disposal, is reflected as income from discontinued operations in the international activity and the historical information has been restated since January 2020, in order to ensure its comparability, as defined in the IFRS 5. The accounting of assets and liabilities of Banque Privée BCP (Suisse) S.A. and of SIM was not changed compared to the criteria considered in the financial statements published in previous periods. In this context and taking into account the immateriality of the balance sheet balances of these operations in the Group, the calculation of the indicators relating the performance of the profit and loss account to the balance sheet items was not adjusted, with the exception of net interest margin, that reflects the fact that the assets of those subsidiaries were no longer considered interest earning assets in historical information regarding 2021 and 2020.

(2) On 1 January 2023, Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A. (Mbcp Ageas), an entity 49% owned by the Group and accounted for under the equity method, adopted simultaneously IFRS9 - Financial Instruments and IFRS17 - Insurance Contracts. During the first half of 2024, Mbcp Ageas reviewed the transition adjustments relating to the adoption of those IFRS, which resulted in a reduction in the amount of the participation by EUR 9 million against reserves, resulting in the restatement of the financial statements for 2022 and 2023.

Following the change in off-balance sheet customer funds accounting criteria by the Polish subsidiary in 2024, the respective balances were restated, resulting in an increase of EUR 33 million with reference to the end of 2023.

(3) According to Instruction no. 16/2004 from Banco de Portugal, as the existing version as of 31 December 2024.

(4) Excludes the impact of specific items. In 2024, the impact was negative in the amount of EUR 13 million recognised in staff costs in the activity of Portugal, including costs with employment terminations, namely indemnities and early retirements, income recognised after an agreement related to liabilities with former directors of the Bank and a reversal of costs related to mortgage financing to former employees. In 2023, the impact was positive in the amount of EUR 124 million, including income of EUR 139 million recognised in the international activity, related to the sale of 80% of the shares in Millennium Financial Services sp. z o.o. (EUR 128 million recognised in net trading income and EUR 11 million in other net operating income) and costs of EUR 15 million recognised as staff costs in the activity in Portugal [(i) costs related to the compensation for the temporary reduction in employee remunerations during 2014-2017, as distribution of part of the Bank's results obtained in 2022; (ii) costs with employment terminations, namely early retirements; (iii) costs with mortgage financing to former employees and (iv) income recognised after an agreement related to liabilities with former directors of the Bank]. In 2022, the impact was negative of EUR 16 million, recognised in staff costs in the activity in Portugal, including: (i) distribution of part of the Bank's results obtained in 2021 by the employees of the Bank; (ii) costs with mortgage financing to former employees; (iii) discretionary remuneration paid to employees as a measure to offset the impacts of inflation; and iv) the recognition of a provision for other structure adaptation measures. In 2021, the impact was also negative, in the amount of EUR 91 million, mainly related to the adjustment of headcount carried out by the Bank in that year, including a provision in the amount of EUR 84 million. In 2020, the impact was also negative, in the amount of EUR 46 million, of which EUR 32 million related to headcount adjustment costs, compensation cost for temporary remuneration cuts of employees under the participation in the results and income arising from the agreement with a former director of the Bank, and EUR 15 million related to acquisition, merger and integration of Euro Bank S.A. The profitability and efficiency indicators does not consider the specific items recognised in net operating revenues related to costs with the acquisition, merger and integration of Euro Bank S.A. (an amount considered immaterial in 2020).

(5) Includes the impact of certain impairments reversal in the second quarter of 2024 in the activity in Portugal, as well as the impact of the recovery associated with the out-of-court settlement in the subsidiary in Mozambique in 2023. Excluding these impacts, the cost of risk of the Group evolved from 48 b.p. to 40 b.p. in the last year.

(6) Presented figures include the cumulate net results of the respective periods and the estimated impact of the share buyback deduction.

# Information on BCP Group

## Brief description

Banco Comercial Português, S.A. (BCP, Millennium bcp or Bank) is the largest Portuguese private sector bank. The Bank, with its decision centre in Portugal, operates and acts with respect for people and institutions, focusing on the Customer, pursuing a mission of excellence, trust, ethics and responsibility, and is a distinguished leader in various financial business areas in the Portuguese market and a reference institution on an international level. The Bank also holds a prominent position in Africa through its banking operation in Mozambique (in Angola, Banco Millennium Angola - BMA merged with Banco Privado Atlântico-BPA and currently the Bank holds a equity accounted shareholding) and in Europe through its banking operation in Poland. Since 2010, the Bank operates in Macau through a full branch.

## Bank History

BCP was incorporated on 17 June 1985 as a limited liability company ("sociedade anónima") organised under the Portuguese laws, following the deregulation of the Portuguese banking industry. BCP was founded by a group of over 200 shareholders and a team of experienced banking professionals who sought to capitalise on the opportunity to form an independent financial institution that would serve the then underdeveloped Portuguese financial market more effectively than state-owned banks.

While the Bank's development was initially characterised by organic growth, a series of strategic acquisitions helped solidify its position in the Portuguese market and increase its offering of financial products and services. In March 1995, BCP acquired control of Banco Português do Atlântico, S.A. ("Atlântico"), which was then the largest private sector bank in Portugal. This was followed by a joint takeover bid for the whole share capital of Atlântico. In June 2000, Atlântico was merged into BCP. In 2000, BCP also acquired Império, along with Banco Mello and Banco Pinto & Sotto Mayor.

In 2004, with a view to strengthening its focus on the core business of distribution of financial products and optimising capital consumption, BCP sold insurers Império Bonança, Seguro Directo, Impergesto and Servicomercial to the Caixa Geral de Depósitos group. BCP also entered into agreements with Fortis (now named Ageas) for the sale of a controlling stake and management control of insurers Ocidental - Companhia Portuguesa de Seguros, S.A., Ocidental - Companhia Portuguesa de Seguros de Vida, S.A. and Médis - Companhia Portuguesa de Seguros de Saúde, S.A., as well as the pension fund manager PensõesGere - Sociedade Gestora de Fundos de Pensões, S.A.

In 2004, the Bank sold its non-life insurance businesses and divested a portion of its life insurance business by entering into a joint venture with Ageas (formerly Fortis), named Millenniumbcp Ageas, of which 51% is held by Ageas and 49% by the Bank.

After the consolidation of its position in the Portuguese banking market, the Bank focused on the development of its retail business in new regions, with the goal of attaining significant positions in emerging markets in Europe and in Africa. The Bank concentrated on businesses with strong growth prospects in foreign markets with a close historical connection to Portugal or that have large communities of Portuguese origin (such as Angola, Mozambique, the United States, Canada, France, Luxembourg and Macao), as well as in markets where the Bank's successful Portuguese business model could be effectively exported to and tailored to suit such local markets (such as Poland, Greece and Romania).

The Bank has pursued a consistent strategy of market segmentation. Until 2003, these segments were served through autonomous distribution networks operating under a variety of brand names. In October 2003, BCP began the process of replacing these brands in Portugal with a single brand name: Millennium bcp. The rebranding in other markets was completed in 2006. All banking operations controlled by BCP are now carried out under the "Millennium" brand. In Portugal, the Bank also operates under the "Activobank" brand.

In recent years, the Bank has refocused on operations that it considers core to its business. As part of this refocus, the Bank divested several of its international operations (in France, Luxembourg, United States, Canada, Greece, Turkey and Romania), while retaining commercial protocols to facilitate remittances from Portuguese emigrants in some markets. In 2010, the Bank transformed its Macao off-shore branch into an on-shore branch.

In February 2012, the Bank adopted a management restructuring through the introduction of a one-tier management and supervisory model, in which the Board of Directors includes an Executive Committee and an Audit Committee (the latter comprising non-executive members, and with a majority of independent members, in accordance with the applicable law).

In December 2012, the Bank prepared and presented to the Portuguese government a Restructuring Plan, required by national law and by the applicable European rules on matters of State aid. The Restructuring Plan was formally submitted by the Portuguese government to the EC and, in July 2013, the Bank agreed on the plan with the EC, entailing an improvement of the profitability of the Bank in Portugal through continued cost reduction,

among other drivers. On September 2013, the DG Comp announced its formal decision in connection with its agreement with the Portuguese authorities concerning the Bank's Restructuring Plan. Pursuant to the decision, the Bank's Restructuring Plan was found in compliance with the European Union's rules relating to State aid, demonstrating the Bank's viability without continued State support. The implemented Restructuring Plan aimed at strengthening the Bank's strategy by focusing on its core activities.

In May 2014, as part of a process to refocus on core activities defined as a priority in its Strategic Plan, the Bank announced that it agreed with the international insurance group Ageas a partial recast of the strategic partnership agreements entered into in 2004, which included the sale of its 49% interest in the (currently jointly owned) insurance companies that operate exclusively in the non-life insurance business, i.e. Ocidental - Companhia Portuguesa de Seguros, S.A. and Médis - Companhia Portuguesa de Seguros de Saúde, S.A..

In April 2016, the Bank announced the conclusion of the merger between Banco Millennium Angola, S.A. with Banco Privado Atlântico, S.A., resulting in the second-largest private sector bank in Angola in terms of loans to the economy, with a market share of approximately 10% in business volume. The entity resulting from this merger ceased to be controlled by BCP.

In January 2017, BCP announced a EUR 1.3bn rights issue with transferable pre-emptive subscription rights. The aim of this transaction was to bring forward the full repayment of remaining Government Subscribed Securities and the removal of key State-aid related restrictions, including the dividend ban, the risk of potential sale of core businesses and the tail risk of conversion. This transaction was designed to strengthen the balance sheet through the improvement of the CET1 FL ratio and Texas ratio, bringing them in line with new industry benchmarks and above regulatory requirements.

On December 27, 2019, the merger deed of Banco de Investimento Imobiliário, S.A., a wholly-owned subsidiary of Banco Comercial Português, S.A., by incorporation into the latter, was signed, thus completing the incorporation process of Banco de Investimento Imobiliário, S.A. into Banco Comercial Português, S.A..

On 27 August 2019, the Extraordinary General Meeting of Bank Millennium S.A., in which 216 shareholders representing 78.53% of its share capital, participated, approved the merger of Bank Millennium S.A. with Euro Bank S.A.. The completion of the integration of Eurobank S.A. into Bank Millennium S.A. took place in November, with the Bank resulting from the merger now operating under a single brand, a single operating system and a single legal entity.

On June 29, 2021 BCP entered into an agreement with Union Bancaire Privée, UBP SA regarding the sale of the entire share capital of Banque Privée BCP (Suisse) SA ("Banque Privée"). The sale of the entire share capital of Banque Privée BCP (Suisse) SA ("Banque Privée") to Union Bancaire Privée, UBP SA was completed on November 2, 2021. The sale of Banque Privée allows BCP Group to pursue its strategy of focusing resources and management on core geographies, enhancing their development and thus creating value for stakeholders.

On 29 December 2021, BIM - Banco Internacional de Moçambique, SA (a bank incorporated under Mozambican law in which BCP indirectly holds a stake of 66.69%) formalized the entry into force of a long-term agreement with Fidelidade - Companhia de Seguros, SA, with a view to strengthening capabilities and expanding the offer of insurance through the banking channel (bancassurance) in Mozambique. Under this partnership, the possibility of which was provided for in the memorandum of understanding signed between BCP and the Fosun Group in November 2016, BIM and Fidelidade also formalized the sale by BIM to Fidelidade of shares representing 70% of the share capital and voting rights of Seguradora Internacional de Moçambique, SA, with BIM maintaining approximately 22% of its share capital. BIM and Fidelidade also agreed call and put options with a view to enabling Fidelidade to acquire additional shares, and BIM's shareholding, as a result of these options, may be reduced to 9.9% of SIM's capital. Under the long-term exclusive distribution agreement, BIM will promote the distribution of SIM insurance through the banking channel, continuing to provide its customers with a wide range of competitive insurance products, which is reinforced by the partnership with Fidelidade, an Insurance Group of reference.

In the 1st half of 2023, Bank Millennium concluded the sale of 80% of Millennium Financial Services, as part of the strategic partnership in the bancassurance area.

In the 1st half of 2024, Bank Millennium S.A. informed that it took a decision to complete the implementation of the Recovery Plan, notifying of the fact Polish Financial Supervision Authority and Bank Guarantee Fund.

In the 3rd quarter of 2024 Earnings Presentation, BCP and Bank Millennium presented their strategic plans for 2025-28.

# Governance

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Banco Comercial Português, S.A. has a one-tier management and supervision model, composed of a Board of Directors (BD), which includes an Executive Committee (EC) and an Audit Committee composed of only non-executive directors. The Company also has a Remuneration and Welfare Board (RWB) and a Strategic Board.

In addition, the Group uses a Statutory Auditor and an external auditing firm to audit the individual and consolidated accounts of the Bank, elected at the General Meeting.

The BD is the governing body of the Bank with the broad powers of management and representation, pursuant to the law and the articles of association.

Under the terms of the Bank's articles of association, the BD is made up of a minimum of 15 and a maximum of 19 members with and without executive functions, elected by the General Meeting of Shareholders for a period of four years, with re-election permitted. As of June 30, 2024, the Board of Directors was made up of 16 members, of which 14 were elected at the General Meeting of Shareholders held on May 4, 2022 and 2 were co-opted by the Board of Directors on October 11, 2022, having the co-option was ratified at the General Assembly held on December 20, 2022, after authorization for the exercise of functions by the ECB (on December 7).

Of the 16 members that make up the BD, 6 are executive and 10 are non-executive, with 5 qualified as independent.

The BD began its functions on September 5, 2022 and appointed an EC, composed of six of its members, with the Chief Executive Officer being appointed by the General Meeting, with the two co-opted members starting their duties on February 4, 2023. The BD has delegated to the EC the day-to-day management of the Bank, which is assisted by several committees and subcommittees in the exercise of this management function, to which it monitors certain relevant matters.

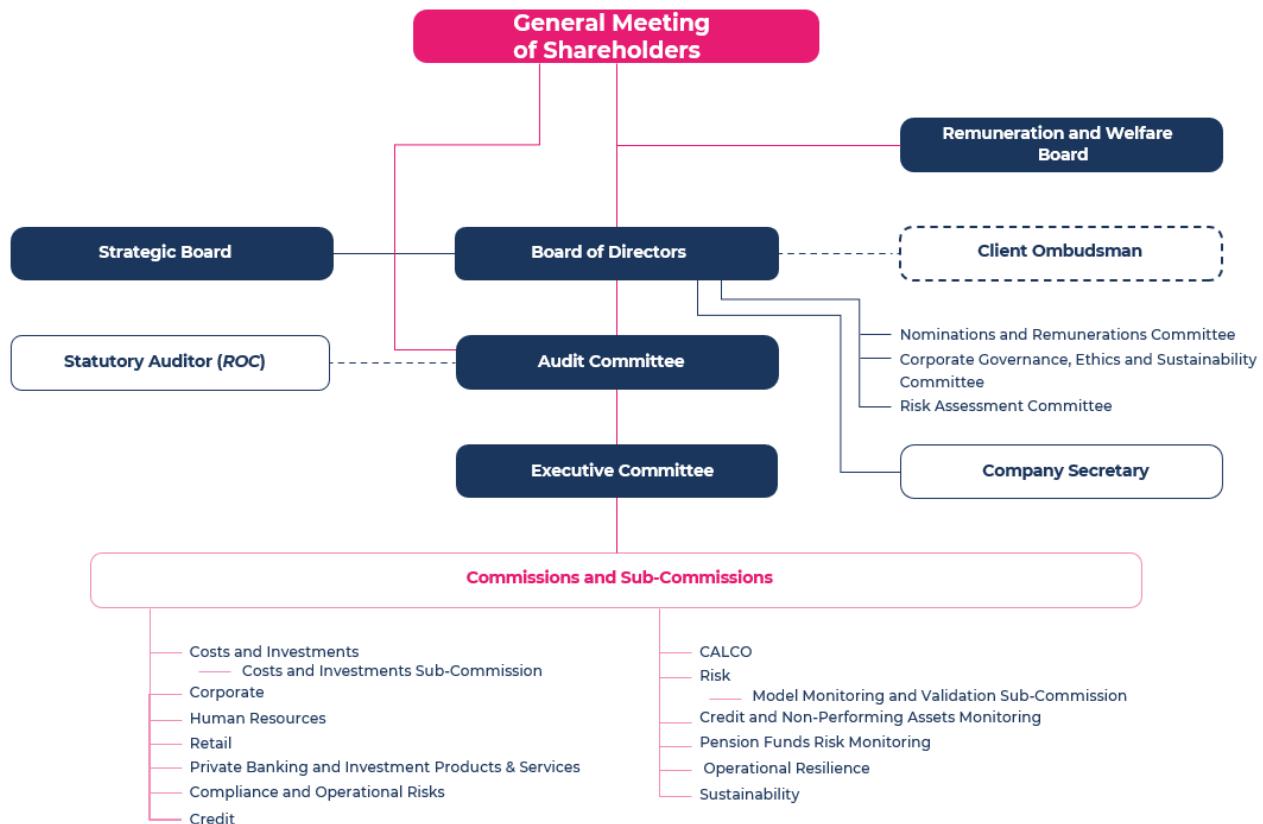
Banco Comercial Português, S.A. is in the process of identifying and selecting a new non-executive member to join the Board of Directors.

The supervision of the company is ensured by an Audit Committee (AudC), elected by the General Meeting of Shareholders, and composed of a minimum of 3 and a maximum of 5 members, elected together with the other administrators, and the lists proposed for the BD must detail the members who are intended to form part of the Audit Committee and indicate the respective President. AudC is made up of 3 non-executive directors, the majority of whom are independent members as well as its president and also includes an alternate member.

The Remunerations and Welfare Board (RWB) and the Strategic Council have the functions described in the By-Laws, with the latter Council being a non-permanent body.

The Company Secretary and the Alternate Secretary are appointed by the Bank's BD, and their term-of-office matches that of the BD that appointed them.

## Corporate Governance Model



## Identification and composition of the Corporate Bodies and Committees from the Board of Directors

The Board of Directors and its Committees currently have the following composition:

	Board of Directors (BD)	Executive Committee (EC)	Audit Committee (AudC)	Committee for Corporate Governance, Ethics and Sustainability (CCGES)	Committee for Nominations and Remunerations (CNR)	Risk Assessment Committee (RAC)
Nuno Manuel da Silva Amado (Chairman of BD and of CGSES)	●			●		
Jorge Manuel Baptista Magalhães Correia (Vice-Chairman of BD and Member of RWB)	●					
Valter Rui Dias de Barros (Vice-Chairman of BD)	●		●		●	
Miguel Maya Dias Pinheiro (Vice-Chairman of BD)	●	●				
Ana Paula Alcobia Gray	●					●
Cidália Maria da Mota Lopes (Chairman of AudC)	●		●			
Fernando da Costa Lima (Chairman of (RAC))	●		●			●
João Nuno de Oliveira Jorge Palma	●	●				
Lingzi Yuan (Smilla Yuan) (Chairman of CNR)	●				●	
José Miguel Bensliman Schorcht da Silva Pessanha	●	●				
Lingjiang Xu	●			●	●	
Maria José Henriques Barreto de Matos de Campos	●	●				
Miguel de Campos Pereira de Bragança	●	●				
Rui Manuel da Silva Teixeira	●	●				
Esmeralda da Silva Santos Dourado*	●					
Altina de Fátima Sebastian Gonzalez **	●					●
José Pedro Rivera Ferreira Malaquias	●			●		

\* On 22 January 2025, the Board of Directors of Banco Comercial Português, S.A., in accordance with the law and the Bank's regulations on Succession Planning, approved the co-optation of Esmeralda da Silva Santos Dourado as independent non-executive director of the Bank, thus filling the vacancy on the Board of Directors for the four-year period 2022-2025. The co-optation was resolved following obtaining authorization from the European Central Bank to exercise her functions and will be submitted for ratification at the Bank's next General Meeting.

\*\* Alternate member of the Audit Committee.

The Remuneration and Welfare Board is chaired by José António Figueiredo Almaça and composed of the two vice-chairmen Jorge Magalhães Correia e Valter Barros.

The Strategic Council, as an advisory and non-permanent body, has a variable composition, with the Chairman and Vice-Chairmen of the Board of Directors being inherent members.

The Board of the General Meeting elected for the term of office 2024/2027 in the General meeting of Shareholders held on 22 May 2024, has the following composition:

Chairman: Pedro Rebelo de Sousa

Vice-chairman: Octávio Castelo Paulo

Secretary of the Board: Company Secretary (Ana Moniz Macedo)

# Main events in 2024

During 2024, in a context in which the risks associated with the international geopolitical situation have escalated and simultaneously there was a progressive normalisation in Portugal through the government action, with an impact on the decisions of companies and families, BCP stood out for its central role in proximity, trust and quality in the services provided to its Customers, continuing to decisively support families and companies.

On 1 January 2024, BCP informed that it has decided to exercise its option to early redeem all its Additional Tier 1 notes "Fixed Rate Reset Perpetual Temporary Write Down Additional Tier 1 Capital Notes" (ISIN: PTBCPFOM0043), issued on 31 January 2019, in accordance with Condition 9.2 of the terms and conditions of the Notes. The early redemption of the Notes took place on their first call date according with its terms and conditions, 31 January 2024, at their outstanding principal amount together with accrued interest.

On 5 January 2024, BCP informed, under the terms and for the purposes of article 6 of CMVM Regulation No. 1/2023, that the Non-Executive Director Xiaoxu Gu (also known as Julia Gu) presented on that day its resignation to the position of non-executive member of the Board of Directors, effective from 29 February 2024. The Bank informed that it began the process of identifying and selecting a new non-executive member to join its Board of Directors in accordance with the applicable Bank's regulations.

On 11 January 2024, BCP informed that it has set the conditions for a new issue of Additional Tier 1, in the amount of EUR 400 million, with the option of early repayment by Millennium bcp from the end of 5<sup>th</sup> year onwards with a coupon of 8.125% per year for the first 5.5 years, which will be refixed from that date every 5 years, with reference to the then prevailing 5-year mid-swap rate plus a spread of 5.78%. The operation, which generated strong market interest, followed a series of meetings involving more than 60 investors. Demand, in the final terms of the issue, reached an amount exceeding EUR 3 billion (more than 7 times the amount issued), with orders from more than 250 institutional investors.

On 11 January 2024, the EIB signs an agreement with Millennium bcp to provide EUR 400 million in new loans to Portuguese companies.

On 12 March 2024, S&P Global Ratings upgraded BCP's Outlook from Stable to Positive.

Banco Comercial Português concluded on 22 May 2024 with 64.10% of the share capital represented, the Annual General Meeting of Shareholders, with emphasis on the following resolutions: Election of the Board of the General Meeting for the 2024/2027 four-year period; Approval of the management report, the balance sheet and the individual and consolidated financial statements for the 2023 financial year, the Corporate Governance Report, that includes a chapter on the remuneration of the management and supervisory bodies, and the Sustainability Report; Approval of the proposal for the appropriation of profit regarding the 2023 financial year; Approval of a vote of trust and praise addressed to the Board of Directors, including to the Executive Committee and to the Audit Committee and each one of their members, as well as to the Chartered Accountant and its representative; Approval of the updating of the policy for the remuneration of Members of the Management and Supervisory Bodies; and Approval of the appointment of the Statutory Auditor and its alternate and the selection of the External Auditor for the four-year period 2024/2027.

On 22 May 2024, BCP informed that, at the General Shareholders' Meeting held on that date, it proceeded with the election of the Statutory Auditor, Effective and Alternate and the choice of the External Auditor for the four-year period 2024/2027, as follows:

**Effective Statutory Auditor:** KPMG & Associados, Sociedade de Revisores Oficiais de Contas, S.A., legal entity no. 502161078, with registered office at Av. Fontes Pereira de Melo, no. 41, 15.<sup>º</sup> - Ed. FPM 41, 1069-006 Lisbon, registered with OROC under number 189 and registered with CMVM under number 20161489, represented by Miguel Pinto Douradinha Afonso (registered with OROC under number 1454 and registered with CMVM under number 20161064), with professional address at Avenida Fontes Pereira de Melo, no. 41 15<sup>th</sup> Ed. FPM 41, 1069-006 Lisbon.

**Alternate Statutory Auditor:** Vítor Manuel da Cunha Ribeirinho (registered with OROC under number 1081 and registered with CMVM under number 20160693), with professional address at Avenida Fontes Pereira de Melo, n.<sup>º</sup> 41 15th Ed. FPM 41, 1069-006 Lisbon.

**External Auditor:** KPMG & Associados, Sociedade de Revisores Oficiais de Contas, S.A.

On 28 May 2024, BCP, in accordance with legal terms and taking into account the deliberation of the Annual General Meeting held on 22 May 2024, informed the Shareholders that, from 21 June 2024, the dividend would be paid relating to the 2023 financial year.

On 19 June 2024, the Executive Management Board of Bank Millennium S.A. informed that on that day it took a decision to complete the implementation of the Recovery Plan, notifying of the fact Polish Financial Supervision Authority and Bank Guarantee Fund. In the Bank's Executive Management Board's opinion, all key assumptions of the Recovery Plan have been achieved. In particular, all indicators defined in the Plan have reached adequate and safe levels, profitability and financial results of Bank Millennium S.A. Capital Group improved sustainably, capital ratios were restored to levels comfortably above required regulatory minimums while the Group and the Bank meet MREL requirements, including the combined buffer requirements. The Bank's Management Board also does not identify future circumstances that would justify further continuation of the Recovery Plan.

On 4 July 2024, the Fitch Ratings agency improved BCP's Outlook from Stable to Positive.

On 22 July 2024, the Bank informed that it has been notified by Banco de Portugal, as the national resolution authority, about the update of its minimum requirement for own funds and eligible liabilities ("MREL" or "Minimum Requirement for own funds and Eligible Liabilities") as decided by the Single Resolution Board.

The resolution strategy applied continues to be that of a multiple point of entry ("MPE" or "Multiple Point of Entry"). The MREL requirements to be met by BCP Group of Resolution (consisting of BCP, S.A., Banco ActivoBank, S.A. and all the subsidiary companies of BCP apart from Bank Millennium S.A. and Banco Internacional de Moçambique and their respective subsidiaries), with immediate application, is of:

- 25.17% of the total risk exposure amount ("TREA" or "Total Risk Exposure Amount") to which adds further a combined buffer requirement ("CBR" or "Combined Buffer Requirement") of 3.5%, thus corresponding to total requirements of 28.67%); and
- 6.67% of the leverage ratio exposure measure ("LRE" or "Leverage Ratio Exposure Measure").

Additionally, the Bank informed that is not subject to any subordination requirements.

In accordance with the regulations in force, MREL requirements could be annually updated by the competent authorities, and therefore these targets replace those previously set.

On that date, BCP reported that it complied with the established MREL requirements, both as a percentage of the TREA (including the CBR) and as a percentage of the LRE.

On 20 September 2024, the Bank informed that the Competition, Regulation and Supervision Court made public its ruling on case no. 225/15.4YUSTR-W regarding the challenge of the fine levied in September 2019 by the Portuguese Competition Authority on a group of banks, including BCP, for alleged violation of competition legislation. The fine imposed by the Court on BCP amounted to EUR 60 million. As far as it is concerned, BCP disagrees with the framing and assessment made by the Court of the evidence that was produced during the trial hearings, as well as the evidence that is a part of this process. BCP will appeal the decision, as the decision is not yet final. In any event, the Bank does not anticipate that this court ruling will have a materially relevant impact on the Bank's respective financial statements and equity. The Bank reiterates that its understanding is that the information shared during the relevant period (2002-2013) among the banking institutions named in this process had neither the purpose of affecting nor any adverse effect on competition among those institutions, and that in the course of this judgment it was not proven that the exchange of information resulted in any negative financial impact on the Bank's customers.

On 3 October 2024, the Bank informed that Morningstar DBRS rating agency upgraded the Bank's deposits ratings from BBB (high) to A (low) and the senior unsecured debt ratings from BBB to BBB (high). The upgrade to BCP's credit ratings by Morningstar DBRS reflects the Bank's earnings and internal capital generation, improved capitalisation levels and asset quality, reflecting the progress in reducing non-performing exposures (NPEs). The stable trend reflects the expectation that risks to the outlook are balanced. The Bank's provisions will likely remain elevated although decreasing, reflecting the legal and financial risks linked to legacy CHF-indexed mortgages in the Polish subsidiary, which are expected to gradually subside. The trend also reflects Morningstar DBRS expectation that the Bank will maintain healthy profitability levels and solid capital buffers.

On 4 October 2024, the Bank informed that S&P Global upgraded BCP's senior unsecured debt ratings from BBB- to BBB, keeping the positive Outlook. This upgrade reflects easing industry risks in the system and BCP's improved credit risk profile, both in absolute and relative terms. BCP has halved its NPE stock since end-2019, while posting solid profitability, enhancing its capitalisation, and maintaining ample liquidity and a balanced funding profile. S&P anticipates that BCP will continue benefiting from a strong earnings capacity, keeping high levels of efficiency and solid levels of capitalisation. The positive outlook reflects that S&P could raise its long-term rating on BCP over the next 18-24 months if it keeps growing and sustainably preserving its capitalisation.

On 8 October 2024, the Bank informed that it has decided to exercise its option to early redeem all of its EUR350,000,000 Senior Preferred Fixed to Floating Rate Notes due October 2025 (ISIN: PTBCPBOM0062), issued on 25 October 2022 under the EUR25,000,000,000 Euro Note Programme (the “Notes”), in accordance with condition 6(d) of the terms and conditions of the Notes and the final terms of the Notes. The early redemption of the Notes took place on the optional redemption date set out in the final terms of the Notes, 25 October 2024, at their outstanding principal amount together with accrued interest.

On 14 October 2024, the Bank informed that it has fixed the terms for a new issue of senior preferred debt securities eligible for MREL (Minimum Requirement for own funds and Eligible Liabilities), under its Euro Note Programme. The issue, in the amount of EUR 500 million, has a tenor of 5 years, with the option of early redemption by the Bank at the end of year 4, an issue price of 99.660% and an annual interest rate of 3.125% during the first 4 years (corresponding to a spread of 0.85% over the 4-year mid-swap rate). The interest rate for the 5th year was set at 3-month Euribor plus a 0.85% spread. The issue was placed among a very diversified base of institutional investors, with demand exceeding the transaction amount by more than 3 times. The high level of demand and the profile of the investors involved in the issuance allowed for the narrowing of the spread by 30 bps during the execution phase. The result also reflects the excellent market response to the recent upgrades of the Bank's rating.

On 19 November 2024, the Bank informed that Moody's rating agency on that day, upgraded the Bank's senior unsecured debt rating from Baa2 to Baa1 and affirmed deposits rating at A3, maintaining the rating assigned to deposits at the same level to that assigned to the Portuguese Republic. On the same date, Moody's revised the Outlook on deposits from stable to positive. This upgrade of BCP's ratings by Moody's reflects the improvement in asset-risk indicators as a result of a successful derisking strategy implemented in Portugal in recent years, its higher capital levels and the group's improved bottom-line profitability, despite still being strained over the outlook period by sizable legal provisions associated to BCP's Polish subsidiary's legacy Swiss franc mortgage portfolio. In the scope of the review carried out by Moody's, it was simultaneously communicated, the upgrade of the Baseline Credit Assessment (BCA) and Adjusted BCA from Ba1 to Baa3, the junior senior debt rating to (P)Baa3, the dated subordinated debt to (P)Ba1. BCP's BCA also reflects the Bank's sound funding and liquidity position. Furthermore, the Outlook on the long-term senior unsecured debt was placed on Stable and the Outlook on deposits was changed to positive.

On 12 December 2024, the Bank informed that, under the context of the Supervisory Review and Evaluation Process (SREP), it has been notified of the decision of the European Central Bank (ECB) regarding minimum prudential requirements to be fulfilled on a consolidated basis from January 1, 2025. According to the information received, the Pillar 2 Requirement ("P2R") for BCP from January 1, 2025, is 2.25%, which represents a decrease of 25 bp, reflecting a more favourable assessment from the Supervisor on the Bank's global risk. The decisions referred above establish the minimum own funds requirements determined based on the total value of risk-weighted assets (RWA) and which are CET1 9.56%, Tier 1 11.48% e Total 14.04%. Buffers include the capital conservation buffer (2.5%), the buffer for other systemically important institutions (O-SII: 1.0%) and the Sectoral Systemic Risk buffer of 0.29% (variable, corresponding to 4% on the amount of risk exposures on the retail portfolio of loans to individuals collateralized by residential properties located in Portugal, calculated in pursuant to paragraph 3 of article 92 of Regulation (EU) 575/2013, at the highest level of consolidation in Portugal, considering the applicable legal framework). In addition to these buffers, the counter-cyclical reserve to be applied in Poland from September 2025, in the size that will be applicable at the consolidated level, as well as the counter-cyclical reserve to be applied to exposures in Portugal from 1 January 2026 to be disclosed by the Banco de Portugal following the public consultation process which had a reference of 75 bp.

On 13 December 2024, the Bank informed that Fitch Ratings upgraded BCP's long-term senior unsecured debt ratings from BBB- to BBB, following the upgrade of the long-term Issuer Default Rating (IDR) from BBB- to BBB and the Viability Rating (VR) from bbb- to bbb. having maintained the Positive Outlook. The upward review of BCP's rating by Fitch Ratings reflects a better assessment of the bank's capitalization and funding profile. Fitch within the scope of the review took also into consideration the upgrade of the Portuguese operating environment from bbb to bbb+ as it should result in better growth opportunities for BCP due to its strong domestic franchise. The Positive Outlook reflects Fitch view that BCP's business profile, profitability and internal capital generation should structurally improve if the Bank successfully executes its new strategic plan and resolves legacy risks related to Polish foreign-currency mortgage loans. Fitch Ratings also raised the ratings on BCP's Additional Tier 1 and Tier 2 instruments by one notch.

## AWARDS AND DISTINCTIONS

Millennium bcp received several distinctions in 2024:

- “Consumer Choice” award in 2025 for the fifth consecutive year in the “Large Banks” category. Leadership in attributes such as “innovation” or “loyalty” contributed to this distinction. Among the strengths highlighted by consumers who participated in the study, in-person and online service and digital efficiency stand out.

- Renewed its status as leader in the 'Large Banks' and 'banking apps' categories, for the third consecutive year, for the Prémio Cinco Estrelas.
- "Bank of the Year 2024" by The Banker magazine, a Financial Times Group publication specializing in banking and the financial services sector. This assessment was based on the strategic initiatives, technology, new products/services and sustainability carried out by the bank in the last twelve months.
- Millennium bcp was distinguished with the "Best Digital Leader" award at the Portugal Digital Awards and Millennium bcp with the "Best Banking Project" award with the Mortgage Hub service.
- "Best Investment Bank in Portugal" for the seventh consecutive year, within the scope of the World's Best Investment Banks Awards attributed by Global Finance magazine.
- "Best Private Bank in Portugal" by The Banker and Professional Wealth Management magazines, two publications from the Financial Times Group specialized in banking and the financial services sector, within the scope of the Global Private Banking Awards 2024.
- "Best Bank for Sustainable Finance in Portugal" by Global Finance magazine.
- Millennium bcp's mortgage loan process was the winner in the "Best Consumer Experience" category of the Finovate Awards 2024, which distinguish companies/individuals that drive fintech innovation and bring new ideas to life.
- "Best Consumer Digital Bank" in Portugal for the fourth consecutive year at the World's Best Digital Bank Awards 2024, organised by Global Finance magazine. Across all subcategories of these awards, Millennium bcp is also the Portuguese bank with the most accolades, including Best Information Security and Fraud Management, Best User Experience (UX) Design and Best Social Media Marketing and Services.
- "2024 Five Star Award" in the Large Banks category.
- "Best Investment Bank in Portugal" in 2024 by Global Finance magazine.
- "Best Foreign Exchange Bank 2024 in Portugal" by Global Finance magazine.
- "Best Bank (market leader) and with Best Service (best service) in the Trade Finance category in Portugal" by Euromoney magazine.
- Millennium bcp distinguished in the 13<sup>th</sup> Edition of the Euronext Lisbon Awards in the Local Market Member Category Equity and received in that same edition of the Euronext Lisbon Awards with two awards in the Growing Structured Finance category.
- Leadership in Inovadora COTEC for the 4<sup>th</sup> consecutive year.
- Millennium bcp won the APCC Best Contact Centers 2024 award in the category of Best Banking Contact Center in Portugal.
- Distinguished in the ranking of Companies Committed to Youth, which aims to recognise the best companies in the Iberian Peninsula and Latin America that promote initiatives for the development of Young Talent. This initiative is the responsibility of the OIJ-International Youth Organisation and DCH-International Organisation for Human Capital Management.
- "The Best Bank for Sustainable Finance in Portugal" in 2025 according to Global Finance magazine.
- Millennium bcp is included in the "Europe's Climate Leaders 2024" ranking for the fourth consecutive time.
- Millennium bcp was elected "Consumer Choice" in 2024. Millennium bcp was distinguished in the "Large Banks" and "Banking Apps" categories. It should be noted that Millennium bcp was distinguished as "Consumer's Choice" for the fourth consecutive year.

Activobank also received several distinctions in 2024:

- "Consumer Choice" award for the seventh consecutive time in the "Digital Bank" category in 2025. The independent evaluations, which result from consumer opinion, once again highlighted the Bank's recognition among the public and loyalty of its Customers.
- "Five Stars" award for the second consecutive year, in the "Digital Banking" category.
- Activobank was elected "Consumer Choice" in 2024. Activobank was elected in the "Digital Banking" category. It should be noted that Activobank has been in leadership for six years.

Bank Millennium was widely distinguished in 2024:

- "Newsweek's Friendly Bank" ranking, for the second year in a row, winning in the "Traditional Banking" and "Remote Banking" categories. The Bank also appears at the top of Forbes magazine's "Banks for Affluent Clients" and "Company-Friendly Bank" rankings.

- First place in the Mobile Bank ranking, a list of banks that best respond to the demands of Customers who prefer to use financial services via mobile devices, created by the website cashless.pl.
- Included in the prestigious list of the most trustworthy companies in the world ("World's Most Trustworthy Companies 2024", by Newsweek and Statista.
- Distinguished in several categories of the World's Best Digital Bank Awards 2024, promoted by Global Finance magazine, including Best User Experience (UX) Design, Best Information Security and Fraud Management and Best in Transformation in Poland.
- "Best Bank in Poland" in 2024 by Global Finance magazine.
- "Best Trade Finance Services" in Poland by Global Finance magazine.
- Distinguished as a Reliable Employer for the tenth consecutive time.
- Awarded by the eleventh time as "Service Quality Star".
- Distinguished in Global Finance's "The Innovators 2024" awards.
- Included in the list of the 10 best banks in Europe in terms of Customer experience. It was ranked on the top 10 of the report "The European Banking CX Index", developed by market research company Forrester.
- Second place in the Multichannel Service Quality category in the Golden Banker 2024 ranking.
- Distinguished by the Global Finance registry with the title "The Greatest innovation in Finance" in the Corporate Finance category.
- Second place in the "Best Employers in Poland 2024" ranking, in the Banking and Financial Services category, by Forbes in collaboration with the company Statista.
- In the "ESG Responsible Management" ranking, third place in the Governance section and in the TOP 10 of the general classification.
- Bank Millennium is included in the "Europe's Climate Leaders 2024" ranking for the fourth consecutive time.

In Mozambique:

- The Millennium bim brand was considered by Mozambican consumers to be the best in the financial sector in the "Large Banks" category, within the scope of the first edition of the "Mozambican Consumer Choice" project, organised by Consumer Choice, in which Millennium bim was the only distinguished national bank.
- Millennium bim was distinguished as "Best Digital Bank" in Mozambique at the Euromoney Awards for Excellence 2024.

## SUBSEQUENT EVENTS

On 22 January 2025, the Bank informed that its Board of Directors, in accordance with the law and the Bank's regulations on Succession Planning, approved on that date the co-optation of Esmeralda da Silva Santos Dourado as independent non-executive director of the Bank, thus filling the vacancy on the Board of Directors for the four-year period 2022-2025. The co-optation was resolved following obtaining authorization from the European Central Bank to exercise her functions and will be submitted for ratification at the Bank's next General Meeting.

On 10 March 2025, the Bank informed about decision to early redeem in full the EUR 450 million Subordinated Fixed Rate Reset Notes due 27 March 2030 bond issue.

On 12 March 2025, the Bank informed that S&P Global upgraded BCP's senior unsecured debt ratings from BBB to BBB+, changing the Outlook to Stable.

On 13 March 2025, the Bank informed about the decision to launch a tender offer on a T2 Notes issue due December 2027. The Offer is conditional on the successful completion of the issuance of a new series of Subordinated Fixed Rate Reset Notes to be issued off the Banks' Euro Note Programme, subject to market conditions in amount of at least EUR 450 million.

On 13 March 2025, the Bank informed that has fixed the terms for a new issue of subordinated Tier 2 Notes under its Euro Note Programme. The issue, in the amount of EUR 500 million, will have a tenor of 12 years, with the option of early redemption by the Bank in the last three months of year 7, an annual interest rate of 4.75% during the first 7 years (corresponding to a spread of 2.150% (the "Spread") over the 7-year mid-swap rate). The interest rate for the last 5 years will be determined on the basis of the then applicable 5-year mid-swap rate plus the Spread. The issue was placed among a diversified base of reference institutional investors after a speedy and successful execution.

## BCP Share

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The year 2024 was, above all, marked by geopolitical instability, both due to the continuation of the conflict in Ukraine and the war in Palestine. Another of the great events recorded in 2024 was the re-election of Donald Trump as the future President of the USA.

Global equity markets recorded a strong performance in 2024, supported by the corporate profits presented, which exceeded market agents' estimates, and by the resilience of macroeconomic data. The MSCI World index registered an appreciation of 20.2% in local currency (25.3% in Euros). The US stock market appreciated by 24.6% (32.9% in Euros), supported by economic growth exceeding market expectations. In the Euro area, the evolution in 2024 was less significant, with the MSCI index appreciating 9.4% in 2024.

In 2024, the global economy showed moderate growth. The US economy surpassed the most optimistic forecasts and the Euro area showed modest but positive growth, penalized by the lower strength of the German economy.

The year 2024 was also strongly marked by the beginning of the cycle of lowering reference interest rates by Central Banks, adopting, however, different rhythms and magnitudes depending on the economic and inflation context.

The North American Federal Reserve cut the reference interest rate by 100 bp for the year as a whole, to 4.25-4.5%, returning to the levels recorded in December 2022, but reduced forecasts for cuts for 2025, from four to just two rate cuts, as a result of the upward revision of projections for inflation and GDP growth.

During the year 2024, the ECB cut interest rates by 100 bp, setting the deposit rate at 3.0% and announced at the end of December its forecast of maintaining the downward trend in interest rates throughout 2025, albeit more gradually.

## BCP SHARES INDICATORS

	Units	2024	2023
<b>ADJUSTED PRICES</b>			
Maximum price	(€)	<b>0.4650</b>	0.3309
Average price	(€)	<b>0.3616</b>	0.2379
Minimum price	(€)	<b>0.2543</b>	0.1529
Closing price	(€)	<b>0.4647</b>	0.2744
<b>SHARES AND EQUITY</b>			
Number of ordinary shares (outstanding)	(M)	<b>15,114</b>	15,114
Shareholder's Equity attributable to the group (1)	(M€)	<b>7,095</b>	6,303
<b>VALUE PER SHARE</b>			
Adjusted net income (EPS) (2) (3)	(€)	<b>0.058</b>	0.054
Book value (4)	(€)	<b>0.469</b>	0.417
<b>MARKET INDICATORS</b>			
Closing price to book value	(PBV)	<b>0.99</b>	0.66
Market capitalisation (closing price)	(M€)	<b>7,023</b>	4,147
<b>LIQUIDITY</b>			
Turnover	(M€)	<b>5,991</b>	5,049
Average daily turnover	(M€)	<b>23.4</b>	19.8
Volume	(M)	<b>16,813</b>	21,351
Average daily volume	(M)	<b>65.7</b>	83.7
Capital rotation (4)	(%)	<b>111.2%</b>	141.3%

(1) Includes Other Equity Instruments (400 million euros of AT1 in 2024 and 2023).

(2) Considering the average number of shares outstanding

(3) Considering the average number of shares minus the number of treasury shares in portfolio

(4) Total number of shares traded divided by the average number of shares issued in the period

BCP Share in 2024 appreciated by 69.4%, recording one of the best performances among the Banks components of the European Banking reference index, which appreciated by 26.0% in the same period.

The Bank's operational efficiency, improved profitability and strong organic capital generation were determining factors for the positive performance of the BCP share during 2024, encouraging analysts who follow the Bank to carry out several upward revisions to the price targets. Also noteworthy are the various reviews by the Rating Agencies of BCP's ratings throughout 2024, which resulted in 6 rating actions: 2 Outlook improvements and 4 upgrades.

Simultaneously with the Presentation of Earnings for the first nine months of 2024, the Bank presented the Strategic Plan 2025-28, called "Valorizar 28" which establishes a new benchmark for Millennium bcp's aspirations towards Customers, Employees and Shareholders. In the new plan presented, the Bank maintains its focus on organic growth, aiming to achieve a turnover of more than EUR 190 billion, reach more than 8 million active Customers with a mobile adoption share of more than 80%, maintain execution discipline with a Cost to Income ratio of less than 40% and a cost of risk of less than 50 pbs, reinforce the ESG commitment with the objective of achieving a position in the top quartile in the S&P Global CSA classification, maintain high levels of profitability aiming an ROE of more than 13.5%, a CET1 ratio of more than 13.5% and the distribution of up to 75% of the net income accumulated in the period between 2025-28 (which is estimated at between EUR 4.0 and 4.5 billion) to shareholders. The reception of the plan by market participants was very positive and boosted the positive behaviour of the share price until the end of the year.

Based on analysts who regularly follow BCP, at the end of December, purchase recommendations represented 79% of the total (11 analysts) and 21% of analysts (3 analysts) presented a neutral recommendation. The average price target for BCP shares at the end of 2024 was set at €0.56, representing an increase of 40% compared to the €0.40 observed in December 2023.

## PERFORMANCE

Index	Change 2024
BCP share	69.4%
Eurostoxx 600 Banks	23.4%
PSI20	-0.3%
IBEX 35	14.8%
CAC 40	-2.2%
DAX XETRA	18.9%
FTSE 100	10.8%
MIB FTSE	12.6%
Dow Jones Indu Average	12.9%
Nasdaq	24.9%
S&P500	23.3%

Source: Euronext, Reuters, Bloomberg

## Liquidity

During 2024, EUR 5,991 million in BCP shares were traded, which represented an average daily turnover of EUR 23.4 million. In 2024, 16,813 million shares were traded, corresponding to an average daily volume of 65.7 million shares. The capital rotation index stood at 111.2% of the average annual number of shares issued.

## Follow-up with Investors

During 2024, the Bank participated in several events, having been present at 14 conferences and roadshows, through which it held more than 350 meetings with investors.

## Indexes listing BCP shares

The BCP share is included in more than 50 national and international stock indices, including the Stoxx 600 Europe Banks, Euronext 150, the PSI and the PSI All-Share Index GR.

Additionally, at the end of 2024, BCP was also included in the “ISS STOXX Indices” and the “European Banks Index” of Standard Ethics.

Bank Millennium in Poland is part of the “WIG-ESG” of the Warsaw Stock Exchange.

## Material information announced to the market and impact on the share price

The following table summarizes the relevant facts directly related to Banco Comercial Português that occurred during the year 2024, as well as the changes in the share price, both on the following day and in the 5 subsequent days, and the relative evolution vis-à-vis the main national reference indices and European banking sector in the periods mentioned.

Nr.	Date	Material Events	Chg. +1D	Chg. vs. PSI20 (1D)	Chg. vs. STOXX® Europe 600 Banks (1D)	Chg. +5D	Chg. vs. PSI20 (5D)	Chg. vs. STOXX® Europe 600 Banks (5D)
1	1/Jan	Banco Comercial Português, S.A. informs about decision to call AT1	3.4%	2.4%	2.5%	6.3%	5.1%	3.8%
2	5/Jan	Banco Comercial Português, S.A. informs about the resignation of a member of the Board of Directors	0.0%	0.8%	-0.4%	5.2%	5.1%	7.9%
3	8/Jan	Banco Comercial Português, S.A. informs about estimated provisions against legal risk related to FX mortgage loans portfolio booked by Bank Millennium, S.A. in 4Q 2023	0.1%	0.3%	0.9%	2.3%	1.9%	6.1%
4	10/Jan	Banco Comercial Português, S.A. informs about potential issue of perpetual subordinated notes	1.0%	1.2%	2.9%	-6.3%	-2.1%	-2.2%
5	11/Jan	Banco Comercial Português, S.A. informs on the issuance of perpetual subordinated notes (Additional Tier 1)	0.4%	1.2%	0.1%	-5.1%	-1.1%	-3.6%
6	15/Jan	Banco Comercial Português, S.A. informs about notice of acquisition of securities	-4.0%	-2.6%	-2.9%	-3.7%	-1.1%	-3.7%
7	16/Jan	Banco Comercial Português, S.A. informs about notice of transaction of securities	-1.1%	0.4%	-0.4%	-6.5%	-4.2%	-7.5%
8	18/Jan	Banco Comercial Português, S.A. informs about notice of acquisition of securities	-1.5%	-1.4%	-1.4%	-6.6%	-6.2%	-8.5%
9	22/Jan	Banco Comercial Português S.A. informs about the result of the share offering announced by Chiado Luxembourg S.À.R.L.	-6.7%	-5.7%	-6.6%	-7.7%	-6.4%	-8.8%
10	22/Jan	Banco Comercial Português, S.A. ("Bank") informs about communication received from Chiado (Luxembourg) S.À.R.L regarding the sale of Bank shares through an Accelerated Bookbuilding process	-6.7%	-5.7%	-6.6%	-7.7%	-6.4%	-8.8%
11	24/Jan	Banco Comercial Português, S.A. informs about notice of acquisition of securities by Fidelidade	-2.2%	-1.7%	-1.9%	-2.5%	-2.4%	-3.9%

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Nr.	Date	Material Events	Chg. +1D	Chg. vs. PSI20 (1D)	Chg. vs. STOXX® Europe 600 Banks (1D)	Chg. +5D	Chg. vs. PSI20 (5D)	Chg. vs. STOXX® Europe 600 Banks (5D)
12	26/Jan	Banco Comercial Português, S.A. informs on notice received from Chiado (Luxembourg) S.à r.l. about qualified shareholding	-0.6%	-0.2%	0.0%	-0.6%	-0.3%	-0.5%
13	30/Jan	Banco Comercial Português, S.A. informs about Bank Millennium (Poland) results in 2023	-1.0%	-1.4%	-1.0%	-4.8%	-3.9%	-3.9%
14	12/Feb	Banco Comercial Português, S.A. informs about notices received from Bank of America	0.1%	1.1%	0.4%	3.8%	2.9%	1.9%
15	16/Feb	Banco Comercial Português, S.A. informs on a notice received from Bank of America Corporation	1.7%	1.0%	1.3%	4.1%	3.4%	2.3%
16	26/Feb	Millennium bcp Earnings release as at 31 December 2023	0.3%	-0.4%	-0.1%	-3.4%	-3.3%	-5.6%
17	11/Mar	Banco Comercial Português, S.A. informs on a notice received from Bank of America Corporation	2.9%	3.2%	1.0%	9.2%	9.0%	6.4%
18	8/Apr	Banco Comercial Português, S.A. informs about estimated provisions against legal risk related to FX mortgage loans portfolio booked by Bank Millennium, S.A. in 1Q 2024	-0.4%	-0.5%	0.7%	-2.6%	-2.7%	-0.4%
19	29/Apr	Banco Comercial Português, S.A. informs about the attribution of shares within the scope of the variable remuneration policy for Persons with Managing Responsibilities and Employees	0.9%	1.9%	1.3%	0.5%	0.9%	-0.3%
20	7/May	Banco Comercial Português, S.A. informs about expected negative impact of extension of credit holidays on 2nd quarter 2024 results of Bank Millennium S.A. Capital Group	-1.4%	-1.6%	-1.4%	3.8%	0.7%	2.7%
21	10/May	Banco Comercial Português, S.A. informs about Bank Millennium (Poland) results in Q1 2024	0.8%	1.4%	0.5%	3.5%	3.8%	1.6%
22	15/May	Millennium bcp Earnings release as at 31 March 2024	-1.8%	-1.0%	-1.6%	1.2%	1.5%	2.0%

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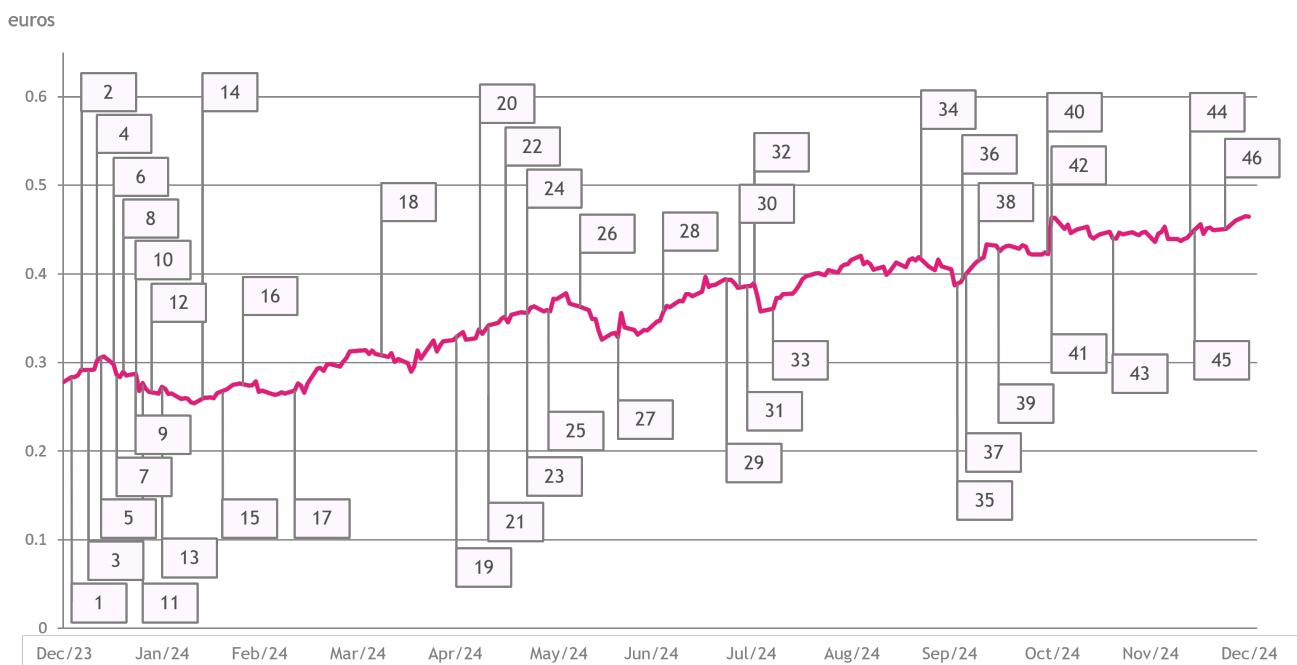
Nr.	Date	Material Events	Chg. +1D	Chg. vs. PSI20 (1D)	Chg. vs. STOXX® Europe 600 Banks (1D)	Chg. +5D	Chg. vs. PSI20 (5D)	Chg. vs. STOXX® Europe 600 Banks (5D)
23	22/May	Banco Comercial Português, S.A. informs about resolutions of the Annual General Meeting	1.7%	2.1%	1.7%	0.4%	2.6%	1.5%
24	22/May	Banco Comercial Português, S.A. informs about the election of the Statutory Auditor and of the External Auditor for the four-year period 2024/2027	1.7%	2.1%	1.7%	0.4%	2.6%	1.5%
25	28/May	Banco Comercial Português, S.A. informs on the payment of the dividend relating to the 2023 financial year	-0.4%	1.2%	0.9%	2.1%	3.1%	3.8%
26	7/Jun	Banco Comercial Português, S.A. informs about the attribution of shares within the scope of the variable remuneration policy for Persons with Managing Responsibilities	-1.2%	-1.1%	-0.4%	-10.3%	-7.4%	-4.8%
27	20/Jun	Banco Comercial Português, S.A. informs about completion of the implementation of the Recovery Plan by Bank Millennium in Poland	8.3%	6.7%	7.4%	1.6%	1.5%	1.6%
28	3/Jul	Banco Comercial Português, S.A. informs about estimated provisions against legal risk related to FX mortgage loans portfolio booked by Bank Millennium, S.A. in 2Q 2024	1.8%	1.6%	0.5%	5.5%	4.4%	5.3%
29	22/Jul	Banco Comercial Português, S.A. informs on notification by Banco de Portugal regarding MREL requirements	-0.1%	0.0%	-0.6%	-2.0%	0.4%	-1.6%
30	26/Jul	Banco Comercial Português, S.A. informs about Bank Millennium (Poland) results in H1 2024	0.4%	0.0%	0.4%	-6.9%	-5.8%	0.8%
31	29/Jul	Banco Comercial Português, S.A. informs about Millennium bim (Mozambique) results in H1 2024	0.1%	1.0%	-0.9%	-6.8%	-3.3%	3.2%
32	31/Jul	Millennium bcp Earnings release as at 30 June 2024	-3.6%	-2.9%	0.9%	-4.4%	-2.4%	4.3%
33	5/Aug	Banco Comercial Português, S.A. informs about notice of transaction of securities	0.1%	0.3%	0.5%	4.9%	3.6%	1.9%
34	20/Sep	Banco Comercial Português, S.A. informs about the ruling of the Competition, Regulation and Supervision Court	-2.4%	-2.7%	-1.5%	-2.4%	-3.8%	-3.9%

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Nr.	Date	Material Events	Chg. +1D	Chg. vs. PSI20 (1D)	Chg. vs. STOXX® Europe 600 Banks (1D)	Chg. +5D	Chg. vs PSI20 (5D)	Chg. vs STOXX® Europe 600 Banks (5D)
35	2/Oct	Banco Comercial Português, S.A. informs about specific items impact on financial results of Bank Millennium, S.A. in 3Q 2024	0.6%	1.3%	1.2%	7.1%	6.9%	5.7%
36	3/Oct	Banco Comercial Português, S.A. informs on the upgrade of senior unsecured debt and deposits ratings by Morningstar DBRS	1.6%	1.6%	-0.1%	7.0%	6.4%	4.6%
37	4/Oct	Banco Comercial Português, S.A. informs about the upgrade of senior debt ratings by S&P Global	3.2%	2.6%	2.3%	9.0%	7.4%	7.7%
38	8/Oct	Banco Comercial Português, S.A. informs about decision to call the currently outstanding Senior Preferred issue due October 2025 with an amount of EUR 350 million	0.7%	0.1%	0.4%	2.9%	2.4%	1.1%
39	14/Oct	Banco Comercial Português, S.A. informs about issue of senior preferred debt securities eligible for MREL	-1.4%	-1.1%	-1.5%	-0.8%	0.5%	-1.3%
40	29/Oct	Banco Comercial Português, S.A. informs about Bank Millennium (Poland) results in 9M 2024	-0.5%	0.2%	0.3%	7.3%	5.6%	5.5%
41	30/Oct	Banco Comercial Português, S.A. informs about Strategic plan 2025-28	9.7%	7.5%	9.9%	5.6%	6.5%	4.3%
42	30/Oct	Millennium bcp Earnings release as at 30 September 2024	9.7%	7.5%	9.9%	5.6%	6.5%	4.3%
43	19/Nov	Banco Comercial Português, S.A. informs about the upgrade of senior debt ratings by Fitch Ratings	0.0%	0.1%	0.1%	1.2%	0.3%	3.3%
44	12/Dec	Banco Comercial Português, S.A. informs about minimum prudential requirements	1.2%	1.3%	1.0%	2.7%	3.8%	4.1%
45	13/Dec	Banco Comercial Português, S.A. informs about the upgrade of senior unsecured debt rating by Moody's	2.4%	2.2%	2.2%	0.8%	2.0%	3.3%
46	23/Dec	Banco Comercial Português, S.A. informs about calendar of events in 2025	0.2%	-0.2%	-0.1%	3.3%	2.3%	1.7%

The following chart depicts BCP's share price performance in 2024:



## Dividend policy

The BCP Group's dividend policy takes into account in particular: (i) the promotion of conditions for sustainable compliance with the capital ratios applicable to the Bank at any given time, as well as other applicable legal provisions, including the limitations applicable at any given time that result from the calculation of the maximum distributable amount; (ii) retention of own funds to promote consistency with the Risk Appetite Statement (RAS) and with the results of the internal capital adequacy self-assessment process (ICAAP); and (iii) safeguarding an appropriate safety margin over the values established by the regulator within the scope of its analysis and assessment regarding the adequacy of strategies, processes, capital and liquidity, to the risks to which the Bank is exposed (SREP). In the current context, it will naturally still be worth considering the guidance issued by the ECB mentioned above.

The decision on the application of profits for the year is the responsibility of the General Meeting, based on a proposal from the Board of Directors.

Bearing in mind the permanent consideration of the Bank's capital needs to meet its strategic objectives, it is the intention of the Board of Directors, in a context of macroeconomic stability, to re-establish a distribution of net profits, determined in the individual accounts for each year, that goes to meeting the legitimate expectations of its shareholders and that, in the medium term, it is in line with the best practices of the reference banking sector.

The Board of Directors will define the implications of these criteria in the maximum limit of prospective dividend payout resulting from the dividend policy, as well as the respective application period, which must be evidenced in the Bank's annual budgets.

## Shareholder structure

According to information from Interbolsa, on December 31, 2024, the number of Shareholders of Banco Comercial Português reached 121,548.

At the end of December 2024, there were two Shareholders with qualified participation with a position greater than 5% of the Bank's share capital.

Shareholder structure	Number of Shareholders	% of share capital
<b>INDIVIDUAL SHAREHOLDERS</b>		
Group Employees	1,729	0.30%
Other	115,651	18.11%
<b>COMPANIES</b>		
Institutional	434	35.95%
Qualified Shareholders	2	39.52%
Other companies	3,732	6.12%
<b>TOTAL</b>	<b>121,548</b>	<b>100%</b>

It is worth highlighting the increase in the weight of institutional investors compared to the previous year, by around 8 p.p.

Shareholders with more than 5 million shares represented 79.35% of the capital.

Number of shares per Shareholder	Number of Shareholders	% of share capital
> 5,000,000	175	79.35%
500,000 a 4,999,999	1,037	8.35%
50,000 a 499,999	9,589	8.37%
5,000 a 49,999	30,206	3.47%
< 5,000	80,541	0.47%
<b>TOTAL</b>	<b>121,548</b>	<b>100%</b>

During 2024, the Bank's shareholder structure changed, in terms of geographic distribution, with a reduction in the weight of Portugal (-4 p.p.) and China (-6 p.p.), an increase in the United Kingdom/USA (+4 p.p.) and others (+6 p.p.). As of December 31, 2024, Shareholders in Portugal held 22.3% of the Bank's total number of shares.

	Nr. of Shares (%)
Portugal	22.3%
China	20.0%
Africa	19.9%
UK / EUA	20.8%
Other	17.0%
<b>Total</b>	<b>100%</b>

# Qualified Holdings

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The following Shareholders held more than 5% of the share capital of Banco Comercial Português, S.A. as of December 31, 2024:

Shareholder	Nr. of shares	% of share capital	% of voting rights	31 December 2024
Chiado (Luxembourg) S.à.r.l. (Fosun Group)	3,027,936,381	20.03%	20.03%	
<b>TOTAL FOR FOSUN GROUP</b>	<b>3,027,936,381</b>	<b>20.03%</b>	<b>20.03%</b>	
Sonangol - Sociedade Nacional de Combustíveis de Angola, EP	2,946,353,914	19.49%	19.49%	
<b>TOTAL FOR SONANGOL GROUP</b>	<b>2,946,353,914</b>	<b>19.49%</b>	<b>19.49%</b>	
<b>Total of qualifying shareholdings</b>	<b>5,974,290,295</b>	<b>39.52%</b>	<b>39.52%</b>	

# Regulatory, economic and financial system environment

## Regulatory environment

The financial system exhibits a robust position in terms of capital and liquidity, with asset quality remaining resilient. Profitability has reached a historic high since the start of EU banking supervision. In the regulatory and supervisory framework, concerns are noted regarding the geopolitical environment, climate transition risks, environmental risks, and the effects of new technologies and digitalization, among others.

In June 2024, the new texts of the Capital Requirements Directive and Regulation (CRD6/CRR3) were published, including a revised framework for assessing the adequacy of the top management of EU banks, along with other changes in EU banking governance rules. New provisions were also introduced regarding the management, communication, disclosure, governance, and prudential analysis of ESG risks. The new prudential rules of the Capital Requirements Regulation (CRR), aimed at implementing the Basel III reforms – including requirements related to credit risk, credit valuation adjustment risk, operational risk, market risk, and the minimum total risk exposure amount ("output floor") – came into effect on 1 January 2025, but with phased implementation for some situations. To align implementation dates and ensure a level playing field globally, EU authorities have proposed delaying the start date of the new trading book rules by one year.

The new package of rules against money laundering and terrorist financing has been published. The EBA will maintain the competencies and mandate for AML/CFT topics until December 2025, at which point these responsibilities will transition to the Anti-Money Laundering Authority (AMLA).

Regulation (EU) 2022/2554 (DORA) and Directive (EU) 2022/2556, both related to the digital operational resilience of the financial sector, are applicable from 17 January 2025. DORA includes mandates for the development of technical standards, some of which have already been published and others are in the process of adoption.

The European Supervisory Authorities (ESA) conducted simulation exercises, based on best efforts, to help banks prepare for the registration

of contractual provisions with third-party ICT service providers.

The ECB and National Competent Authorities conducted stress tests to assess how banks respond to and recover from a cyberattack. Under the mandate of the European Commission, the EBA conducted a one-off analysis of a "fit-for-55" climate risk scenario and how its effects could create tensions in the financial system up to 2030. In 2025, an EU-wide stress test will be conducted to assess the resilience of banks to adverse economic conditions, providing essential data for the 2025 supervisory review and evaluation process (SREP). The EBA plans to publish the results of the exercise in early August 2025.

In Portugal, the countercyclical capital buffer remained at 0% of the total risk exposure amount, increasing to 0.75% from 1 January 2026. The capital buffer applicable to domestic banks using advanced methods (IRB) for exposures secured by residential real estate of 4% has been applicable since October 2024.

As one of the public measures to support the acquisition of first homes by young people up to 35 years old in Portugal, Decree-Law 44/2024, of 10 July, establishes the conditions under which the State can provide a personal guarantee to credit institutions.

Decree-Law No. 72/2024, of 16 October, limits the charging of fees on the value of debit card transactions or instant transfers, and Law 1/2025, of 6 January, extends until the end of 2025 the prohibition on charging fees for the early repayment of credit agreements for the acquisition or construction of permanent housing that are, at the time of repayment, in a variable interest rate period.

Notice No. 5/2024 of the Banco de Portugal establishes the principles and rules that must be observed in the advertising of financial products and services subject to the supervision of the Banco de Portugal, as well as in advertising of the activity and institutional advertising.

In Poland, a countercyclical capital buffer of 1% was established, applicable from September 2025. The Polish government intends to adopt a bill in the second quarter of 2025 to expedite the resolution of judicial processes and encourage out-of-court settlements involving loans

denominated or indexed to the Swiss franc. Regarding support measures for families, credit moratoriums were extended in 2024, allowing the deferral of 4 instalments per year without additional costs. The Steering Committee of the National Working Group for the reform of reference interest rates in Poland selected the WIRF index to replace WIBOR. In July 2024 the Polish Financial Supervision Authority introduced the long-term financing requirement ("WFD requirement"), mandating commercial banks to cover 40% of their retail mortgage loans with funding with maturities over one year.

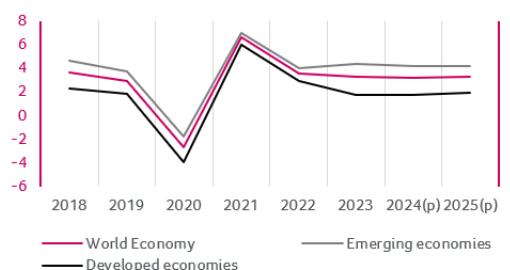
At the macroprudential level, the Bank of Mozambique (BdM) maintained the conservation buffers for Domestic Systemically Important and quasi-systemically important domestic banks at 2.0% and 1.0%, respectively, as well as other macroprudential requirements for credit granting, namely the LTV and DTI at a maximum of 100%. Millennium bim is classified by the Bank of Mozambique as a Domestic Systemically Important Institution. In March 2024, a regulation on cybersecurity risks was approved; in July, the Regulation of the Credit Institutions and Financial Companies Law was published; and in August 2024, the "Guidelines on the prevention and fight of money laundering, terrorist financing, and the financing of the proliferation of weapons of mass destruction" were published. Work continues on the revision of the organic law and the implementation of Basel III standards, which is expected to be completed by 2026.

## Economic environment

### Global Economic Environment

According to the International Monetary Fund (IMF), global economic growth remained solid in 2024 (3.2%). However, this evolution reflects divergent performances among the main economies, with the strong expansion of the United States (US) economy (2.8%) contrasting with the weakness of the euro area, whose GDP grew by only 0.7%. In turn, China recorded a GDP growth rate of 5.0%, in line with the target set by local authorities. Regarding prices, 2024 was marked by a continued downward trajectory of inflation rates to levels closer to the targets of central banks. In this sense, global monetary policy became less restrictive, with the US Federal Reserve lowering its reference rate from 5.50% to 4.50%, and the European Central Bank reducing the deposit facility rate from 4.0% to 3.0%. In 2025, the IMF foresees a moderate acceleration in global GDP, from 3.2% to 3.3%, driven by the dynamism of the US economy, which is expected to grow by 2.7%. However, the risks to this projection are tilted to the downside, mainly stemming from increasing trade tensions, and heightened geopolitical uncertainty.

**THE GLOBAL ECONOMY CONTINUED TO GROW AT STEADY PACE**  
Annual growth rate of real GDP (in %)



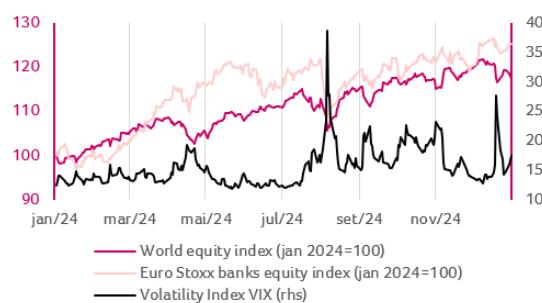
Source: IMF WEO (Jan 2025)

### Global Financial Markets

In financial markets, the year of 2024 was characterised by an environment of optimism, benefiting from the resilience of economic activity in the United States. Against this backdrop, the major global equity indices recorded significant valuations, with the S&P 500 index rising by more than 20% for the second consecutive year. In the sovereign debt market, it is worth noting the increase in US government debt securities in the last months of the year, which also spillover to their German counterparts, despite the weakness of the German economic situation. The more favorable global environment was reflected in the performance of the asset classes in emerging markets, albeit to a lesser extent, and in a reduction of the risk premia of

corporate debt as well as of peripheral euro area countries. In contrast, the risk premia for French public debt increased due to political instability and the deterioration of public finances. The strength of the US economy and the widening interest rate differential against the euro area contributed to a strong appreciation of the US Dollar against the Euro. Regarding money market interest rates, expectations of less restrictive monetary policy in the euro area led to a downward trajectory for Euribor rates throughout 2024. Despite the positive performance of the Portuguese economy and of the international financial markets, the domestic stock index recorded a marginal decline in 2024 (-0.3%).

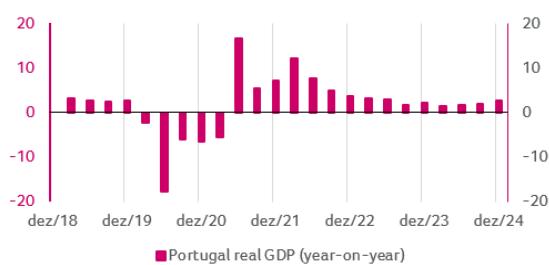
**THE WORLD EQUITY INDEX REGISTERED STRONG VALUATIONS IN 2024**



Source: Datastream; Bloomberg

### Outlook for the Portuguese Economy

In Portugal, GDP grew by 1.9% in 2024, slightly above the forecasts of major domestic and international institutions. The positive performance of the Portuguese economy resulted from a strong contribution from private consumption, especially in the second half of the year, driven by an increase in households' real disposable income, in a context of decreasing inflation, lower financing costs, and a resilient labour market. The favourable performance of economic activity contributed to reinforce the downward trajectory of the public debt ratio as a percentage of GDP, which decreased from 97.9% in 2023 to 95.3% in 2024. In 2025, Banco de Portugal forecasts an acceleration of the Portuguese economy from 1.9% to 2.2%, driven by the expected implementation of the Recovery and Resilience Plan funds. Regarding the inflation rate, it is expected to decrease from 2.6% in 2024 to 2.1% in 2025.

**THE PORTUGUESE ECONOMY GREW 1.9% IN 2024**

Source: Datastream

**International Operations**

In Poland, economic activity accelerated in 2024, from 0.2% to 2.9%, boosted by private consumption that benefited from improved consumer sentiment in a context of strong wage growth and lower inflation, which decreased from 11.6% to 3.7% over the year. In 2025, the recovery trajectory is expected to continue, driven by the inflows of European funds associated with the Next Generation EU (NGEU) program, with the IMF

forecasting a GDP growth of 3.5%. The better performance of economic activity, along with the persistence of inflation above the monetary policy target (2.5%), led the central bank to maintain the reference interest rate at 5.75% throughout 2024. In the whole year, the Zloty appreciated against the Euro.

In Mozambique, economic activity decelerated in 2024, from 5.4% to 1.9%, hindered by the fallout of the political and social unrest in the last quarter of the year. In 2025, the IMF forecasts a GDP growth rate of 4.3%, but the risks to this projection are tilted to the downside due to the uncertainty regarding the impact of the political tensions. The downward trajectory of the inflation rate allowed the central bank to lower its reference interest rates throughout the year, with the MIMO interest rate reaching 12.75% in November 2024. Over the year, the Metical remained relatively stable. The Angolan economy is expected to continue its recovery trajectory, with the IMF projecting an acceleration of the GDP growth from 1.1% in 2023 to 2.4% in 2024, and a growth rate of 2.8% in 2025. Regarding the exchange rate, the Kwanza depreciated, particularly in the second half of the year.

**GROSS DOMESTIC PRODUCT**

Annual growth rate (in %)

	2022	2023	2024	2025	2026
<b>EUROPEAN UNION</b>	3.7	0.6	1.1	1.6	1.7
Portugal	6.8	2.3	1.9	2.3	2.0
Poland	5.6	0.2	3.0	3.5	3.4
<b>SUB-SAHARAN AFRICA</b>	4.1	3.6	3.8	4.2	4.2
Angola	4.2	1.1	2.4	2.8	3.3
Mozambique	4.4	5.4	1.9	4.3	3.9

Source: National Statistics Institutes. Eurostat. IMF, WEO January 2025 for the EU, Poland and Sub-Saharan Africa. IMF, WEO October 2024 for Portugal, Mozambique and Angola.

Estimates

## Financial system

The year 2024 continued to be strongly marked by the intensification of geopolitical risks, with still unpredictable political, social, economic, and financial consequences. Of particular note are the military conflicts in Ukraine and the Middle East, the unremitting of trade tensions between the US-China (and more recently between the US-EU), the increase in global protectionism, the slowdown in the main economies, with a resurgence of pressure on sovereign debt (e.g. France), and the increased political and commercial uncertainty emerging with the new US presidency. The global economy showed moderate growth in 2024, with the US surpassing the most optimistic forecasts and maintaining a strong growth rate, while the Euro Area continues to show modest growth, penalized by the weakness of Germany and the industrial sector.

The Central Banks started a new cycle of monetary policy with interest rate cuts since mid-2024, although differing in pace and magnitude, depending on the economic and inflation context, with the ECB and the Fed cutting reference rates by 100 bp in 2024. The ECB remains confident that inflation will move towards its medium-term objective of 2% in a sustained manner but is not committed to a specific rate path.

In December 2024, the ECB kept capital requirements for 2025 broadly stable, reflecting the strong performance of credit institutions in a context of intensified geopolitical risks. It notes that the Euro Area banking sector remained resilient in 2024, with banks maintaining solid capital and liquidity positions, well above regulatory requirements, with interest rates maintaining a positive contribution to the sector's profitability. The ECB's supervisory priorities for 2025-27 focus on banks' resilience to immediate macro-financial threats and severe geopolitical shocks, the importance of timely remediation of known material shortcomings and the need to tackle challenges stemming from digital transformation and new technologies.

In 2024, the Portuguese banking system continued to improve its profitability, with capital reaching historically high levels and above the Euro Area averages, while liquidity remained robust. Asset quality indicators are improving and more in line with European metrics following the measures taken in recent years to reduce NPEs and strengthen the coverage of these assets by impairments and provisions. The Portuguese banking system has strengthened its resilience and ability to continue to respond efficiently to the financing needs of the economy. However, the current level of profitability does not guarantee a return above the cost of capital in the medium term, given the high uncertainty regarding the current political, economic, financial, and regulatory context. A less restrictive monetary

policy puts additional pressure on net interest income, requiring proactive and careful management of operating costs, asset risk and capital.

The evolution of the Portuguese banking system will continue to be influenced by various factors, namely the degree of Recovery and Resilience Plan's implementation, the investment level and demand for credit by corporates, and the disposable income, consumption behaviour and savings profile of households, although mitigated by state and corporate social support, sustained by employment that has remained resilient.

The Portuguese banking system continues to operate under very demanding supervision and regulation and also bearing very costly regulatory contributions, which distort competition in the banking union (e.g. contributions to the European and National Resolution Funds and contributions to the Banking Sector, in the latter two cases at a clear disadvantage compared to European peers). It should also be noted that the lack of a single regulatory framework applicable to all entities operating in a specific business segment, which would ensure a level playing field, continues to put supplementary pressure on the banking system to constantly innovate and improve efficiency levels, to mitigate the loss of business and revenues to unregulated competitors ('shadow banks').

The digital transformation of financial services with an increasing focus on AI/GenAI, adapting to new customer demands (adjusting the business and relationship model), to the transition to a sustainable economy with the integration of ESG (Environmental, Social & Governance) requirements in the daily management of institutions, and to the need to strengthen operational resilience in the face of threats arising from increasingly sophisticated cyber-attacks, are areas that have required strong investment in recent years and that have allowed the Portuguese banking system to show resilience in a challenging economic context.

# Business Model

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## Nature of operations and main activities

The Group provides a wide variety of banking services and financial activities in Portugal and abroad, where it is present in the following markets: Poland, Mozambique, Angola (through its associate BMA) and China (Macao). All its banking operations develop their activity under the Millennium brand. The Group also ensures its international presence through representation offices and/or commercial protocols.

The Bank offers a vast range of financial products and services: current accounts, payment systems, savings and investment products, private banking, asset management and investment banking, including mortgage loans, personal loans, commercial banking, leasing, factoring and insurance, among others. The back-office operations for the distribution network are integrated to benefit from economies of scale.

In Portugal, Millennium bcp is focused on the retail and companies markets, providing services to its Customers in a segmented manner. The Bank makes products available to Customers through its network of branches, offering a wide range of products and services.

## Distinctive factors of the business model

### Largest private sector banking institution

BCP is the largest private banking institution in terms of business volume in Portugal, assuming a leading and prominent position in various financial products and services as well as different market segments, with its activity based on a modern branch network with wide coverage at a national level. In addition, the Bank has remote banking channels (banking service by telephone, Mobile Banking and Internet), which act as distribution points for its financial products and services.

The activity in the domestic market focuses on Retail Banking and Companies, which is segmented in order to best serve Customer needs, through a value proposition based on innovation and speed, targeting Mass-market Customers, and through the innovation and customized management of service for Prestige, Business, Companies, Corporate and Large Corporate

Customers. Retail Banking is also developed through ActivoBank, a bank aimed specifically at Customers who are young in spirit, intensive users of new technologies and prefer a banking relationship based on simplicity and offering innovative products and services.

At the end of December 2024, Millennium bcp continued to be the largest Portuguese privately-owned bank on business volumes and with a relevant position in the countries where it operates.

On 31 December 2024, operations in Portugal accounted for 65% of total assets, 67% of total loans to Customers (gross) and 69% of total customer funds. At the end of December 2024, the Bank, in Portugal, had more than 2.7 million active Customers and market shares of 15.7% of loans to Customers and 18.8% of customer deposits.

### International presence as a platform for growth

At the end of December 2024, Millennium bcp had an international presence throughout the world through its banking operations, representative offices and/or commercial protocols, serving more than 6.9 million active Customers.

In Poland, Bank Millennium has a well distributed network of branches, supported by a modern multi-channel infrastructure.

In December 2024, Bank Millennium had a market share of 5.6% in loans to Customers and of 5.6% in deposits.

Concerning the operations in Africa, Millennium bcp operates through Millennium bim, a universal bank that has been operating since 1995 in Mozambique, where it has about 1.3 million Active Customers and is the reference bank in this country, with market shares of 16.0% in loans and advances to Customers and of 21.8% in deposits, in the end of December 2024. Millennium bim is a highly reputed brand in the Mozambican market, associated with innovation, strong penetration in terms of electronic banking and exceptional capacity to attract new Customers, as well as being a reference in terms of profitability.

On 22 April 2016, the deed of the merger of Banco Millennium Angola, S.A. with Banco Privado Atlântico, S.A. was signed. The bank resulting from the merger is an associate of Banco Comercial Português.

The Group also operates in the Far East since 1993. The activity of the existing branch in Macau was expanded in 2010, through the attribution of a full license (onshore) aimed at establishing an international platform for business operations between Europe, China and Portuguese-speaking African countries.

The Bank also has 6 representation offices (1 in the United Kingdom, 2 in Switzerland, 2 in Brazil and 1 in China, in Guangzhou) and 1 commercial protocol (France).

### Growth based on digital/mobile banking

Since its incorporation, the Bank has been recognized by the innovation. The Bank was the first in Portugal to introduce specific innovative concepts and products, including direct marketing methods, branch formats based on Customer profiles, salary accounts, simplified branches ("NovaRede"), telephone banking services, through Banco 7, which later became the first online banking services platform, health insurance (Médis) and direct insurance, and a website dedicated to individual Customers and corporate banking. The Bank was also a pioneer in the launching of a new Internet Banking concept, based on the ActivoBank platform, which provides a simplified service to the Customer, including the opening of a current account using Mobile Banking solutions.

In 2024, the highlight will be the strong growth in the number of transactions on mobile, year-on-year:

- +20% in transactions (+30% P2P transfers; +47% national transfers; +11% payments);
- +32% in sales (+24% cards; +8% personal credit; +36% savings).

The number of digital interactions increased by 23% year-on-year, from 567 million to 700 million.

Digital transactions maintained a level of 99.6% and there continued to be a reduction in transactions in the ATM channel, offset by the increase in digital transactions.

Digital sales reinforced their weight in the number of operations, from 82% to 83%, with emphasis on the increase in sales made through the App.

App Millennium leads the ratings of technology platforms with scores very close to 5.

### Close to its Customers

At Group level, the Bank surpassed 6.9 million active Customers, with emphasis on mobile Customers which grew 10% (+456 thousand Customers), surpassing the threshold of 4.9 million Customers, representing a penetration rate of 71% of active Customers (compared to 68% compared to the same period last year).

In Portugal, BCP has almost 2.8 million Active Customers, which clearly demonstrates the trust placed in the Bank, and with regard to mobile Customers, the growth trend continued, having increased by 12% (+189 thousand Customers) compared to September 2023. the Bank reached more than 1.7 million mobile Customers, representing 63% of the active Customer base in Portugal, which compares with 58% compared to the same period last year.

Millennium bcp was distinguished, for the fifth consecutive year, with the "Consumer Choice" award in 2025, in the "Large Banks" category. Leadership in attributes such as "innovation" or "loyalty" contributed to this distinction. Among the strengths highlighted by consumers who participated in the study, in-person and online service and digital efficiency stand out. In 2025, Millennium bcp renewed its status as leader in the 'Large Banks' and 'banking apps' categories, for the third consecutive year, for the "Cinco Estrelas" Award.

In 2024 was named "Bank of the Year 2024" by The Banker magazine, a Financial Times Group publication specializing in banking and the financial services sector. This assessment was based on the strategic initiatives, technology, new products/services and sustainability carried out by the bank in the last twelve months.

For the seventh consecutive year, Millennium bcp was distinguished as the "Best Investment Bank in Portugal", within the scope of the World's Best Investment Banks Awards attributed by Global Finance magazine and also as "Best Private Bank in Portugal" by The Banker and Professional Wealth Management magazines, two publications of the Financial Times Group specialized in banking and the financial services sector, within the scope of the Global Private Banking Awards 2024.

Of note the distinction as "Best Bank for Sustainable Finance in Portugal" by Global Finance magazine.

Millennium bcp was considered, for the fourth consecutive year, the Best Digital Bank (Best Consumer Digital Bank) in Portugal, in the World's Best Digital Bank Awards 2024, promoted by Global Finance magazine.

Millennium bcp was considered the Leading bank of the PME Líder program for the 6th consecutive year with a 33% market share and a Leading bank of the Inovadora COTEC program for the 4th consecutive year with a market share of 49%.

Finally, Millennium bcp was considered a Satisfaction Leader bank: Best Bank for companies, Bank closest to customers, Most innovative Bank, Most efficient Bank and Bank with the most suitable Products by the DATAE 2024 study.

## Business Model Sustainability

Millennium bcp, with the aim of strengthening its proposal and performance in matters of Sustainability and responsible finance, continues to lead a transformative dynamic of adapting to new ESG (Environmental, Social and Governance) requirements that allow it to respond to the needs of Customers, the expectations of supervisors and, in general, the ambitions of Stakeholders in these areas of activity.

In this context and within the framework of its governance and decision-making model, the Bank has a Committee of the Board of Directors for the topics of Corporate Governance, Ethics and Sustainability, a Sustainability Committee dependent on the Executive Committee and led by the CEO and a Sustainability Master Plan (PDS), a management instrument that brings together in a coherent and articulated way the multidisciplinary actions to be developed within the scope of the ESG dimensions in all the operations integrated into the BCP Group.

Millennium bcp's intervention is thus divided into three fundamental axes: (i) Environmental, aiming to implement measures that promote a fair and inclusive transition to decarbonized economic development models, including the incorporation of the climate dimension in the Bank's risk models and in the commercial offer of solutions, products and services; (ii) Social, which ensures and promotes, together with the Millennium bcp Foundation, involvement with the external and internal communities in establishing lasting relationships of proximity and cooperation and in creating shared value; and (iii) corporate governance, promoting the integration of Sustainability principles in the Bank's decision-making and control processes, in the management of its supply chain and in the definition of its value proposition.

This alignment with Sustainability principles is central for Millennium bcp, and for organizations in general, remaining a privileged means of determining the social and environmental impact of the activity carried out and the expected corporate performance in these dimensions. The Bank is aware of the competitive, reputational

and business advantage of incorporating environmental, social and governance factors, opportunities and risks into decision-making processes and reflecting them in the offering of solutions, products and services, a conviction that clearly results from the inclusion of Sustainability as one of the vectors of the "Valorize 28" Strategic Plan, a document that summarizes Millennium bcp's vision, objectives and value proposal for the 2025-2028 three-year period.

The deepening of a Responsible Business culture that promotes the creation of wealth, and its fair distribution, and positively influences the organization's long-term value proposition, in balance with the well-being of people, the company and the communities in which it operates and with respect for the preservation of natural resources, the climate and the environment, constitute the essence of the Sustainability strategy, policies and practices defined and implemented by the BCP Group in all its geographies.

# Millennium network



● Branches with differentiated schedule ● Branches opened on Saturday ● Branches with access conditions to people with reduced mobility  
\* Consider branches of different networks that share the same physical space.

	Customers (thousands)	Internet	Call Centre	Mobile Banking	ATM <sup>(1)</sup>	POS <sup>(2)</sup>
Portugal	2,777	424,662	340,488	1,745,728	1,854	96,549
Poland	2,886	1,890,046	223,237	2,313,949	503	5,376
Mozambique	1,312	14,133	1,350	920,511	418	9,468
Macao (China)	2	-	-	-	-	-

Note: Considered Customers/active users those who used Internet, Call Centre or Mobile Banking at least once in the last 90 days  
Do not include AtivoBank Customers. Internet Customers/active users Mozambique: Dec. 2020.

<sup>(1)</sup> Automated Teller Machines. <sup>(2)</sup> Points of Sale.

(Data as at 31<sup>st</sup> December 2024)

# Financial information

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# Results and Balance Sheet

The consolidated Financial Statements were prepared under the terms of Regulation (EC) 1606/2002, of 19 July (in the version in force), and in accordance with the reporting model determined by Banco de Portugal (Banco de Portugal Notice 5/2005, in the version in force), following the transposition into Portuguese law of Directive 2003/51/EC, of 18 June, of the European Parliament and Council in the version currently in force.

To provide a better reading of the evolution of the Group's financial situation and to ensure comparability with the information from previous periods, a set of concepts are described in this analysis that reflect the management criteria adopted by the Group in the preparation of the financial information. The relation between these management criteria and the accounting information presented in the consolidated financial statements (referred to as "Balance sheet" or "P&L") is outlined in the glossary and throughout the document, where applicable.

Taking into the account that the Group owns 49% of Millennium bcp Ageas Grupo Segurador, S.G.P.S., S.A. (Mbcp Ageas), being accounted for under the equity method, as Investments in associates and that on 1 January 2023 Mbcp Ageas adopted simultaneously IFRS9 - Financial Instruments and IFRS17 - Insurance Contracts, whose initial adoption requires comparative information, the consolidated accounts were restated. In this sense, Mbcp Ageas made the transition exercise on 1 January 2022. The estimated impacts of the transition to IFRS 17 represent a reduction in the Equity of Mbcp Ageas, partially offset by the positive impact resulting from the adoption of IFRS9. During the first half of 2024, Mbcp Ageas reviewed the transition adjustments relating to the adoption of those IFRS, which resulted in a reduction in the amount of the participation by EUR 9 million against reserves. Given the immateriality of the amounts, the average balance sheet for 2022 was not restated.

In 2024, the investments in Lusofundo - Fundo de Investimento Imobiliário Fechado, Fundo Especial de Investimento Imobiliário Fechado Eurofundo and Nexponor - Sociedade de Investimento Coletivo Imobiliário Fechado, S.A., were reclassified from "Financial assets at fair value through profit or loss" to "Investments in associates". Consequently, the balances of these items were restated accordingly at the end of 2023 and 2022, in the total amount of EUR 34 million and EUR 44 million, respectively. Additionally, TIICC S.A.R.L. previously recognised under the item "Financial assets at fair value through other comprehensive income" was also reclassified to "Investments in associates" (EUR 4,000 at the end of both 2023 and 2022). These accounting reclassifications also led to the reclassification of the respective results, from net trading income to equity accounted earnings (a negative amount of EUR 2 million at the end of 2023 and an income of EUR 2 million at the end of 2022).

Following the change in off-balance sheet customer funds accounting criteria by the Polish subsidiary in 2024, the respective balances were restated, resulting in an increase of EUR 33 million with reference to the end of 2023.

In 2024, with the exception of the situations previously mentioned, no other changes were introduced in the way information regarding previous financial years was presented.

In 2024, the consolidated net income of Millennium bcp amounted to EUR 906 million, corresponding to a 5.9% growth compared to the EUR 856 million achieved in the previous year and to a return on equity (ROE) of the Group of 13.8%.

This performance compared to the previous year was strongly influenced by the extraordinary gain recorded in that year, in the amount of EUR 139<sup>1</sup> million, resulting from the sale, by Bank Millennium, of 80% of the shares of Millennium Financial Services sp. z o.o., within the scope of the strategic partnership in the bancassurance business.

The growth of the net income of the Group compared to the previous year was determined by the favourable performance of both the activity in Portugal and the Polish subsidiary, with the results of Millennium bim in Mozambique being lower than that achieved in 2023. It should be noted, however, that the performance of the Mozambican subsidiary in the current year was strongly influenced by the impacts arising from the economic and financial situation of the country, namely by the sovereign debt rating downgrade.

<sup>1</sup> Before taxes and non-controlling interests.

Net income of the Group performance compared to the previous year benefited largely from the reduction in impairments and provisions, mainly reflecting the lower increase in the provision booked by the Polish subsidiary to face the legal risk associated with mortgage loans in foreign currency (EUR -163 million, to EUR 460 million, excluding the amount related to loans originated by Euro Bank S.A. operations, to be reimbursed by a third party, recognised in other net operating income), while loan impairment charges also evolved favourably (EUR -58 million to EUR 182 million at the end of 2024). The increase in core income (EUR +42 million to EUR 3,639 million at the end of the current year) also contributed to the growth of the net income of the Group compared to the previous year, mainly due to the performance of net commissions, which increased by EUR 37 million, totalling EUR 809 million in 2024.

These positive impacts were, however, offset by the increase in both operating costs (+12.4% to EUR 1,307 million) and by the costs associated with the foreign currency mortgage loan portfolio in the Polish subsidiary (excluding provisions).

Net income of the Group performance also continues to be influenced by extraordinary effects associated with the Polish subsidiary, such as the recognition of the costs arising from the moratoriums program (credit holidays) which had no significant influence on the results in the previous year, totalling EUR 26 million in the current year, as well as the cost borne by mandatory contributions (EUR +22 million), with the reduction recorded in the activity in Portugal being insufficient to offset the increase in the overall amount of contributions in the Polish subsidiary.

Millennium bcp's consolidated balance sheet total assets amounted to EUR 102,144 million as of 31 December 2024, showing an increase of 8.2% compared to the EUR 94,371 million recorded at the end of 2023, with this evolution being driven by the increases seen in assets in the international activity and in the activity in Portugal. This evolution is largely explained by the significant growth of the securities portfolio and also to a lesser extent, by the rise in deposits at central banks and loans to customers (net of impairment).

Millennium bcp's total consolidated liabilities stood at EUR 93,951 million at the end of 2024, up from the EUR 87,080 million recorded at the end of 2023, with this evolution being driven by the increase in deposits and other resources from customers and in non-subordinated debt securities.

Millennium bcp's consolidated shareholders' equity showed an increase, rising from EUR 7,290 million recorded at the end of the previous year to EUR 8,193 million at the end of 2024, with the positives impacts of the integration of net income for the year and the favourable evolution of the fair value reserve, influenced by the positive impact of cash flow hedging, being partially offset by the payment of dividends and by the negative evolution of actuarial deviations associated with the pension fund.

Millennium bcp's consolidated loans to customers portfolio (gross loans) amounted to EUR 57,203 million as of 31 December 2024, showing a slight increase of 0.7% compared to the EUR 56,814 million figure achieved at the end of the previous year. This evolution reflects the increase recorded in the international activity and a slight reduction in the activity in Portugal.

On 31 December 2024, the consolidated total customer funds amounted to EUR 102,938 million, showing a favourable evolution, increasing by EUR 7,611 million (+8.0%) compared to the EUR 95,328 million obtained on the same date of the previous year, benefiting from the increases in the activity in Portugal and in the international activity. Consolidated balance sheet customer funds amounted to EUR 85,334 million on 31 December 2024, showing an increase of EUR 6,118 million compared to the end of the previous year, with this evolution being explained mainly by the increase in deposits and other resources from customers of the Group. Consolidated off-balance sheet customer funds stood at EUR 17,605 million as of 31 December 2024, showing an increase of EUR 1,492 million compared to the figure posted in the same date in the prior year, with this evolution being explained by the increases recorded in assets placed with customers and assets under management and the decrease seen in insurance products (savings and investment).

## PROFITABILITY ANALYSIS

### NET INCOME

In 2024, the consolidated net income of Millennium bcp amounted to EUR 906 million, corresponding to a 5.9% growth compared to the EUR 856 million achieved in the previous year and to a return on equity (ROE) of the Group of 13.8%.

It should be noted that the results of the previous year had been influenced by the extraordinary gain, recorded in that year, in the amount of EUR 139<sup>2</sup> million resulting from the sale, by Bank Millennium, of 80% of the shares of Millennium Financial Services sp. z o.o., within the scope of the strategic partnership in the bancassurance business.

The growth of the net income of the Group compared to the previous year was determined by the favourable performance of both the activity in Portugal and the Polish subsidiary, with the results of Millennium bim in Mozambique being lower than those achieved in 2023. It should be noted, however, that the performance of the Mozambican subsidiary in the current year was influenced by the impacts arising from the economic and financial situation of the country, namely by the sovereign debt rating downgrade.

The performance of net income of the Group compared to the previous year largely benefited from the reduction in impairments and provisions, mainly reflecting the lower additional provision charges booked by the Polish subsidiary to face the legal risk implicit in foreign exchange mortgage portfolio, with loan impairment charges also showing a favourable evolution. The increase in core income also contributed to the growth of net income of the Group compared to the previous year.

These positive impacts were, however, offset by the increase in both operating costs and costs associated with foreign exchange mortgage portfolio in the Polish subsidiary (excluding provisions). The recognition in 2024 of costs resulting from the extension of credit holidays, associated with mortgage loans denominated in Zlotys, also in the Polish subsidiary, contributed unfavourably to the evolution of net income of the Group as well. The performance of the Group also continued to be influenced by the costs associated with mandatory contributions, with the reduction recorded in the activity in Portugal being

insufficient to offset the increase in the overall amount of contributions in the Polish subsidiary.

<sup>2</sup> Before taxes and non-controlling interests.

Thus, other impairments and provisions contributed decisively to the favourable performance of net income of the Group by decreasing from EUR 860 million to EUR 675 million in the last year, mainly reflecting the decrease of EUR 169 million in the additional provisions booked to face the legal risk implicit in foreign exchange mortgage portfolio in the Polish subsidiary (EUR -163 million, from EUR 623 million to EUR 460 million, excluding the amount related to loans originated by Euro Bank S.A., to be reimbursed by a third party recognised in other net operating income).

Although the amount of these provisions was significantly lower than the amount recognised in the previous year, the remaining costs associated with foreign exchange mortgage portfolio have increased last year, leading to a reduction of the overall cost amount of only EUR 30 million (from EUR 780 million, to EUR 750 million, both before taxes and non-controlling interests), and continue to strongly penalise the results of the Group.

On the other hand, the favourable performance of net income of the Group also resulted from the reduction in loan impairment charges (net of recoveries), which, in consolidated terms, decreased EUR 58 million (-24.0%), totalling EUR 182 million at the end of 2024, benefiting from the reversal of impairments recorded in the current year in the activity in Portugal.

Net income of the Group was also positively influenced by the EUR 42 million growth in core income, to EUR 3,639 million at the end of the current year (+1.2%), mainly due to the performance of net commissions, which grew EUR 37 million compared to the previous year, totalling EUR 809 million at the end of 2024. Net interest income of the Group, in turn, was in line (+0.2%) with the amount recorded in the previous year, rising to EUR 2,831 million at the end of 2024. This evolution was, however, due to different dynamics, since the impact of the increase in net interest income of the international activity was almost entirely offset by the reduction in net interest income of the activity in Portugal.

The positive impacts mentioned above were offset by the increase in operating costs, mainly regarding international activity. In fact, despite the disciplined management of costs by the Group,

operating costs were 12.4% above the EUR 1,163 million recorded a year earlier, amounting to EUR 1,307 million at the end of 2024. Both staff costs and other administrative costs were higher than in the previous year, in the activity in Portugal and mainly in the international activity. Amortisations and depreciations, although higher than in the previous year, reflecting the performance of the international activity, had a less significant impact on the evolution of operating costs.

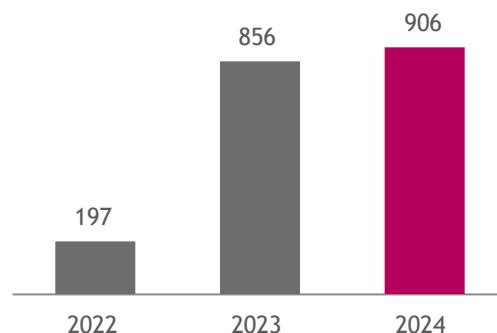
The performance of net income of the Group continues to be also influenced by extraordinary effects associated with the Polish subsidiary, such as the recognition of the costs arising from the moratoriums program (credit holidays), which had no significant influence on the results of the previous year, totalling EUR 26 million in the current year.

The evolution of net income of the Group also includes the increase of EUR 22 million in the costs borne with mandatory contributions, reflecting on the one hand the increase of EUR 55 million recorded in the Polish subsidiary and on the other the reduction of EUR 33 million recorded in the activity in Portugal.

Finally, despite the insignificant impact on net income of the Group, it is worth mentioning the evolution of net income from discontinued operations, from a negative amount of EUR 3 million in 2023, mainly due to the final adjustment of the sale price of Banque Privée BCP (Suisse) S.A. ("Banque Privée"), under previously agreed conditions, to a non-significant amount in 2024.

## NET INCOME

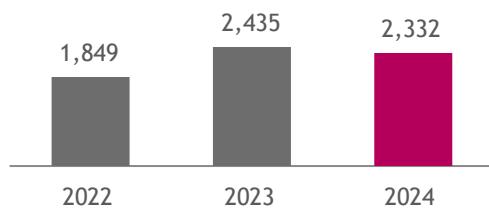
million EUR



In 2024, core operating profit of the Group amounted to EUR 2,332 million, standing 4.2% below the EUR 2,435 million achieved in the previous year, since the increase in core income was not sufficient to offset the increase in operating costs.

## CORE OPERATING PROFIT

million EUR



The previous analysis does not exclude the impact of specific items considered in each year. In 2024, specific items had a negative impact of EUR 13 million (before taxes and non-controlling

interests), recognised in staff costs in the activity in Portugal, while in 2023 the impact was positive in the amount of EUR 124 million (before taxes and non-controlling interests), including income of EUR 139 million recognised in the international activity, related to the sale of 80% of the shares in Millennium Financial Services sp. z o.o. (EUR 128 million recognised as net trading income and EUR 11 million recognised as other net operating income) and costs of EUR 15 million recognised as staff costs in the activity in Portugal. In 2022, the impact of specific items was negative in the amount of EUR 16 million (before taxes and non-controlling interests), recognised in staff costs in the activity in Portugal.

Excluding the impact of specific items in both years, core operating profit of the Group amounted to EUR 2,345 million, 4.3% below the EUR 2,450 million reached in the previous year.

## QUARTERLY INCOME ANALYSIS

	2024					million EUR	
	1st quarter	2nd quarter	3rd quarter	4th quarter	Total	2023 restated	2022 restated
<b>NET INTEREST INCOME</b>	<b>696</b>	<b>701</b>	<b>713</b>	<b>720</b>	<b>2,831</b>	2,826	2,150
<b>OTHER NET INCOME</b>	<b>173</b>	<b>180</b>	<b>229</b>	<b>162</b>	<b>744</b>	944	708
Dividends from equity instruments	0	1	0	0	1	2	10
Net commissions	196	200	206	207	809	772	772
Net trading income	(3)	(2)	35	(24)	5	146	48
Other net operating income	(31)	(39)	(24)	(35)	(130)	(39)	(183)
Equity accounted earnings	10	21	12	15	59	63	60
<b>NET OPERATING REVENUES</b>	<b>869</b>	<b>881</b>	<b>942</b>	<b>882</b>	<b>3,575</b>	3,770	2,857
<b>OPERATING COSTS</b>	<b>308</b>	<b>311</b>	<b>327</b>	<b>361</b>	<b>1,307</b>	1,163	1,073
Staff costs	166	174	183	199	722	632	581
Other administrative costs	107	102	108	124	440	393	353
Amortisations and depreciations	35	36	36	37	145	137	139
<b>PROFIT BEFORE IMPAIRMENT AND PROVISIONS</b>	<b>561</b>	<b>570</b>	<b>615</b>	<b>522</b>	<b>2,267</b>	2,607	1,784
Results on modification	(7)	(54)	(1)	(6)	(69)	(19)	(310)
Loan impairments (net of recoveries)	74	23	69	16	182	240	301
Other impairment and provisions	145	148	168	214	675	860	756
<b>INCOME BEFORE INCOME TAX</b>	<b>335</b>	<b>345</b>	<b>376</b>	<b>286</b>	<b>1,341</b>	1,488	418
<b>INCOME TAX</b>	<b>78</b>	<b>60</b>	<b>125</b>	<b>78</b>	<b>341</b>	537	304
Current	27	44	34	34	139	180	110
Deferred	51	16	91	45	202	358	195
<b>NET INCOME AFTER INCOME TAX FROM CONTINUING OPERATIONS</b>	<b>257</b>	<b>285</b>	<b>251</b>	<b>207</b>	<b>1,000</b>	950	114
Income arising from discontinued operations	0	0	0	0	0	(3)	6
<b>NET INCOME AFTER INCOME TAX</b>	<b>257</b>	<b>285</b>	<b>251</b>	<b>207</b>	<b>1,000</b>	948	120
Non-controlling interests	22	34	22	15	94	92	(78)
<b>NET INCOME ATTRIBUTABLE TO SHAREHOLDERS OF THE BANK</b>	<b>234</b>	<b>251</b>	<b>229</b>	<b>192</b>	<b>906</b>	856	197

## MAIN GEOGRAPHIES

	Portugal			Total Int Op			International activity *			Bank Millennium			BIM		
	2024	2023 restated	2022 restated	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
<b>NET INTEREST INCOME</b>	<b>1,335</b>	<b>1,467</b>	<b>951</b>	<b>1,496</b>	<b>1,359</b>	<b>1,199</b>	<b>1,292</b>	<b>1,157</b>	<b>996</b>	<b>204</b>	<b>202</b>	<b>202</b>			
<b>OTHER NET INCOME</b>	<b>626</b>	<b>569</b>	<b>620</b>	<b>118</b>	<b>375</b>	<b>87</b>	<b>55</b>	<b>311</b>	<b>24</b>	<b>58</b>	<b>62</b>	<b>64</b>			
Dividends from equity instruments	0	1	9	1	1	1	1	1	1	0	0	0			
Net commissions	588	560	561	220	211	211	180	172	173	40	39	39			
Net trading income	9	14	67	(4)	132	(19)	(20)	116	(40)	16	16	21			
Other net operating income	(25)	(65)	(76)	(105)	26	(107)	(106)	22	(109)	1	5	2			
Equity accounted earnings	53	58	59	5	5	1	0	0	0	2	2	2			
<b>NET OPERATING REVENUES</b>	<b>1,962</b>	<b>2,035</b>	<b>1,571</b>	<b>1,613</b>	<b>1,734</b>	<b>1,286</b>	<b>1,347</b>	<b>1,468</b>	<b>1,020</b>	<b>262</b>	<b>264</b>	<b>266</b>			
<b>OPERATING COSTS</b>	<b>673</b>	<b>617</b>	<b>602</b>	<b>634</b>	<b>546</b>	<b>471</b>	<b>503</b>	<b>420</b>	<b>357</b>	<b>132</b>	<b>126</b>	<b>113</b>			
Staff costs	392	355	339	330	277	242	277	227	194	54	50	47			
Other administrative costs	208	189	184	233	205	169	173	147	118	59	58	51			
Amortisations and depreciations	74	73	79	71	64	60	53	47	45	19	18	16			
<b>RESULTS BEFORE PROVISIONS AND IMPAIRMENTS</b>	<b>1,288</b>	<b>1,419</b>	<b>970</b>	<b>979</b>	<b>1,188</b>	<b>815</b>	<b>844</b>	<b>1,048</b>	<b>663</b>	<b>131</b>	<b>138</b>	<b>153</b>			
Results on modification	0	0	0	(69)	(19)	(310)	(69)	(19)	(310)	0	0	0			
Impairment for loans (net of recoveries)	119	208	218	63	32	82	60	57	74	3	(25)	8			
Other impairment and provisions	114	161	205	561	699	550	512	682	435	48	14	7			
<b>INCOME BEFORE INCOME TAX</b>	<b>1,055</b>	<b>1,050</b>	<b>546</b>	<b>287</b>	<b>437</b>	<b>(128)</b>	<b>203</b>	<b>289</b>	<b>(156)</b>	<b>80</b>	<b>149</b>	<b>138</b>			
<b>INCOME TAX</b>	<b>274</b>	<b>331</b>	<b>208</b>	<b>68</b>	<b>206</b>	<b>97</b>	<b>36</b>	<b>162</b>	<b>61</b>	<b>31</b>	<b>44</b>	<b>36</b>			
Current	12	13	17	127	167	92	97	135	56	30	32	36			
Deferred	262	318	190	(60)	40	4	(61)	27	4	1	12	0			
<b>NET (LOSS) / INCOME AFTER INCOME TAX FROM CONTINUING OPERATIONS</b>	<b>781</b>	<b>719</b>	<b>338</b>	<b>219</b>	<b>231</b>	<b>(224)</b>	<b>167</b>	<b>127</b>	<b>(217)</b>	<b>48</b>	<b>105</b>	<b>102</b>			
Income from discontinued operations	0	0	0	0	(3)	6	0	0	0	0	0	4			
<b>NET INCOME AFTER INCOME TAX</b>	<b>781</b>	<b>719</b>	<b>338</b>	<b>219</b>	<b>228</b>	<b>(219)</b>	<b>167</b>	<b>127</b>	<b>(217)</b>	<b>48</b>	<b>105</b>	<b>106</b>			
Non-controlling interests	(5)	(6)	(5)	100	97	(73)	0	0	0	0	0	0			
<b>NET INCOME</b>	<b>786</b>	<b>725</b>	<b>343</b>	<b>120</b>	<b>131</b>	<b>(146)</b>	<b>167</b>	<b>127</b>	<b>(217)</b>	<b>48</b>	<b>105</b>	<b>106</b>			

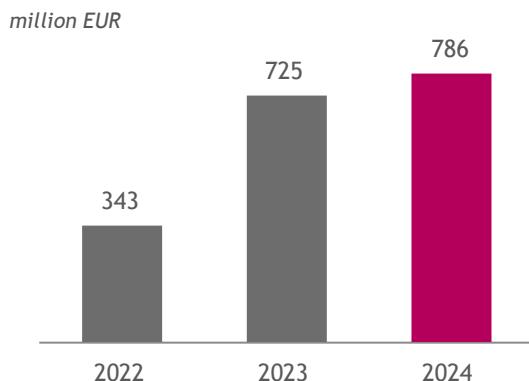
\* International operations, in addition to the activity of Bank Millennium in Poland and Millennium Bim in Mozambique (BIM), also include the contribution of Banco Millennium Atlântico (BMA) in Angola and, until 2022, the activity of Millennium BCP Bank & Trust in the Cayman Islands. The aggregate of international operations also includes, in 2022 and 2023, under the heading results of discontinued operations, the adjustment of the sale price of the Swiss operation, under previously agreed conditions. In 2022, in addition to the correction of the gain, from the sale of the investment held in SIM (currently known as Fidelidade Moçambique - Companhia de Seguros S.A.) recognised in the Mozambican subsidiary, the heading results of discontinued operations in the international activity also includes the correction of this gain, recognised in the consolidated accounts. The aggregate international operations includes, as well, impairments and provisions associated with BMA, BIM and Bank Millennium in Poland, recognised in the consolidated accounts, with the recognition of impairment of the goodwill related to the Polish subsidiary, in 2022, being the most significant.

The presentation of the international operations above is in accordance with the Consolidated Accounts of the Group, and there may be differences in relation to the accounts disclosed locally. The net income shown in the columns relating to Bank Millennium and BIM corresponds to the consolidated result calculated by each of those entities. Thus, the non-controlling interests presented in those same columns relate to subsidiaries of those entities, where applicable.

In the activity in Portugal, net income of 2024 amounted to EUR 786 million, growing 8.5% from the EUR 725 million achieved in the previous year.

## NET INCOME

### Activity in Portugal



The favourable performance of net income in the activity in Portugal was largely influenced by the reduction in impairments and provisions in 2024, with the reversal of impairments and the improvement in the risk profile of the credit portfolio allowing a reduction of 42.5% (EUR -88 million) in loan impairments (net of recoveries), to EUR 119 million at the end of the year. Other impairments and provisions, in turn, showed a reduction of 28.8% (EUR -46 million), totaling EUR 114 million at the end of December 2024.

The income recognised from loan sales in the current year, contrasting with the costs recorded in 2023, also positively influenced (EUR +37 million) the evolution of net income in the activity in Portugal.

The favourable evolution of net income of the activity in Portugal also benefits from the reduction of EUR 33 million in the costs associated with mandatory contributions borne by the Bank. This reduction was due, on the one hand, to the fact that no contribution to the Single Resolution Fund was collected in 2024 as the fund had reached its target level and, on the other, to the reduction of the Bank's liabilities that took place at the end of 2022, with an impact on the calculation of the amount of contributions in the current year.

Conversely, net income of the activity in Portugal was influenced by the evolution of core income, from EUR 2,027 million at the end of 2023 to EUR 1,924 million at the end of the current year, mainly reflecting the decrease of 9.0% (EUR -131 million) in net interest income, to EUR 1,335 million at the end of 2024. Net commissions, in turn, totalled EUR 588 million at the end of the

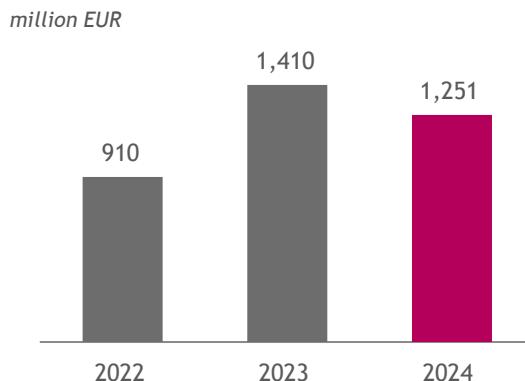
current year, growing 5.0% (EUR +28 million) from 2023, reflecting the increase in commissions related to the bancassurance activity, arising from the update of the distribution fees paid by the insurance companies.

The performance of net income in the activity in Portugal was also influenced, albeit to a lesser extent, by the increase of 9.1% (EUR +56 million) recorded in operating costs, which totalled EUR 673 million at the end of 2024. The evolution of operating costs was due to the increase in both staff costs and other administrative costs, while amortisations and depreciations, in turn, remained in line with the amount recorded a year earlier.

The impact of the evolution of core income together with operating costs in the activity in Portugal resulted in a reduction of 11.3% in core operating profit, from EUR 1,410 million in 2023, to EUR 1,251 million in 2024.

## CORE OPERATING PROFIT

### Activity in Portugal



Excluding the specific items mentioned above (negative impacts of EUR 13 million in 2024 and EUR 15 million in 2023, both recognised in staff costs), core operating profit in the activity in Portugal decreased by 11.4% from EUR 1,426 million to EUR 1,263 million.

In the international activity, net income of 2024 amounted to EUR 120 million, 8.6% below the EUR 131 million recorded in the previous year.

## NET INCOME

### International activity

million EUR



This evolution reflects the reduction in the results obtained by Millennium bim in Mozambique, which was largely offset by the improved results obtained by Bank Millennium in Poland compared to 2023.

In fact, net income of Bank Millennium reached EUR 167 million in 2024, showing a strong growth of 31.7% from the EUR 127 million recorded in the previous year.

The reduction in the additional provisions booked to face the legal risk implicit in foreign exchange mortgage portfolio largely contributed to this performance as they were EUR 163 million lower than the amount recognised in the previous year (net of the amount related to loans originated by the operations of Euro Bank S.A.).

The evolution of net income of the Polish subsidiary was also strongly influenced by the increase in core income, namely by the growth in net interest income (EUR +135 million, +11.6%), arising largely from higher income generated by the securities portfolio.

On the other hand, compared with the previous year, this performance was also influenced by the recognition, that year, of the extraordinary gain (EUR 139 million) resulted from the sale of 80% of the shares of Millennium Financial Services sp. z o.o.

Costs associated with the portfolio of foreign exchange mortgage loans (excluding provisions), in turn, increased compared to the amount

recognised in the previous year, continuing to strongly penalise the results of the Polish subsidiary.

The results of Bank Millennium were also influenced by the increase in operating costs, mainly due to the evolution of staff costs and other administrative costs, constrained not only by the inflation levels over the previous years, but also by the characteristics of the labour market in Poland, with very low unemployment rates and significant increases in the minimum wage.

Following the completion of the implementation of Bank Millennium Recovery Plan which had been activated in 2022, this subsidiary was once again subject to the payment of the special tax on the banking sector in 2024, with the consequent negative impact on the evolution of results compared to the previous year.

It should also be noted the unfavourable impact on the evolution of the subsidiary's results in the last year of the recognition of the costs associated with the moratorium program (credit holidays), in the amount of EUR 26 million, which did not influence the results in the previous year.

Finally, the increase recorded in operating costs was more than offset by the increase in core income, namely in net interest income, leading the core operating profit of the Polish subsidiary to grow 6.6%, from EUR 909 million in 2023, to EUR 970 million in 2024.

Regarding the activity in Mozambique, Millennium bim's net income amounted to EUR 48 million at the end of 2024, significantly below (-53.9%) the amount recorded in 2023.

This performance was strongly influenced, as already mentioned, by the impacts arising from the situation of the country, namely the downgrade of the sovereign debt rating, which resulted in a significant increase in the recognition of impairment of financial assets.

The comparison with net income recorded by the Mozambican subsidiary in the previous year was also influenced by the fact that in that year a positive impact resulting from the partial recovery of a credit in litigation, following an out-of-court settlement, was recorded, thus negatively influencing the evolution of loans impairment in 2024, compared to 2023.

Although to a lesser extent, the evolution of net income of Millennium bim in Mozambique also reflects the increase in operating costs. This increase was mainly due to the evolution of staff costs, reflecting the combined effect of the salary update and the increase in its headcount. Other administrative costs were also higher than the amount recognised a year earlier, with

amortisations and depreciations, also increasing compared to 2023, but with a less significant impact on the evolution of operating costs.

Other net operating income and net trading income, in turn, also performed less favourably than a year earlier, while core income contributed positively to the evolution of the results of the Mozambican subsidiary in the last year.

Both net interest income and net commissions increased compared to the previous year, despite the negative impact on the net interest income of the increase in the local requirement for non-remunerated cash reserves to be maintained with the central bank, applied in February and May 2023, and, also, the significant reduction in reference interest rates by the central bank.

Despite the increase in core income, core operating profit of the Mozambican subsidiary was 2.9% below the EUR 115 million recorded in 2023, totalling EUR 112 million at the end of 2024, reflecting the increase in operating costs in the last year.

Despite its smaller relative weight within the scope of this analysis, it is worth mentioning the contribution of the Angolan operation to the results of the international activity, through the appropriation of the results of Banco Millennium

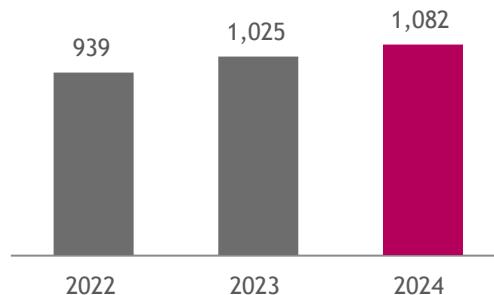
Atlântico recognised in equity accounted earnings, that went from EUR 3 million in 2023, to EUR 4 million in the current year.

Core operating profit of the international activity grew 5.6%, from EUR 1,025 million in 2023 to EUR 1,082 million in 2024, as the increase in core income more than offset the increase in operating costs.

## CORE OPERATING PROFIT

### International activity

million EUR



## NET INCOME OF INTERNATIONAL ACTIVITY

	2024	2023	2022	Chg. 24/23
Bank Millennium in Poland (1)	167	127	(217)	31.7 %
Costs associated with foreign exchange mortgage loans	596	735	505	(18.9)%
Bank Millennium in Poland (exc. costs associated with foreign exchange mortgage loans)	763	862	288	(11.5)%
Millennium bim in Mozambique (1)(2)	48	105	102	(54.2)%
Banco Millennium Atlântico (BMA) (3)	4	3	(7)	44.7 %
Other (4)	—	(3)	(102)	100.0 %
Income from discontinued operations (5)	—	(3)	6	111.3 %
Banque Privée BCP (Suisse) S.A.	—	(3)	2	100.0 %
Fidelidade Moçambique - Companhia de Seguros S.A.	—	—	4	— %
Non-controlling interests	100	97	(73)	2.4 %
<b>NET INCOME OF INTERNATIONAL ACTIVITY</b>	<b>120</b>	<b>131</b>	<b>(146)</b>	<b>(8.6)%</b>

(1) The amounts showed are not deducted from non-controlling interests.

(2) Corresponds to net income after income taxes from continuing operations. Net income does not include the correction of the gain recognised with the disposal, in 2021, of 70% of the stake that the Group held in SIM (now designated Fidelidade Moçambique - Companhia de Seguros S.A.) recorded in 2022 and 2024, which are accounted for in Income arising from discontinued operations.

(3) Corresponds to the proportion of the results of Banco Millennium Atlântico appropriated by the Group, considering the equity method. In 2022, the amount presented includes provisions associated with the investment in this associate, also including the impairment of goodwill.

(4) In 2023, includes provisions associated with BIM, recognised in the consolidated accounts. In 2022, includes the total impairment of the goodwill associated with the acquisition by the BCP Group of the percentage of control over Bank Millennium SA. and the net income of the operation in Cayman Islands, fully attributable to the Bank.

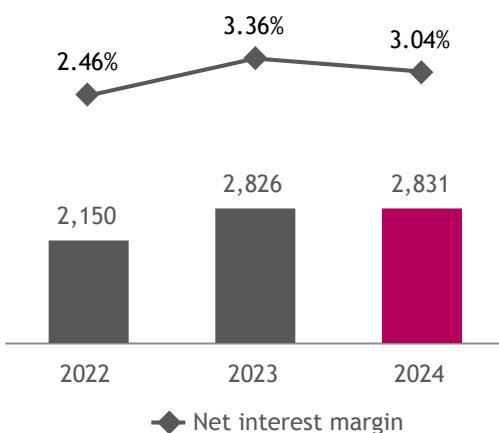
(5) Income from discontinued operations includes the adjustment of the gains generated with the disposal, in 2021, of the participation in Banque Privée and of the sale of 70% of the stake that the Group held in SIM (whether they have been reflected in Millennium bim accounts or in consolidated accounts).

## NET INTEREST INCOME

In 2024, net interest income of the Group reached EUR 2,831 million, in line (+0.2%) with the amount posted in the previous year, with the reduction recorded in the activity in Portugal being offset by the increase in the international activity.

### NET INTEREST INCOME

million EUR



In fact, net interest income, in the activity in Portugal, totalled EUR 1,335 million in 2024, standing 9.0% below the EUR 1,467 million recorded in 2023.

The performance of net interest income in the activity in Portugal, in the last year, reflects above all, the increase in cost of funding, partially offset by the higher income generated by both the customer loan portfolio and the securities portfolio.

Thus, the increase in costs associated with the remuneration of the deposit portfolio stands out, mainly due to the evolution of interest rates in the last year, but also influenced, albeit to a lesser extent, by the increase in the average balance of interest-bearing deposits compared to 2023.

Influenced not only by the increase in interest rates, but also by the impact of two issues of senior preferred debt securities, in the amount of EUR 500 million each, launched in September 2023 and October 2024, the costs incurred with issued debt and subordinated debt were also higher than a year earlier. Both issues, under the Bank's Euro Note Programme, increase the capacity to meet the requirements known as "MREL" (Minimum Requirements for Own Funds and Eligible Liabilities). On the other hand, the decision of the Bank to exercise, in October 2024, its option to

early redeem in whole its EUR 350 million senior preferred issue had a favourable impact on the evolution of net interest income.

In the last year, the evolution of net interest income mainly benefited from the increased contribution of the income generated by the securities portfolio, with particular emphasis on the income generated by the sovereign debt portfolio, reflecting on the one hand, the evolution of interest rates and on the other, the increased size and turnover of the portfolio.

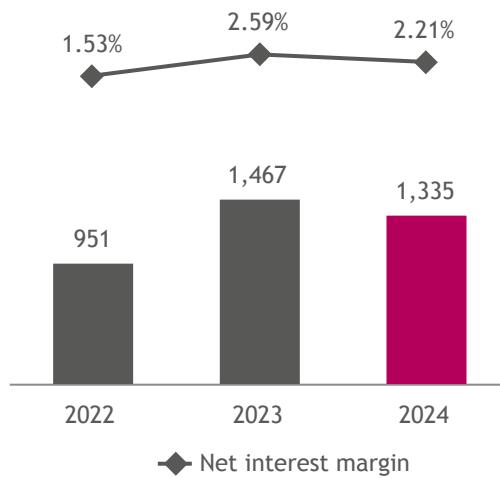
The income generated by the customer loan portfolio also increases compared to the previous year, reflecting the interest rates increase, despite the decrease in the average balance of the portfolio recorded this year.

Finally, it is worth mentioning the increase in net interest income due to the favourable impact of liquidity deposited at other credit institutions.

### NET INTEREST INCOME

#### Activity in Portugal

million EUR



In the international activity, net interest income amounted to EUR 1,496 million at the end of 2024, showing a growth of 10.0% from the EUR 1,359 million accounted in 2023.

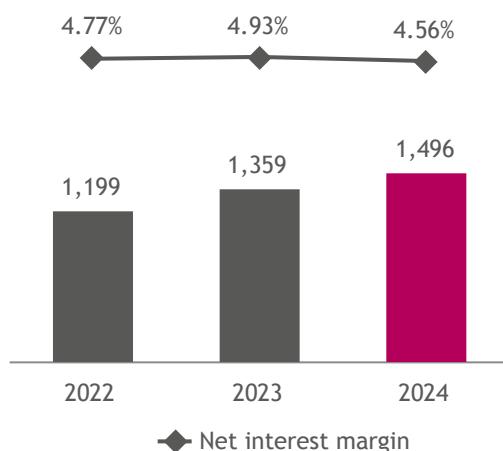
This evolution was mainly due to the performance of the Polish subsidiary, associated largely to the higher income generated by the securities portfolio.

Despite its limited impact within the scope of this analysis, it is important to mention the performance of net interest income of the subsidiary in Mozambique, that despite being influenced by the significant increases in the local requirement for non-remunerated cash reserves to be maintained with the central bank, in February and May of 2023, and, also, by the significant reduction in reference interest rates by the central bank, was slightly above the amount reached in 2023.

## NET INTEREST INCOME

### International activity

million EUR



In consolidated terms, net interest margin went from 3.36% in 2023 to 3.04% in 2024, reflecting the performance of both the activity in Portugal and the international activity.

In fact, in the activity in Portugal, net interest margin evolved from 2.59% in 2023, to 2.21% in the current year, mainly influenced by the increase in interest rates underlying interest-bearing deposits.

Net interest margin in the international activity, in turn, evolved from 4.93% in 2023, to 4.56% in 2024, year in which the central bank of Poland kept interest rates unchanged, after the first cuts in September and October 2023. As mentioned above, the increase in the local requirement for non-remunerated cash reserves to be maintained with the central bank of Mozambique and the reduction in reference interest rates, in turn, also contributed unfavourably to this evolution.

Both in the activity in Portugal and in the international activity, the increase in liquidity invested in public debt securities, resulting from the growth of customer deposits, although contributing positively to net interest income, is reflected in a reduction in net interest margin compared to the previous year.

## AVERAGE BALANCES

million EUR

	31 Dec. 24	31 Dec. 23 (restated)	31 Dec. 22			
	Average Balance	Yield %	Average Balance	Yield %	Average Balance	Yield %
Deposits in banks	4,921	3.78	4,379	4.05	9,575	1.34
Financial assets	31,228	3.67	22,979	3.29	19,742	1.79
Loans and advances to customers	55,423	5.49	55,672	5.43	56,731	3.77
<b>INTEREST EARNING ASSETS</b>	<b>91,572</b>	<b>4.78</b>	<b>83,031</b>	<b>4.76</b>	<b>86,048</b>	<b>3.04</b>
Non-interest earning assets	7,453		8,000		9,837	
	<b>99,025</b>		<b>91,031</b>		<b>95,884</b>	
Amounts owed to credit institutions	994	4.75	1,295	3.90	8,805	-0.20
Deposits and other resources from customers	81,537	1.49	75,906	1.16	72,995	0.56
Debt issued and other financial liabilities	4,457	4.95	3,468	3.81	3,263	1.05
Subordinated debt	1,405	8.07	1,388	7.81	1,377	5.09
<b>INTEREST BEARING LIABILITIES</b>	<b>88,393</b>	<b>1.80</b>	<b>82,057</b>	<b>1.42</b>	<b>86,439</b>	<b>0.58</b>
Non-interest bearing liabilities	2,875		2,345		3,127	
Shareholders' equity and non-controlling interests	7,757		6,628		6,318	
	<b>99,025</b>		<b>91,031</b>		<b>95,884</b>	
Net interest margin (1)		<b>3.04</b>		<b>3.36</b>		<b>2.46</b>

(1) Net interest income as a percentage of average interest earning assets.

Note: Average balance calculated based on monthly average of end of month balances, accumulated in the period. Interest related to hedge derivatives were allocated, each year, to the respective balance item.

The Group's interest earning assets totalled EUR 91,572 million in 2024, standing above the EUR 83,031 million recorded in 2023. This evolution was mainly due to the increase in financial assets, from EUR 22,979 million in 2023, to EUR 31,228 million in 2024, driven by the increase in public debt portfolio. Although on a much smaller scale, deposits in credit institutions, were also higher than the amount recorded a year earlier, amounting to EUR 4,921 million (EUR 4,379 million in 2023). Loans to customers, in turn, did not change materially compared to the previous year, amounting to EUR 55,423 million in the current year. In terms of profitability, there was an increase in the average amount of interest-earning assets, with the implicit rate remaining stable, as a result of opposite trends between the activity in Portugal, where the rate was higher compared to 2023, and the international activity with a lower average rate than in the previous year.

Regarding non-interest earning assets, there was a decrease compared to the EUR 8,000 million recorded in 2023, totalling EUR 7,453 million in 2024.

In terms of average balance sheet structure, interest earning assets represented 92.5% of average net assets in 2024, that compares to 91.2% in the previous year.

Although showing an average balance in line with that recorded a year earlier, loans to customers decreased its relative weight in the balance sheet structure from 61.2% to 56.0%, and from 67.1% to 60.5% in the interest-earning assets portfolio, remaining however the main aggregate in this portfolio.

Financial assets portfolio, in turn, reinforced its weight in the balance sheet structure, increasing from 25.2% in 2023, to 31.5% in 2024, while deposits in credit institutions went from 4.8% to 5.0% in the last year.

Interest bearing liabilities evolved from EUR 82,057 million in 2023, to EUR 88,393 million in 2024, mainly reflecting the increase of average balance of customer deposits from EUR 75,906 million to EUR 81,537 million in the last year. The relative weight of customer deposits in interest bearing liabilities stood at 92.2% (92.5% in 2023), thus remaining the main financing instrument supporting the activity of the Group.

The average balance of debt issued and other financial liabilities, together, increased in the last year, from EUR 3,468 million to EUR 4,457 million, due to two issues of senior preferred debt securities placed on the market by Banco Comercial Português in September 2023 and in October 2024, both in the amount of EUR 500 million, and to a green issue of non-preferred senior debt by Bank Millennium, in September 2024, also in the amount of EUR 500 million. The combined impact on the average balance of issued debt securities of these issues was partially offset by the early repayment, in October 2024, of another senior preferred issue in the amount of EUR 350 million. The relative weight of issued debt securities and other financial liabilities in the average balance of interest-bearing liabilities increased from 4.2% in 2023 to 5.0% in 2024.

On the other hand, there was a reduction in the relative weight of amounts owed to credit institutions in the average balance of interest-bearing liabilities, from 1.6% in 2023 to 1.1% in 2024, while subordinated debt represented 1.6% of the same aggregate (1.7% in 2023).

#### OTHER NET INCOME

Other net income, that aggregates dividends from equity instruments, net commissions, net trading income, other net operating income and equity accounted earnings, totalled EUR 744 million in 2024, corresponding to a decrease of 21.2% compared to the EUR 944 million recorded in the previous year.

The contribution of the Polish subsidiary was decisive in this performance due to the recognition, in the previous year, of the gains obtained with the sale of 80% of the shares of Millennium Financial Services sp. z o.o., as part of the strategic partnership in bancassurance business (EUR 128 million recognised in net trading income and EUR 11 million associated with the revaluation of the 20% minority stake held by Bank Millennium after the completion of the operation, recognised in other net operating income) thus having an unfavourable influence on the evolution of other net income compared to the previous year.

Likewise, the impacts associated with the mortgage loan portfolio in foreign currency and the increase in costs of mandatory contributions, both in the Polish subsidiary, largely influenced the unfavourable evolution of this aggregate, which in return benefited from the greater contribution from the activity in Portugal compared to 2023.

In fact, in the activity in Portugal, other net income increased 10.1% (EUR +58 million) compared to the EUR 569 million posted in 2023, totalling EUR 626 million at the end of 2024. This performance largely reflects the favourable performance of other net operating income (EUR +40 million) benefiting in particular from the reduction in mandatory contributions to which the Bank is subject in the domestic operation. The increase in net commissions (EUR +28 million), mainly due to the update of bancassurance distribution fees, also contributed largely to the favourable performance of other net income in the activity in Portugal. On the other hand, and albeit to a lesser extent, the performance of other net income in the activity in Portugal was also influenced by the reduction in net trading income (EUR -5 million), in equity accounted earnings (EUR -5 million) and in dividends from equity instruments (EUR -1 million).

In the international activity, other net income amounted to EUR 118 million in 2024, considerably below the EUR 375 million posted in the previous year, due to the contribution of the Polish subsidiary, influenced by the already mentioned impacts.

## OTHER NET INCOME

	2024	2023 restated	2022 restated	Chg. 24/23	million EUR
Dividends from equity instruments	1	2	10	(43.0 %)	
Net commissions	809	772	772	4.8 %	
Net trading income	5	146	48	(96.6 %)	
Other net operating income	(130)	(39)	(183)	<-200%	
Equity accounted earnings	59	63	60	(6.1 %)	
	<b>744</b>	<b>944</b>	<b>708</b>	<b>(21.2 %)</b>	
of which:					
Activity in Portugal	626	569	620	10.1 %	
International activity	118	375	87	(68.7 %)	

## DIVIDENDS FROM EQUITY INSTRUMENTS

Dividends from equity instruments, which incorporates dividends and income from equity shares received from investments classified as financial assets at fair value through other comprehensive income and as financial assets held for trading, evolved from EUR 2 million at the end of 2023, to EUR 1 million in 2024.

This evolution mainly reflects the reduction of income associated with investments that are part of the shares portfolio of the activity in Portugal, which corresponded to an irrelevant amount in 2024 compared to EUR 1 million recorded in the previous year. In the international activity, dividends from equity instruments, arising exclusively from the activity of the Polish subsidiary, did not change materially compared to the amount recorded in 2023, standing at EUR 1 million at the end of the current year.

## NET COMMISSIONS

Net commissions include commissions related to the banking business and commissions more directly related to financial markets.

In 2024, net commissions, as a whole, totalled EUR 809 million, showing a growth of 4.8% compared to the EUR 772 million recorded in the previous year.

This evolution reflects the favourable performance of both the activity in Portugal and the international activity, in the first case mainly resulting from the increase of bancassurance activity commissions, arising from the update of the distribution fees paid by the insurance companies.

In consolidated terms, the favourable performance of net commissions was due to the growth of both banking commissions and market related commissions.

In fact, banking commissions of the Group amounted to EUR 684 million at the end of the current year, standing EUR 21 million (+3.1%) above the amount recorded in the previous year,

while commissions related to financial markets totalled EUR 124 million, increasing EUR 16 million (+14.8%) from the amount recorded a year earlier.

The growth in banking commissions was largely influenced by the impact of bancassurance distribution fees update in the activity in Portugal and, although to a lesser extent, also by the increase recorded in commissions related to cards and transfers, in this case due to the performance of the international activity. Commissions associated with credit and guarantees and other banking commissions, in turn, were at a lower level compared to that achieved a year earlier, reflecting the performance of both activity in Portugal and international activity. Commissions associated with the management and maintenance of accounts recorded smaller changes in the last year both in the activity in Portugal and in the international activity.

Regarding commissions related to financial markets, there was a favourable evolution in both

activity in Portugal and international activity, in both cases reflecting the performance of both commissions associated with asset management and distribution and commissions associated with securities.

## NET COMMISSIONS

million EUR



In the activity in Portugal, net commissions amounted to EUR 588 million at the end of 2024, corresponding to a growth of 5.0% from the EUR 560 million recorded in 2023.

Both banking commissions, which amounted to EUR 491 million at the end of 2024, and commissions related to markets, which totalled EUR 97 million at the same date, evolved favourably in the last year, showing increases of 4.2% (EUR +20 million) and 9.5% (EUR +8 million), respectively.

The performance of net commissions related to the banking business in the activity in Portugal was determined by the growth of commissions associated with the bancassurance activity (+31.2%, EUR +26 million), largely due to the update of the distribution fees paid by the insurance companies. At the end of 2024, these commissions totalled EUR 111 million in activity in Portugal.

Commissions associated with management and maintenance of accounts also performed favourably compared to the previous year, albeit more modestly (EUR +1 million, +0.6%), amounting to EUR 143 million at the end of 2024.

On the other hand, the performance of commissions related to banking business, in the activity in Portugal, was influenced by the reduction in commissions associated with credit and guarantees which had a combined reduction of 2.4% (EUR -2 million) compared to the previous year, totalling EUR 80 million at the end of 2024. This evolution reflects, among other causes, the lower production in loans to companies and the legal restrictions imposed.

Commissions related to cards and transfers which include amounts charged for transactions carried

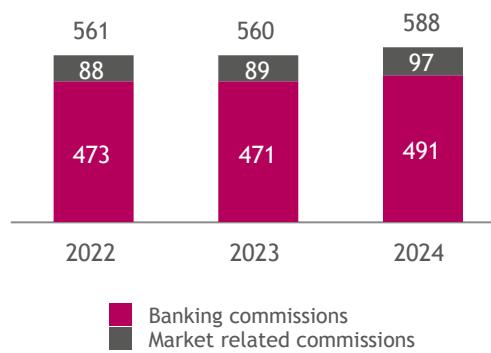
out with cards and the respective payment networks, for bank transfers and for the use of points of sale (POS), also stand below the amount reached in 2023 (-0.9%; EUR -1 million), totalling EUR 157 million, at the end of 2024. Other banking commissions in the activity in Portugal, amounted to EUR 1 million at the end of 2024, well below the EUR 5 million record a year earlier.

Regarding market-related commissions in the activity in Portugal, both commissions related to securities and commissions arising from asset management and distribution reached a higher level than at the end of 2023, with the growth of the former contributing more significantly to the performance of this aggregate. In fact, commissions related to securities amounted to EUR 40 million at the end of the current year, EUR 6 million (+17.5%) above the amount recorded in 2023, while commissions arising from asset management and distribution totalled EUR 57 million, EUR 3 million (+4.6%) above the amount recorded a year earlier.

## NET COMMISSIONS

### Activity in Portugal

million EUR



In the international activity, net commissions amounted to EUR 220 million at the end of the current year, increasing by 4.2% (EUR +9 million) from the amount recorded in the previous year. This evolution was determined by the performance of the Polish subsidiary, although in the subsidiary in Mozambique, net commissions also had a favourable performance compared to the previous year, but with a less significant impact on the evolution of this item.

Commissions related to banking business in the international activity totalled EUR 193 million at the end of 2024, increasing 0.7% (EUR +1 million) from the amount recorded in the previous year. This evolution resulted from different dynamics with regard to the several types of commissions comprised in these items, with the increase of EUR 10 million, to EUR 100 million at the end of 2024,

recorded in commissions related to cards and transfers being largely offset by the reduction recorded in other items. Of particular note is the reduction of EUR 6 million, to EUR 28 million, recorded in bancassurance commissions, reflecting the impact of the sale of 80% of the shares of Millennium Financial Services sp. z o.o., as part of the strategic partnership in this business area. Commissions related to credit and guarantees, in turn, were 3.3% (EUR -2 million) below the amount recorded in 2023, standing at EUR 46 million at the end of 2024. Commissions related to management and maintenance of accounts and other banking commissions, in the international activity, did not change significantly in the last year, totalling EUR 16 million and EUR 3 million respectively in 2024.

With regard to commissions related to financial markets, still in the international activity, there was a significant increase (+38.6%, EUR +8 million), to EUR 27 million at the end of 2024. This performance was determined by the increase of commissions associated with asset management and distribution, since the growth in commissions

associated with securities, although relevant, had a small impact on the scope of this analysis. Asset management and distribution commissions and securities commissions totalled, respectively, EUR 24 million and EUR 3 million at the end of the current year.

## NET COMMISSIONS

### International activity

million EUR



## NET COMMISSIONS

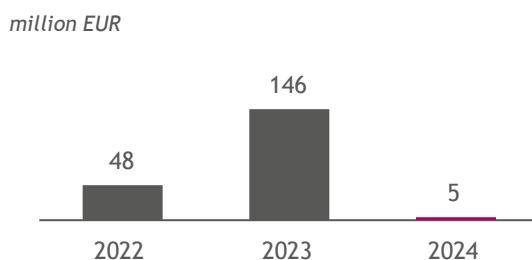
	2024	2023	2022	Chg. 24/23
<b>BANKING COMMISSIONS</b>	<b>684</b>	<b>663</b>	<b>665</b>	<b>3.1 %</b>
Cards and transfers	257	248	228	3.4 %
Credit and guarantees	125	129	141	(2.8 %)
Bancassurance	139	119	119	17.0 %
Management and maintenance of accounts	159	159	165	0.2 %
Other commissions	4	9	11	(53.7 %)
<b>MARKET RELATED COMMISSIONS</b>	<b>124</b>	<b>108</b>	<b>107</b>	<b>14.8 %</b>
Securities	43	36	39	18.1 %
Asset management and distribution	82	72	68	13.1 %
	<b>809</b>	<b>772</b>	<b>772</b>	<b>4.8 %</b>
Of which:				
Activity in Portugal	588	560	561	5.0 %
International activity	220	211	211	4.2 %

## NET TRADING INCOME

Net trading income includes gains/(losses) on financial operations at fair value through profit or loss, foreign exchange gains/(losses), gains/(losses) on hedge accounting and gains/(losses) arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss.

In 2024, net trading income amounted to EUR 5 million, well below the EUR 146 million achieved in the previous year. This performance was determined by the recognition, in the previous year, of the gains obtained by the Polish subsidiary with the sale of 80% of the shares of Millennium Financial Services sp. z o.o., which, as previously mentioned, totalled EUR 128 million under this heading.

### NET TRADING INCOME



In the activity in Portugal, net trading income evolved from EUR 14 million in 2023 to EUR 9 million at the end of 2024.

Although its impact was offset by other effects, it is important to mention the income recognised in the current year from the sale of credits, in contrast with the costs recorded in 2023, resulting in an increase of EUR 37 million compared to the previous year.

In the international activity, the evolution of net trading income, from gains of EUR 132 million to a marginal cost of EUR 4 million at the end of the current year, was determined by the already mentioned gains obtained in 2023 with the sale of 80% of the shares of Millennium Financial Services sp. z o.o., considered as specific items.

The performance of this item was also influenced by the increase in costs incurred by the Polish subsidiary in converting mortgage loans granted in Swiss francs, following the agreements with customers holding these loans, that in 2024 penalised net trading income in EUR 94 million compared to EUR 60 million recognised in 2023.

In the operation in Mozambique, net trading income did not change materially compared to the previous year.

### NET TRADING INCOME

	2024	2023 restated	2022 restated	Chg. 24/23
Gains/(losses) on financial operations at fair value through profit or loss	(55)	(5)	26	<-200%
Foreign exchange gains/(losses)	42	17	19	138.1 %
Gains/(losses) on hedge accounting	6	22	(2)	(73.5 %)
Gains/(losses) arising from derecognition of financial assets and liabilities not measured at fair value through profit or loss	13	112	5	(88.6 %)
<b>of which:</b>	<b>5</b>	<b>146</b>	<b>48</b>	<b>(96.6 %)</b>
Activity in Portugal	9	14	67	(36.7 %)
International activity	(4)	132	(19)	(103.1 %)

## OTHER NET OPERATING INCOME

Other net operating income includes other operating income, net of other operating costs, which includes, among others, the costs associated with the resolution and the deposit guarantee funds as well as with the other mandatory contributions, both in the activity in Portugal and in the international activity. In addition, other net operating income also includes gains/(losses) on disposal of subsidiaries and other assets.

In 2024, other net operating income totalled a negative amount of EUR 130 million, that compares to the also negative amount of EUR 39 million recorded in the previous year. This evolution was mainly driven by the contribution of the Polish subsidiary, whose performance was strongly influenced by the increase in costs associated with foreign exchange mortgage loan portfolio recognised under this heading, and by the increase in costs with mandatory contributions to which the subsidiary was subject in the last year, which offset the impact of the favourable performance of the activity in Portugal.

In fact, in the activity in Portugal, other net operating income improved significantly, evolving from a negative amount of EUR 65 million in 2023 to an also negative amount of EUR 25 million at the end of 2024. In this evolution, the overall reduction in the costs with mandatory contributions stands out. The gains recognised with the sale of non-current assets held for sale were also higher compared to the amount recognised a year earlier, but with a less significant impact on the evolution of other net operating income in the activity in Portugal.

The overall amount of mandatory contributions, including the supervisory fee charged by the ECB, decreased from EUR 75 million in 2023 to EUR 42 million in 2024, corresponding to a 43.8% reduction compared to the previous year. This evolution stems largely from the fact that the Single Resolution Board determined that in 2024, as the Single Resolution Fund had reached its target level, no ex-ante contributions would be levied, contrasting with EUR 18 million recorded in 2023. On the other hand, the liabilities reduction, after the repayment of the financing obtained from the European Central Bank (ECB) at the end of 2022, only produced its favourable impact in full on the cost with mandatory contributions this year, since both the contributions for the National Resolution Fund (NRF) and the cost incurred with the contribution on the banking sector and the additional solidarity contribution on the banking sector consider the average values of the balance sheet of the previous year to which the contribution relates, considering end-of-month observations.

Thus, despite the increase in the contribution rate (from 0.029% to 0.032%), the contribution to the NRF decreased by around 30%, from EUR 9 million to EUR 6 million, while the cost incurred with the contribution on the banking sector decreased from EUR 38 million to EUR 28 million. The additional solidarity contribution on the banking sector amounted to EUR 5 million, compared to EUR 7 million recorded in the previous year. The contribution to the deposit guarantee fund, in turn, despite being higher than a year before, stood at EUR 1 million, with a non-material impact in the scope of this analysis. Although the Management Committee of the Deposit Guarantee Fund ("Fundo de Garantia de Depósitos") has requested the settlement in 2024 of 50% of the irrevocable commitments assumed by the Bank, the total amount of which amounted to EUR 95 million, the settlement of that amount had no material impact on other net operating income in the current year, as it was covered by provisions booked for contingencies. The supervisory fee charged by the ECB, although lower than the amount recorded in 2023, did not change materially, amounting to EUR 2 million in 2024.

In the current year, of the total amount of costs recognised with mandatory contributions in the activity in Portugal, EUR 39 million refer to contributions for national entities (EUR 54 million in 2023).

In the international activity, other net operating income evolved from an income of EUR 26 million recognised in 2023 to a negative amount of EUR 105 million at the end of 2024.

This performance of other net operating income was determined by the impacts associated to foreign exchange mortgage loan portfolio and by the increase in costs associated with mandatory contributions, both in the Polish subsidiary.

In fact, the impacts associated with foreign exchange mortgage loan portfolio, as far as this item is concerned, went from an income of EUR 16 million in 2023 to costs of EUR 48 million in 2024. This performance mainly reflects the increase in court costs related to the counterclaims filed by Bank Millennium for reimbursement of the amounts owed by customers. On the other hand, the income to be reimbursed from a third party, as compensation for costs incurred with the booking of provisions to address the legal risk implicit in foreign exchange mortgage loans, following the indemnity clauses and contractual guarantees

provided for in the acquisition contract of Euro Bank S.A., fell from EUR 52 million in 2023, to EUR 46 million in 2024, following the evolution of those provisions.

The costs associated with mandatory contributions borne by the Polish subsidiary, in turn, increased from EUR 13 million to EUR 68 million last year, mainly due to the special tax on the Polish banking sector, the payment of which had been suspended after the activation of the Bank Millennium Recovery Plan at the beginning of the second half of 2022. With the completion, last June, of the implementation of the aforementioned Recovery Plan, Bank Millennium was again subject to the payment of this tax, which in 2024 totalled EUR 54 million. The contribution to the resolution fund was also higher compared to the amount recognised in 2023, although with a less significant impact on the performance of this item (EUR 14 million in 2024 vs EUR 13 million in 2023). The contribution of Bank Millennium to the deposit guarantee fund remained suspended following the contribution, in 2022, to IPS (Institutional Protection Scheme), with the Bank bearing costs with this fund only until the first quarter of that year, inclusive.

On the other hand, the evolution of other net operating income in the international activity was influenced by the fact that in the previous year a gain of EUR 11 million, considered as a specific item, was recognised, associated with the revaluation of the minority stake (20%) that Bank Millennium in Poland held following the sale of 80% of the shares of Millennium Financial Services sp. z o.o.

## EQUITY ACCOUNTED EARNINGS

Equity accounted earnings from associates include the results appropriated by the Group related to the entities in which, despite exercising some influence, it does not have control over their financial and operating policies.

In 2024, equity accounted earnings of the Group totalled EUR 59 million, standing 6.1% below the EUR 63 million posted in the previous year.

In the activity in Portugal, equity accounted earnings evolved from EUR 58 million in 2023, to EUR 53 million at the end of the current year. This evolution includes, on one hand, the decrease in results from Millenniumbcp Ageas, largely influenced by the impact of the update of the distribution fees paid by the insurance company for the placement of insurance products through the Bank's distribution networks, and on the other, the higher income generated by the contribution of the shareholding in SIBS.

In the international activity, equity accounted earnings evolved favourably in the last year (+17.5%), totalling EUR 5 million at the end of the current year. Decisive for this evolution was the appropriation of the results generated by Banco Millennium Atlântico in Angola, that went from EUR 3 million in 2023 to EUR 4 million in 2024. The appropriation of the results generated by Fidelidade Moçambique - Companhia de Seguros S.A., in turn, did not change materially compared to the previous year.

## EQUITY ACCOUNTED EARNINGS

	2024	2023 restated	2022 restated	Chg. 24/23	million EUR
Millenniumbcp Ageas Grupo Segurador, S.G.P.S., S.A.	28	40	30	(29.8 %)	
Unicre - Instituição Financeira de Crédito, S.A.	5	7	12	(18.6 %)	
SIBS, S.G.P.S., S.A.	15	10	12	56.2 %	
Banque BCP, S.A.S.	3	3	5	9.1 %	
Banco Millennium Atlântico, S.A.	4	3	(1)	44.7 %	
Fidelidade Moçambique - Companhia de Seguros S.A.	2	2	2	(20.4 %)	
Other companies	1	(2)	2	184.1 %	
	<b>59</b>	<b>63</b>	<b>60</b>	<b>(6.1 %)</b>	

## OPERATING COSTS

Operating costs include staff costs, other administrative costs and amortisations and depreciations.

Despite the disciplined management of costs followed by the Group, operating costs totalled EUR 1,307 million at the end of 2024, standing 12.4% above the EUR 1,163 million recorded in the previous year, mainly due to the performance of the international activity, namely the Polish subsidiary.

The amounts presented do not exclude the impact of specific items considered in each year in staff costs in the activity in Portugal. In both 2024 and 2023, the impact was negative in the amount of EUR 13 million and EUR 15 million, respectively.

Excluding specific items mentioned above, operating costs of the Group amounted to EUR 1,295 million, standing 12.8% above the EUR 1,147 million accounted in 2023. This performance was determined by the increase in both staff costs (+15.1%, EUR +93 million) and other administrative costs (+12.0%, EUR +47 million), in both cases more significant in the international activity. Amortisations and depreciations, in turn, though exceeding the amount recorded a year earlier (+5.3%, EUR +7 million), due to the performance of the international activity, were not very significant in the evolution of operating costs of the Group in the last year.

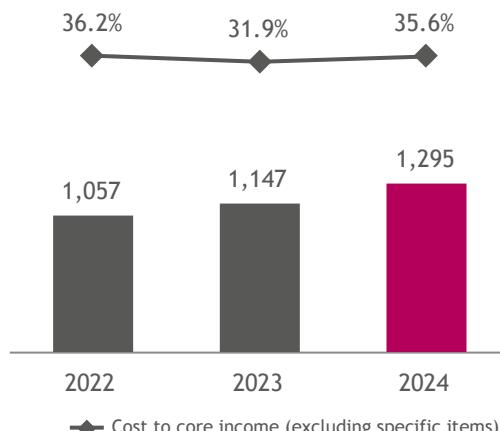
Excluding the specific items mentioned above and also excluding the positive impact of EUR 139 million, recognised in 2023, in the international activity, associated with the sale of 80% of the shares in Millennium Financial Services sp. z o.o. also considered specific items, cost to income ratio evolved from 31.6% to 36.2% and cost to core income from 31.9% to 35.6% in the last year.

Cost to income and cost to core income stated ratios evolved, respectively, from 30.8% to 36.6% and from 32.3% to 35.9%.

### OPERATING COSTS

#### (excluding specific items)

million EUR

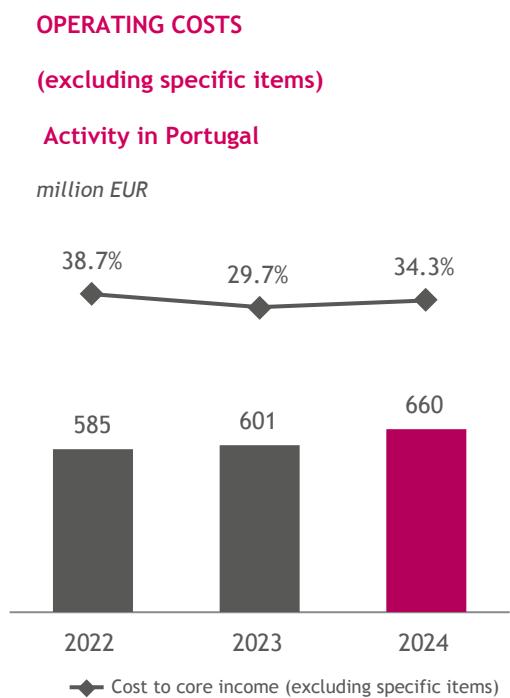


In the activity in Portugal, operating costs totalled EUR 673 million in 2024, standing 9.1% above the EUR 617 million posted in 2023. Excluding the specific items mentioned above, operating costs increased 9.8%, from EUR 601 million to EUR 660 million.

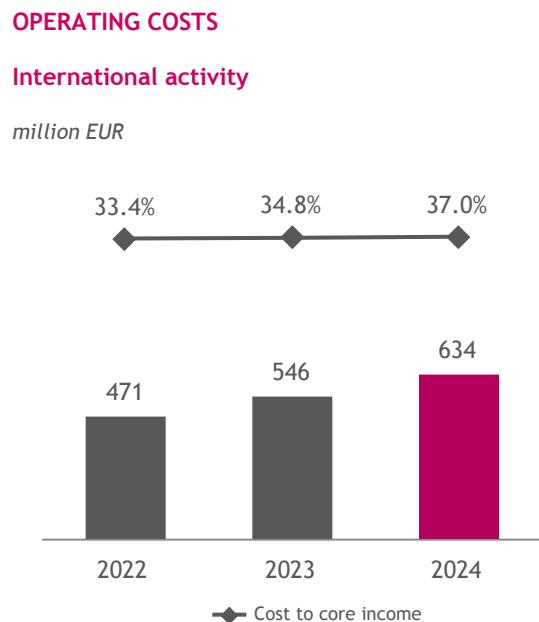
This evolution of operating costs in the activity in Portugal, not considering the effect of specific items, reflects the increases of 11.6% (EUR +39 million) and 10.1% (EUR +19 million) recorded in staff costs and other administrative costs, respectively. Amortisations and depreciations, in turn, remained stable compared to the amount recorded a year earlier.

Excluding the impact of specific items, cost to income ratio in the activity in Portugal evolved from 29.5% to 33.7%, while cost to core income ratio went from 29.7% to 34.3% in the last year.

Cost to income and cost to core income stated ratios stood at 34.3% and 35.0% in 2024, levels that compare respectively with 30.3% and 30.4% in the previous year.



In the international activity, operating costs totalled EUR 634 million at the end of 2024, standing 16.2% above the EUR 546 million accounted in the previous year. This evolution was mainly due to the performance of the Polish subsidiary, although in the subsidiary in Mozambique operating costs were also higher than those recorded in 2023.



In the Polish subsidiary, the increase in operating costs resulted, above all, from the evolution of staff costs and other administrative costs, with amortisations and depreciations showing a less significant increase. In addition to the inflation levels over the previous years, it is also important to mention the impact that the characteristics of the labour market in Poland, with very low unemployment rates and significant increases in the minimum wage, had in operating costs, namely the increase in staff costs.

Likewise, in the operation in Mozambique, the increase in operating costs also reflects largely the increase recorded in staff costs and other administrative costs, and to a lesser extent, in amortisations and depreciations.

The evolution of operating costs in the international activity was thus due to the increases of 19.3% (EUR +53 million) in staff costs, of 13.7% (EUR +28 million) in other administrative costs and of 10.7% (EUR +7 million) in amortisations and depreciations.

The cost to income ratio of the international activity evolved from 31.5% (34.2%, excluding the already mentioned positive impact of specific items) in 2023 to 39.3% in 2024, while cost to core income ratio in turn, went from 34.8% to 37.0% in the last year.

## OPERATING COSTS

	million EUR			
	2024	2023	2022	Chg. 24/23
<b>ACTIVITY IN PORTUGAL (1)</b>	<b>660</b>	<b>601</b>	<b>585</b>	<b>9.8 %</b>
Staff costs	379	340	322	11.6 %
Other administrative costs	208	189	184	10.1 %
Amortisations and depreciations	74	73	79	0.6 %
<b>INTERNATIONAL ACTIVITY</b>	<b>634</b>	<b>546</b>	<b>471</b>	<b>16.2 %</b>
Staff costs	330	277	242	19.3 %
Other administrative costs	233	205	169	13.7 %
Amortisations and depreciations	71	64	60	10.7 %
<b>CONSOLIDATED (1)</b>	<b>1,295</b>	<b>1,147</b>	<b>1,057</b>	<b>12.8 %</b>
Staff costs	709	617	564	15.1 %
Other administrative costs	440	393	353	12.0 %
Amortisations and depreciations	145	137	139	5.3 %
<b>Specific items</b>	<b>13</b>	<b>15</b>	<b>16</b>	<b>(17.3 %)</b>
	<b>1,307</b>	<b>1,163</b>	<b>1,073</b>	<b>12.4 %</b>

(1) Excludes the impact of specific items previously mentioned.

## STAFF COSTS

In 2024, staff costs totalled EUR 722 million, standing 14.3% above the EUR 632 million accounted in the previous year. Both in the activity in Portugal and in the international activity, staff costs were higher than in the previous year.

These amounts include the impact of specific items recognised in each year in the activity in Portugal. In 2024, specific items, related to staff costs, had a negative impact of EUR 13 million, including costs with employment terminations, namely indemnities and early retirements, income recognised after an agreement related to liabilities with former directors of the Bank and reversal of costs with mortgage financing to former employees.

In 2023, the impact was also negative in the amount of EUR 15 million, including costs associated to the compensation for temporary reduction in employees remunerations in 2014-2017 as distribution of part of the Bank's results obtained in 2022 by the employees, costs with employment terminations, namely early retirements, costs with mortgage financing to former employees and an income recognised after an agreement related to liabilities with former directors of the Bank.

Excluding the impact of specific items, staff costs of the Group increased 15.1% from the EUR 617 million accounted for in the previous year, amounting to EUR 709 million, at the end of the current year.

In the activity in Portugal, stated staff costs amounted to EUR 392 million at the end of 2024, standing 10.4% above the EUR 355 million recorded in the previous year. Not considering the impact of the specific items, the increase was 11.6%, from EUR 340 million in 2023 to EUR 379 million at the end of 2024.

Despite the hiring of new employees with specific skills, namely on digital, new technologies and internal control areas, the number of employees in the activity in Portugal remained stable, standing at 6,203 employees at the end of 2024 (39 employees fewer than on 31 December 2023).

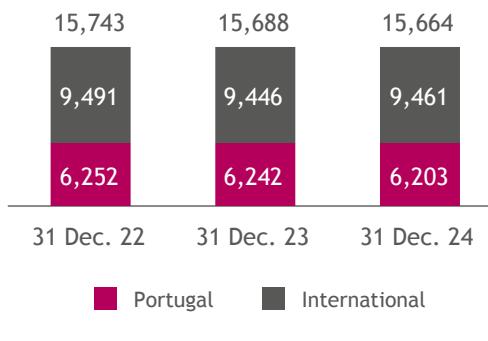
In the international activity, staff costs amounted to EUR 330 million at the end of 2024, standing 19.3% above the EUR 277 million recorded a year before. The Polish subsidiary was mainly responsible for this evolution, although the subsidiary in Mozambique also contributed to the increase in staff costs compared to the previous year, albeit to a lesser extent.

In the Polish subsidiary, the evolution of staff costs continued to be determined by the strong pressure on basic wages, resulting both from levels of inflation over the previous years and the current scenario of the Polish labour market, with very low unemployment rates in the country. During this year, there was a slight reduction in the total number of employees of this subsidiary, which in the last year went from 6,872 employees (6,747 FTE - full-time equivalent) at the end of 2023, to 6,836 employees (6,714 FTE - full-time equivalent) on 31 December 2024.

The operation in Mozambique, in turn, increased its headcount, from 2,574 employees on 31 December 2023 to 2,625 employees at the end of 2024, an increase that, together with the salary update, contributed to the growth in staff costs in the last year.

As of 31 December 2024, the headcount of the international activity consisted of 9,461 employees, which compares to 9,446 employees at the end of 2023.

## EMPLOYEES



## STAFF COSTS

	2024	2023	2022	Chg. 24/23
Salaries and remunerations	577	508	462	13.7 %
Social security charges and other staff costs	132	109	103	21.6 %
<b>STAFF COSTS (excluding specific items)</b>	<b>709</b>	<b>617</b>	<b>564</b>	<b>15.1 %</b>
Of which:				
Activity in Portugal	379	340	322	11.6 %
International activity	330	277	242	19.3 %
Specific items	13	15	16	(17.3 %)
	<b>722</b>	<b>632</b>	<b>581</b>	<b>14.3 %</b>

## OTHER ADMINISTRATIVE COSTS

In 2024, notwithstanding the disciplined management of costs followed by the Group, other administrative costs were 12.0% above the EUR 393 million recorded in the previous year, totalling EUR 440 million at the end of the current year. This evolution reflects the increase in costs both in the activity in Portugal and in the international activity.

In the activity in Portugal, other administrative costs amounted to EUR 208 million, corresponding to an increase of 10.1% from the EUR 189 million recorded in 2023.

Despite the implementation of a series of recurrent measures to optimise the cost structure of the Bank, this performance largely reflects the increase in costs associated with other specialised services, as for example data services costs. Costs associated to outsourcing and independent labour, particularly those related to banking operations, were also higher than a year before. The investment in technology and cybersecurity inevitably led to an increase in the respective costs, particularly maintenance of hardware and software, with an impact on information technology services and maintenance and related services. Among other costs with a less significant impact on the evolution of this item in the activity in Portugal, it is also worth mentioning the increase in costs with rents and leases, costs

associated with advertising, communications (particularly data services), legal expenses and advisory services, in the latter case including support on regulatory matters.

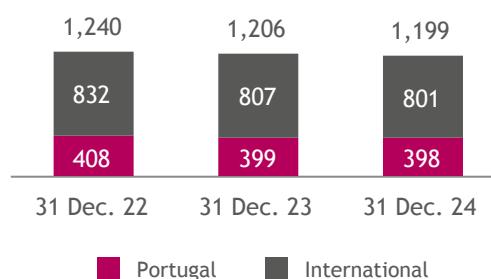
Conversely, the reduction in costs with water, electricity and fuel, resulting from the reduction in energy prices and from an efficient management of these consumptions, stands out.

In the international activity, other administrative costs amounted to EUR 233 million in 2024, representing a 13.7% increase from the EUR 205 million posted in the previous year, largely reflecting the increase recorded in the Polish subsidiary.

The evolution of other administrative costs in the Polish subsidiary was influenced by the inflation in previous years, also reflecting the increase in legal advice costs associated with foreign exchange mortgage loan portfolio.

The Group maintains a process of optimisation of its branch network in order to efficiently serve the markets in which it is present. At the end of 2024, the activity in Portugal had a network of 398 branches, one less than at the end of 2023, while in the Polish subsidiary, the number of branches decreased from 612 branches at the end of 2023 to 606 branches on 31 December 2024. The subsidiary in Mozambique, in turn, ended 2024 with 195 branches, unchanged from the previous year.

#### BRANCHES



#### OTHER ADMINISTRATIVE COSTS

	2024	2023	2022	Chg. 24/23
Water, electricity and fuel	14	15	18	(6.0 %)
Consumables	8	8	8	8.7 %
Rents and Leases	30	27	24	12.6 %
Communications	27	25	24	9.3 %
Travel, hotel and representation costs	10	7	5	42.8 %
Advertising	31	28	25	12.3 %
Maintenance and related services	20	18	17	10.4 %
Credit cards and mortgage	13	9	9	47.3 %
Advisory services	54	44	32	21.3 %
Information technology services	28	26	28	7.8 %
Outsourcing and independent labour	116	112	93	4.2 %
Other specialised services	36	29	29	25.3 %
Training costs	2	1	1	49.7 %
Insurance	5	5	5	8.3 %
Legal expenses	5	5	4	5.5 %
Transportation	12	11	10	6.3 %
Other supplies and services	27	24	21	15.2 %
	<b>440</b>	<b>393</b>	<b>353</b>	<b>12.0 %</b>
Of which:				
Activity in Portugal	208	189	184	10.1 %
International activity	233	205	169	13.7 %

## AMORTISATIONS AND DEPRECIATIONS

Amortisations and depreciations amounted to EUR 145 million at the end of 2024, standing 5.3% above the amount recorded in 2023, reflecting the performance of the international activity, namely the Polish subsidiary.

In the activity in Portugal, amortisations and depreciations remained in line (+0.6%) with the amount recorded in 2023, totalling EUR 74 million at the end of the current year, despite the investment made in hardware and software, given the Bank's commitment to the digital transformation process.

In the international activity, amortisations and depreciations amounted to EUR 71 million in 2024, standing 10.7% above the EUR 64 million recorded in 2023, mainly reflecting, as already mentioned, the performance of the Polish subsidiary.

## RESULTS ON MODIFICATION

In the fourth quarter of 2022, the Bank reviewed and reclassified the amount associated with costs arising from the moratorium program (credit holidays) in Poland, enacted in July of that year, which had been accounted for in other impairments and provisions, starting to recognise these costs as results on modification. Since then, this heading also started to include contractual modifications, namely those negotiated with customers with foreign exchange mortgage loans in the Polish subsidiary, in accordance with IFRS9.

In 2024, results on modification totalled a negative amount of EUR 69 million, which compares with an also negative amount of EUR 19 million recorded in the previous year.

This evolution reflects, on the one hand, the recognition, in 2024, of the costs arising from the aforementioned moratorium program (credit holidays) in the amount of EUR 26 million, which did not influence the results in the previous year, and, on the other, the increase in costs associated with contractual modifications negotiated with customers with foreign exchange mortgage loans, in the Polish subsidiary, which increased from EUR 12 million in 2023 to EUR 34 million in 2024.

Following the signing by the President of the Republic of Poland and announcement in the Journal of Laws of the Republic of Poland of an act of 12 April 2024 on changes to the act on support for mortgage borrowers who are in challenging financial situation and the act on crowdfunding for business ventures and assistance to borrowers, introducing, among others, an extension of credit holidays for Zloty mortgage borrowers by four more months in 2024, Bank Millennium estimated the preliminary impact of the implementation of this act on the results of the Group, recognising, in the first half of 2024 a cost with credit holidays in the amount of EUR 47 million. Subsequently, in the third and fourth quarters of the year, taking into account the participation of borrowers with mortgage eligible for credit holidays, Bank Millennium reduced the estimated cost to a final amount of EUR 26 million.

## LOAN IMPAIRMENTS

Impairment of loans to customers includes impairment of financial assets at amortised cost for loans granted to customers and for debt securities associated with credit operations, net of reversals and recoveries of credit and interest.

The reconciliation of the impairment of financial assets at amortised cost presented in the consolidated income statement ("P&L") with the impairment of loans to customers considered for the purposes of this analysis is presented as follows:

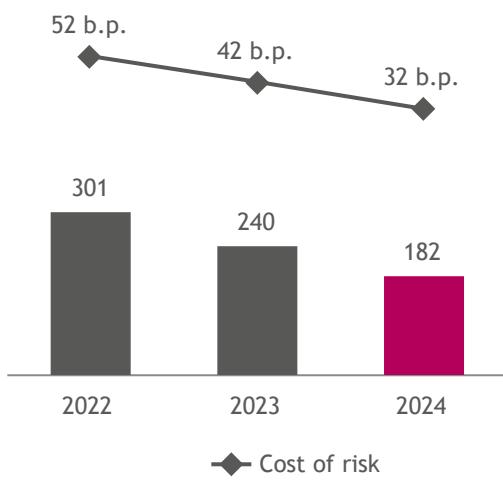
## Loan impairments (P&L)

	million EUR		
	2024	2023	2022
Impairment of financial assets at amortised cost (P&L) (1)	215	248	301
Impairment of Loans and advances to credit institutions (at amortised cost) (2)	0	(1)	0
Impairment of financial assets at amortised cost not associated with credit operations (3)	33	9	1
<b>Loan impairments considering management criteria (4)=(1)-(2)-(3)</b>	<b>182</b>	<b>240</b>	<b>301</b>

In 2024, impairment for loan losses (net of recoveries) totalled EUR 182 million, showing a reduction of 24.0% compared to the EUR 240 million accounted for in the previous year, mainly reflecting the favourable evolution recorded in the activity in Portugal, the impact of which was partially offset by the increase in the international activity.

### LOAN IMPAIRMENTS (NET)

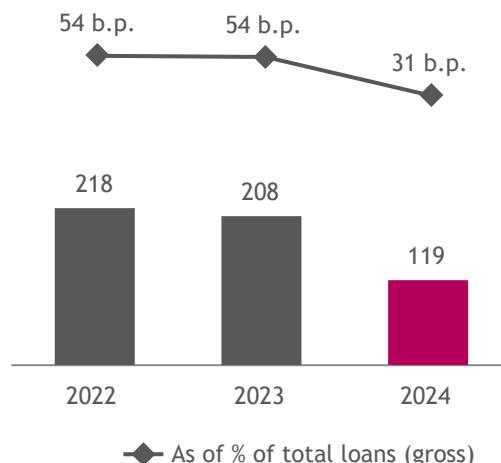
million EUR



### LOAN IMPAIRMENTS (NET)

Activity in Portugal

million EUR



In fact, loan impairment charges (net of recoveries), in the activity in Portugal, decreased 42.5% from the EUR 208 million recognised in 2023, totalling EUR 119 million in 2024. The lower level of provisioning, compared to the previous year, largely reflects the reversal of impairments in the second quarter of the current year, also benefiting from the improvement in the risk profile of the credit portfolio.

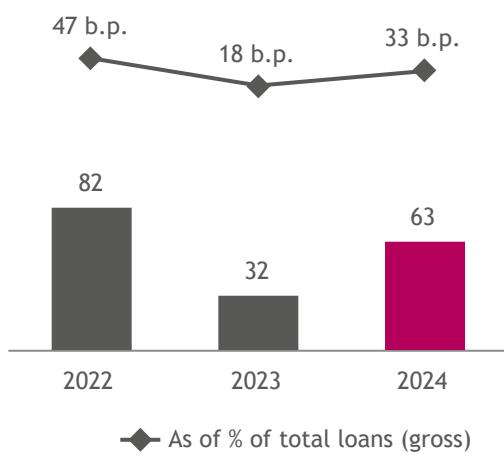
In the international activity, impairment charges (net of recoveries) stood significantly above the EUR 32 million recognised in 2023, standing at EUR 63 million at the end of 2024. This evolution mainly reflects the performance of the Mozambican subsidiary, but also, although to a lesser extent, the performance of the subsidiary in Poland.

The evolution of loan impairments in the subsidiary in Mozambique was influenced by the partial recovery in the previous year of a credit in litigation, following an out-of-court settlement.

## LOAN IMPAIRMENTS (NET)

### International activity

million EUR



The evolution of impairment charges (net of recoveries), in consolidated terms, allowed the cost of risk of the Group, net of recoveries, to record a significant improvement in relation to the 42 basis points observed in 2023, standing at 32 basis points in 2024. Excluding the previously mentioned impact, in 2023, of the recovery associated with the out-of-court settlement in the

subsidiary in Mozambique, and also excluding the impact of certain impairments reversal in the activity in Portugal in the second quarter of the year, the cost of risk (net of recoveries) of the Group evolved from 48 basis points to 40 basis points in the last year.

In the activity in Portugal, strongly influenced by the aforementioned reversal of impairments in the current year, cost of risk (net of recoveries) decreased from 54 basis points to 31 basis points. Excluding this reversal, the cost of risk in the activity in Portugal also decreased, standing at 43 basis points in the current year.

The evolution of the cost of risk net of recoveries in the international activity, from 18 basis points to 33 basis points in the last year, was strongly influenced by the positive impact, in 2023, of the recovery associated with the aforementioned out-of-court settlement in the subsidiary in Mozambique.

Excluding this impact, the cost of risk in the international activity, in 2023, stood at 37 basis points, thus implying a favourable evolution in the last year.

## LOAN IMPAIRMENTS (NET OF RECOVERIES)

	2024	2023	2022	Chg. 24/23
Loan impairment charges (net of reversals)	253	298	321	(15.0 %)
Credit recoveries	71	58	21	22.3 %
	182	240	301	(24.0 %)
Of which:				
Activity in Portugal	119	208	218	(42.5 %)
International activity	63	32	82	93.9 %
<hr/>				
<b>COST OF RISK OF THE GROUP</b>				
Impairment charges (net of recoveries) as a % of total loans (gross)	32 b.p.	42 b.p.	52 b.p.	

## OTHER IMPAIRMENT AND PROVISIONS

Other impairment and provisions include (i) impairment, net of reversals, for loans and advances of credit institutions classified at amortised cost; (ii) impairment for financial assets (classified at fair value through other comprehensive income and at amortised cost not associated with credit operations); (iii) impairment for other assets, namely assets received as payment in kind, investments in associates and goodwill of subsidiaries; and (iv) other provisions.

In 2024, other impairment and provisions totalled EUR 675 million, which represents a reduction of 21.5% from the EUR 860 million recorded in the previous year. This evolution was determined by the lower additional provision charges booked by the Polish subsidiary to face the legal risk of foreign exchange mortgage loans, which amounted to EUR 506 million in the current year vs EUR 675 million recognised in the previous year.

In the activity in Portugal, other impairments and provisions also contributed favourably to the performance of this heading, as there was a reduction of 28.8% from the previous year, from EUR 161 million to EUR 114 million, mainly reflecting the reduction in provisions, namely for other risks and for guarantees and other commitments. The lower impairment to non-current assets held for sale, namely the foreclosed assets portfolio, also contributed to the favourable evolution of other impairment and provisions in the activity in Portugal.

Following the request, by the Management Committee of the Deposit Guarantee Fund, for the settlement of the irrevocable commitments assumed by the Bank, amounting to EUR 95 million, of which 50% had already been settled in 2024 through provisions booked for contingencies, the Bank increased these provisions in the current year so that the remaining amount was fully covered.

In the international activity, other impairment and provisions amounted to EUR 561 million at the end of 2024, standing 19.8% below the EUR 699 million recorded a year earlier, mainly reflecting the reduction of EUR 169 million in the provision booked by the Polish subsidiary to face the legal risk associated with foreign exchange mortgage loans, as already mentioned. On the other hand, the income, reflected in the heading of other net operating income, corresponding to the amount receivable from a third party, following the indemnity clauses and contractual guarantees provided for in the acquisition contract of Euro Bank S.A., evolved from EUR 52 million in 2023 to EUR 46 million in 2024.

The performance of other impairments and provisions, in the international activity was also influenced by the recognition, in the subsidiary in Mozambique, of EUR 35 million in impairments to face the impacts of the sovereign debt rating downgrade in that country.

## INCOME TAX

Income tax (current and deferred) amounted to EUR 341 million in 2024, which compares to EUR 537 million posted in 2023.

These expenses include, in 2024, current tax of EUR 139 million (EUR 180 million in 2023) and deferred tax of EUR 202 million (EUR 358 million in 2023).

Current tax expenses in 2024 were influenced by provisions for legal risks related to the portfolio of foreign currency mortgage loans and by mandatory contributions to the banking sector, both non-deductible for tax purposes in the Polish subsidiary.

Expenses with the reduction of deferred tax assets in 2024 mainly result from the income of the period of the activity in Portugal, being positively influenced by the recognition of additional deferred tax assets related to fair value losses in venture capital funds, to credit impairment losses not deducted for taxation purposes in previous years, and negatively influenced by the reduction of income tax rate and by mandatory contributions to the banking sector.

The evolution of deferred tax assets was determined, in Portugal, by the reduction of deferred tax assets covered by Special Framework applicable to Deferred Tax Assets ("REAUD") given the evolution of the taxable income and for the correction of the respective balance resulting from the reduction of the income tax rate, and, regarding the Polish subsidiary, by the decision of the Supreme Administrative Court (NSA) from 6 December of 2023. In fact, NSA issued a judgment on the rules for recognising the effects in CIT of cancellations of mortgage loans indexed to foreign currencies and foreign currency loans (in particular in Swiss francs) adjudicated by common courts. According to the NSA, the Bank should recognise the tax consequences not by recognising the resulting losses as tax-deductible costs, but by adjusting the revenues from the above-mentioned loans (FX gains, interest, commissions and fees) previously taxed with CIT, taking into account the rules of limitation of tax liabilities.

As a result of the analysis of the NSA's judgment, the Bank recognised in 2024 a deferred tax asset in the amount of PLN 187 million (EUR 43 million) based on estimates of future adjustments of interest income, FX gains, commissions and fees earned on mortgage loans indexed to Swiss francs and foreign currency loans in this currency which are the subject of court disputes for their cancellation.

## NON-CONTROLLING INTERESTS

Non-controlling interests are the part attributable to third parties of the net income of the subsidiary companies consolidated under the full method in which the Group Banco Comercial Português does not hold, directly or indirectly, the entirety of their share capital.

Non-controlling interests record mainly the income for the year attributable to third parties related to the shareholdings in Bank Millennium in Poland (49.9%) and in Millennium bim in Mozambique (33.3%).

In 2024, non-controlling interests totalled EUR 94 million, compared to EUR 92 million recorded in the previous year. Although the change compared to 2023 was not very significant, it resulted from contrasting performances regarding the contribution of the two main subsidiaries that influence the evolution of this item. In fact, the income for the year attributable to third parties via the consolidation of the Polish subsidiary, went from EUR 63 million in 2023 to EUR 83 million in the current year, following the better results obtained by Bank Millennium compared to the previous year, while the lower results recorded in the subsidiary in Mozambique resulted in an evolution of the income for the year attributable to third parties via the consolidation of this subsidiary from EUR 34 million in 2023, to EUR 16 million in 2024.

In the activity in Portugal, in turn, non-controlling interests totalled a negative amount of EUR 5 million in 2024, in line with the amount recorded a year earlier.

## REVIEW OF THE BALANCE SHEET

Following the entry into force of the IFRS 9 - Financial Instruments on 1 January 2018 and the consequent impacts on the structure of the financial statements of Millennium bcp versus previous periods, some indicators were defined based on concepts that translate the management criteria adopted by the Group within the scope of preparation of financial information. The correspondence between the management approaches and the accounting information is described in the glossary and throughout the document, when applicable, especially the concepts related with loans to customers, balance sheet customer funds and the securities portfolio.

### BALANCE SHEET

	31 Dec. 24	31 Dec. 23 restated	31 Dec. 22 restated	million EUR Chg. 24/23
<b>ASSETS</b>				
Cash and deposits at central banks and loans and advances to credit institutions (1)	<b>5,840</b>	4,883	6,235	19.6 %
Financial assets at amortised cost				
Loans and advances to credit institutions	798	908	963	(12.2 %)
Loans and advances to customers	<b>53,907</b>	53,305	54,676	1.1 %
Debt securities	<b>21,345</b>	17,579	13,036	21.4 %
Financial assets at fair value through profit or loss				
Financial assets held for trading	<b>1,763</b>	823	767	114.3 %
Financial assets not held for trading mandatorily at fair value through profit or loss	<b>355</b>	434	508	(18.1 %)
Financial assets designated at fair value through profit or loss	<b>34</b>	32	0	5.9 %
Financial assets at fair value through other comprehensive income	<b>12,899</b>	10,834	7,462	19.1 %
Investments in associates	<b>429</b>	381	350	12.8 %
Non-current assets held for sale	<b>45</b>	80	499	(43.7 %)
Other tangible assets, goodwill and intangible assets	<b>895</b>	830	757	7.9 %
Current and deferred tax assets	<b>2,275</b>	2,575	2,957	(11.7 %)
Other (2)	<b>1,558</b>	1,706	1,657	(8.7 %)
<b>TOTAL ASSETS</b>	<b>102,144</b>	<b>94,371</b>	<b>89,868</b>	<b>8.2 %</b>
<b>LIABILITIES</b>				
Financial liabilities at amortised cost				
Deposits from credit institutions and other funds	778	829	1,468	(6.2 %)
Deposits from customers and other funds	<b>82,085</b>	75,607	75,430	8.6 %
Non-subordinated debt securities issued	<b>3,529</b>	2,713	1,482	30.1 %
Subordinated debt	<b>1,427</b>	1,397	1,333	2.1 %
Financial liabilities at fair value through profit or loss				
Financial liabilities held for trading	180	207	242	(13.4 %)
Financial liabilities designated at fair value through profit or loss	<b>3,249</b>	3,608	1,818	(10.0 %)
Other (3)	<b>2,704</b>	2,718	2,167	(0.5 %)
<b>TOTAL LIABILITIES</b>	<b>93,951</b>	<b>87,080</b>	<b>83,940</b>	<b>7.9 %</b>
<b>EQUITY</b>				
Share capital	3,000	3,000	3,000	0.0 %
Share premium	16	16	16	0.0 %
Other equity instruments	400	400	400	0.0 %
Reserves and retained earnings (4)	<b>2,772</b>	2,030	1,532	36.5 %
Net income for the year attributable to Bank's Shareholders	906	856	197	5.9 %
Non-controlling interests	<b>1,098</b>	987	782	11.2 %
<b>TOTAL EQUITY</b>	<b>8,193</b>	<b>7,290</b>	<b>5,928</b>	<b>12.4 %</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>102,144</b>	<b>94,371</b>	<b>89,868</b>	<b>8.2 %</b>

(1) Includes Cash and deposits at central banks and Loans and advances to credit institutions repayable on demand.

(2) Includes Hedging derivatives, Investment property and Other assets.

(3) Includes Hedging derivatives, Provisions, Current and deferred income tax liabilities and Other liabilities.

(4) Includes Legal and statutory reserves and Reserves and retained earnings.

The reconciliation between the management criteria defined and the accounting values published in the consolidated financial statements (Balance sheet) are presented below.

Loans to customers (gross) includes loans to customers at amortised cost before impairment, the debt securities at amortised cost associated with credit operations before impairment and loans to customers at fair value through profit or loss before fair value adjustments. The amount of balance sheet impairment considered for the purpose of calculating loans to customers (net) and the coverage ratio of the loan portfolio includes the balance sheet impairment associated with loans to customers at amortised cost, the balance sheet impairment related with debt securities at amortised cost associated with credit operations and the fair value adjustments associated with loans to customers at fair value through profit or loss.

### **Loans to customers**

	31 Dec. 24	31 Dec. 23	31 Dec. 22	<i>million EUR</i>
Loans and advances to customers at amortised cost (Balance Sheet)	53,907	53,305	54,676	
Debt securities at amortised cost associated to credit operations	1,799	1,908	1,501	
Balance sheet amount of loans to customers at fair value through profit or loss	0	4	21	
<b>Loans to customers (net) considering management criteria</b>	<b>55,707</b>	55,218	56,198	
Balance sheet impairment related to loans to customers at amortised cost	1,487	1,583	1,502	
Balance sheet impairment associated with debt securities at amortised cost related to credit operations	7	9	5	
Fair value adjustments related to loans to customers at fair value through profit or loss	3	5	8	
<b>Loans to customers (gross) considering management criteria</b>	<b>57,203</b>	56,814	57,713	

Balance sheet customer funds include, apart from deposits and other resources from customers, debt securities placed with customers either classified at amortised cost or designated at fair value through profit or loss. Deposits and other resources from customers aggregates deposits from customers and other funds at amortised cost and customer deposits at fair value through profit and loss.

### Balance sheet customer funds

	31 Dec. 24	31 Dec. 23	31 Dec. 22	million EUR
Financial liabilities designated at fair value through profit or loss (Balance sheet) (1)	3,249	3,608	1,818	
Debt securities at fair value through profit or loss and certificates (2)	1,292	1,287	1,341	
<b>Customer deposits at fair value through profit or loss considering management criteria (3)=(1)-(2)</b>	<b>1,957</b>	2,321	477	
Deposits from customers and other funds at amortised cost (Balance sheet) (4)	82,085	75,607	75,430	
<b>Deposits and other resources from customers considering management criteria (5)=(3)+(4)</b>	<b>84,042</b>	77,928	75,907	
Non-subordinated debt securities issued at amortised cost (Balance sheet) (6)	3,529	2,713	1,482	
Debt securities at fair value through profit or loss and certificates (7)	1,292	1,287	1,341	
Non-subordinated debt securities placed with institutional customers (8)	3,529	2,713	1,480	
<b>Debt securities placed with customers considering management criteria (9)=(6)+(7)-(8)</b>	<b>1,292</b>	1,287	1,343	
<b>Balance sheet customer funds considering management criteria (10)=(5)+(9)</b>	<b>85,334</b>	79,215	77,250	

The securities portfolio includes debt securities at amortised cost not associated with credit operations (net of impairment), financial assets at fair value through profit or loss (excluding amounts related to credit operations and trading derivatives) and financial assets at fair value through other comprehensive income.

### Securities portfolio

	31 Dec. 24	31 Dec. 23 restated	31 Dec. 22 restated	million EUR
Debt securities at amortised cost (Balance sheet) (1)	21,345	17,579	13,036	
Debt securities at amortised cost associated to credit operations net of impairment (2)	1,799	1,908	1,501	
<b>Debt securities at amortised cost considering management criteria (3)=(1)-(2)</b>	<b>19,546</b>	15,671	11,535	
Financial assets not held for trading mandatorily at fair value through profit or loss (Balance sheet) (4)	355	434	508	
Balance sheet amount of loans to customers at fair value through profit or loss (5)	0	4	21	
<b>Financial assets not held for trading mandatorily at fair value through profit or loss considering management criteria (6)=(4)-(5)</b>	<b>355</b>	429	487	
Financial assets held for trading at fair value through profit or loss (Balance sheet) (7)	1,763	823	767	
of which: trading derivatives (8)	387	414	376	
Financial assets designated at fair value through profit or loss (Balance sheet) (9)	34	32	0	
Financial assets at fair value through other comprehensive income (Balance sheet) (10)	12,899	10,834	7,462	
<b>Securities portfolio considering management criteria (11)=(3)+(6)+(7)-(8)+(9)+(10)</b>	<b>34,210</b>	27,375	19,874	

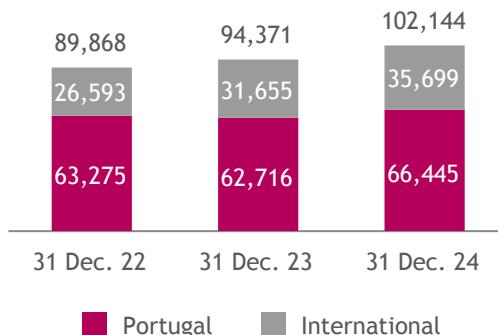
The year 2024 was characterised by the growth of Millennium bcp's consolidated balance sheet, driven on the liability side by the increase in deposits and other resources from customers and in non-subordinated debt securities, which had, as a counterpart, a significant growth in the securities portfolio. Consolidated shareholders' equity also recorded a positive evolution.

The robust growth observed in deposits and other resources from customers on a consolidated basis, combined with the slight growth observed in consolidated loans to customers (net of impairment) led to an increase of the commercial gap surplus and, consequently, to the reduction of the loans-to-deposits ratio (measured by the ratio between net loans and deposits and other resources from customers), which evolved from 70.9% at the end of 2023 to 66.3% on 31 December 2024.

Millennium bcp's consolidated balance sheet total assets amounted to EUR 102,144 million as of 31 December 2024, showing an increase of 8.2% compared to the EUR 94,371 million recorded at the end of 2023, with this evolution being driven by the increases seen in assets in the international activity (EUR +4,044 million compared to the end of the prior year) and in the activity in Portugal (EUR +3,729 million compared to the end of the previous year). This evolution is largely explained by the significant growth of the securities portfolio and, also, to a lesser extent, by the rise in deposits at central banks and loans to customers (net of impairment).

## TOTAL ASSETS

*million EUR*



Millennium bcp's total consolidated liabilities stood at EUR 93,951 million at the end of 2024, up from the EUR 87,080 million recorded at the end of 2023. Deposits and other resources from customers stood at EUR 84,042 million on 31 December 2024, EUR 6,114 million above the figure recorded at the end of 2023, with this evolution being driven by the positive contributions of the activity in Portugal and the international activity. The non-subordinated debt securities issued also contributed to the aforementioned evolution of liabilities, increasing from EUR 2,713 million at the end of 2023 to EUR 3,529 million at the end of 2024, mainly due to two senior debt issues (senior preferred issue of Banco Comercial Português in the amount of EUR 500 million carried out in October and a green senior non-preferred issue of Bank Millennium also in the amount of EUR 500 million carried out in September, with both issues contributing to comply with MREL - Minimum Requirements for Own Funds and Eligible Liabilities objectives). Conversely, there was an early repayment of an entire senior debt issue (senior preferred issued by Banco Comercial Português in the amount of EUR 350 million in 2022, which was due to mature in 2025).

Millennium bcp's consolidated shareholders' equity showed an increase, rising from EUR 7,290 million recorded at the end of the previous year to EUR 8,193 million at the end of 2024, with the positive impacts of the integration of net income for the year and the favourable evolution of the fair value reserve, influenced by the positive impact of cash flow hedging, partially offset by the payment of dividends and by the negative evolution of actuarial deviations associated with the pension fund.

## MAIN GEOGRAPHIES

	International activity *												million EUR		
	Portugal			Total Int Op			Bank Millennium **			BIM					
	31 Dec. 24	31 Dec. 23 restated	31 Dec. 22 restated	31 Dec. 24	31 Dec. 23 restated	31 Dec. 22	31 Dec. 24	31 Dec. 23 restated	31 Dec. 22	31 Dec. 24	31 Dec. 23	31 Dec. 22			
TOTAL ASSETS	66,445	62,716	63,275	35,699	31,655	26,593	32,574	28,897	23,697	3,077	2,711	2,824			
LOANS TO CUSTOMERS (GROSS)	38,370	38,625	40,149	18,833	18,190	17,564	18,119	17,535	16,881	714	654	683			
Mortgage	19,547	18,763	19,014	9,187	9,218	9,110	9,177	9,207	9,099	10	10	11			
Personal	2,533	2,324	2,180	4,915	4,509	3,862	4,654	4,308	3,700	261	201	161			
Companies	16,291	17,538	18,955	4,731	4,463	4,593	4,288	4,020	4,082	443	443	511			
CUSTOMER FUNDS	70,540	66,672	68,262	32,398	28,655	24,546	30,020	26,580	22,315	2,378	2,075	2,232			
BALANCE SHEET CUSTOMER FUNDS	55,539	52,450	54,077	29,795	26,765	23,173	27,417	24,690	20,941	2,378	2,075	2,232			
Deposits and other resources from customers	54,247	51,163	52,734	29,795	26,765	23,173	27,417	24,690	20,941	2,378	2,075	2,232			
Debt securities placed with customers	1,292	1,287	1,343	0	0	0	0	0	0	0	0	0			
OFF BALANCE SHEET CUSTOMER FUNDS	15,002	14,222	14,185	2,603	1,891	1,373	2,603	1,891	1,373	0	0	0			
Assets under management	4,329	4,351	4,307	1,779	1,210	806	1,779	1,210	806	0	0	0			
Assets placed with customers	6,417	5,516	4,803	608	397	299	608	397	299	0	0	0			
Insurance products (savings and investment)	4,256	4,355	5,075	216	283	268	216	283	268	0	0	0			

\* The presentation of the international operations is in accordance with the Consolidated Accounts of the Group, and there may be differences in relation to the accounts disclosed locally.

\*\* In Poland, loans to customers (gross) include: buy-sell back transactions (i.e. reverse repos) (31 December 2023: EUR 3 million; 31 December 2022: EUR 1 million).

In the activity in Portugal, there was a 5.9% increase in total assets, compared to the EUR 62,716 million recorded on 31 December 2023, standing at EUR 66,445 million at the end of 2024. Regarding the evolution of balance sheet items, there was a more significant increase in the securities portfolio (mainly in public debt portfolio), arising from the liquidity resulting from the increase in balance sheet customer funds and a less significant increase in deposits at central banks. Conversely, there were reductions in deferred taxes assets and in other assets. Loans to customers (net of impairment) remained practically unchanged compared to the amount recorded at the end of the previous year.

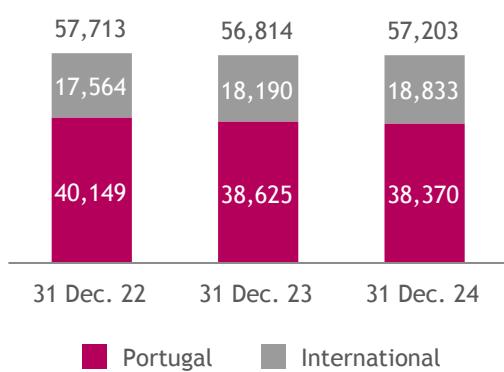
In the international activity, total assets amounted to EUR 35,699 million as of 31 December 2024, showing a growth of 12.8% compared to the EUR 31,655 million posted at the end of the previous year. This evolution largely reflects the increase in the total assets of the Polish subsidiary, driven mainly by the increase recorded in the securities portfolio (mainly in local public debt) and also, to a lesser extent, by the rise in loans to customers (net of impairment). Additionally, total assets of the subsidiary in Mozambique also recorded an increase mainly due to the increase in deposits and loans and advances to central banks. The investment of the liquidity deriving from the increase in balance sheet customer funds also explains the most significant changes in the balance sheets reported by both subsidiaries.

## LOANS TO CUSTOMERS

Millennium bcp's consolidated loans to customers portfolio (gross loans), as previously defined, amounted to EUR 57,203 million as of 31 December 2024, showing a slight increase of 0.7% compared to the EUR 56,814 million figure achieved at the end of the previous year. This evolution reflects the increase recorded in the international activity and a slight reduction in the activity in Portugal.

### LOANS TO CUSTOMERS (\*)

million EUR

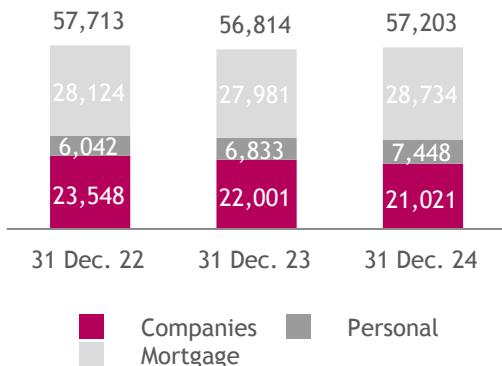


(\*) Before impairment and fair value adjustments

The evolution of the consolidated loans to customers portfolio, compared to 31 December 2023, was mainly due to greater dynamism observed in mortgage loans and personal loans, partly offset by the reduction recorded in the companies segment.

### LOANS TO CUSTOMERS (\*)

million EUR

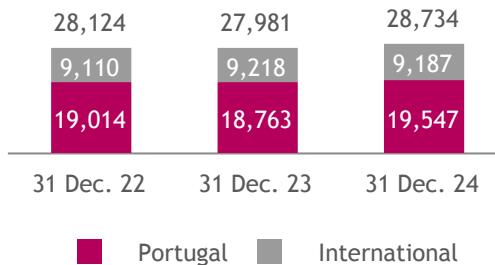


(\*) Before impairment and fair value adjustments

Consolidated mortgage loan portfolio stood at EUR 28,734 million on 31 December 2024, showing an increase of EUR 753 million compared to the same date of the last year (EUR 27,981 million on 31 December 2023), driven by the growth recorded in the activity in Portugal. In the international activity, there was a stabilisation of the amount of the mortgage loans.

### MORTGAGE LOANS (\*)

million EUR



(\*) Before impairment and fair value adjustments

Consolidated personal loans recorded an increase of EUR 615 million compared to the end of the previous year, reaching EUR 7,448 million at the end of 2024, driven by the increases recorded mainly in the international activity and also in the activity in Portugal.

### PERSONAL LOANS (\*)

million EUR

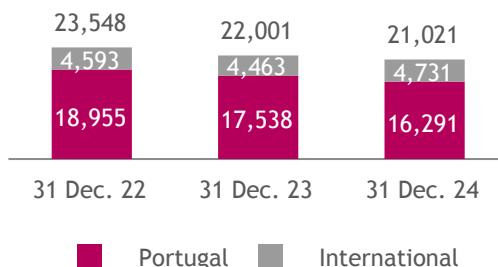


(\*) Before impairment and fair value adjustments

Consolidated loans to companies totalled EUR 21,021 million on 31 December 2024, below the EUR 22,001 million recorded at the end of 2023, with this evolution being influenced by the reduction observed in the activity in Portugal, partially offset by the increase recorded in the international activity.

## LOANS TO COMPANIES (\*)

million EUR



(\*) Before impairment and fair value adjustments

In the activity in Portugal, loans to customers (gross) amounted to EUR 38,370 million as of 31 December 2024, 0.7% below the EUR 38,625 million recorded at the end of 2023. This slight reduction in the portfolio incorporates, on the one hand, a reduction in non-performing exposures (NPE) (EUR -134 million compared to the same date of the last year) and, on the other, a decrease in performing credit (EUR -121 million compared to the same date of the previous year).

Mortgage loans in the activity in Portugal stood at EUR 19,547 million on 31 December 2024, recording an increase of 4.2% compared to the same date in the previous year, due to a growing demand for this type of credit, as interest rates are on a downward trajectory.

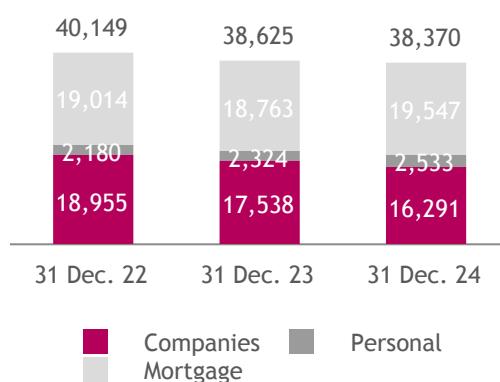
Personal loans in the activity in Portugal also recorded an increase of 9.0% (EUR +209 million) compared to the figure recorded at the end of 2023, standing at EUR 2,533 million on 31 December 2024.

In turn, loans to companies in the activity in Portugal fell by 7.1% compared to the end of 2023, reaching EUR 16,291 million at the end of 2024, mainly due to lower demand, reduction of NPE in this segment and repayment of Covid facilities, as the Bank had assumed a leading role in granting this financing during the pandemic.

## LOANS TO CUSTOMERS (\*)

Activity in Portugal

million EUR



(\*) Before impairment and fair value adjustments

In the international activity, loans to customers (gross) amounted to EUR 18,833 million as of 31 December 2024, 3.5% above the EUR 18,190 million recorded at the end of 2023. By geographies, there was a more significant growth in the Polish subsidiary (driven by the increase of loans in local currency and by the favourable evolution of the Zloty) and a smaller increase in the Mozambican subsidiary.

Mortgage loans in the international activity totalled EUR 9,187 million on 31 December 2024, remaining almost unchanged compared to the amount recorded at the end of the previous year (EUR 9,218 million as of 31 December 2023). By geographies, there was a stabilisation both in the Polish subsidiary (in this case the appreciation of the Zloty was offset by the reduction in mortgage loans in local currency) and in the Mozambican subsidiary.

The amount of the mortgage loans portfolio in foreign currency in the Polish subsidiary deducted from the portion concerning Euro Bank S.A.<sup>3</sup> decreased by EUR 366 million (31 December 2024: EUR 273 million; 31 December 2023: EUR 640 million), representing 1.5% of the total amount of loans to customers recorded on the balance sheet of Bank Millennium (3.6% on the same date of the previous year) and less than 1% of the consolidated loans to customers portfolio.

<sup>3</sup> The risk of Euro Bank S.A.'s portfolio is fully covered by a third party, within the scope of the clauses set out in the acquisition contract of that entity.

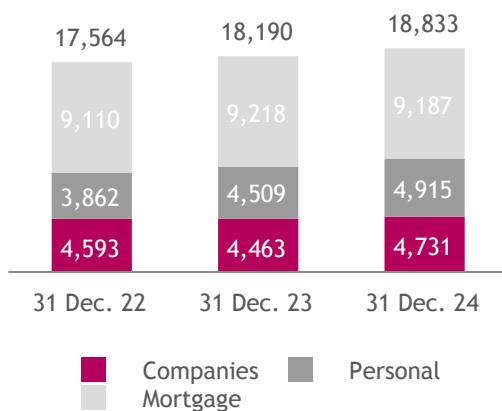
Personal loans in the international activity stood at EUR 4,915 million at the end of the current year, an increase of EUR 406 million compared to the figure recorded at the end of the previous year, driven mainly by the growth recorded in the Polish subsidiary, benefiting also from the positive contribution of the Mozambican subsidiary.

In turn, loans to companies in the international activity rose by 6.0% compared to the EUR 4,463 million recorded on 31 December 2023, standing at EUR 4,731 million at the end of 2024. By geographies, there was an increase in the Polish subsidiary and a stabilisation in the Mozambican subsidiary.

### LOANS TO CUSTOMERS (\*)

#### International activity

million EUR



(\*) Before impairment and fair value adjustments

### LOANS TO CUSTOMERS (GROSS)

	31 Dec. 24	31 Dec. 23	31 Dec. 22	Chg. 24/23	million EUR
<b>INDIVIDUALS</b>	<b>36,182</b>	<b>34,813</b>	<b>34,165</b>	<b>3.9 %</b>	
Mortgage loans	28,734	27,981	28,124	2.7 %	
Personal loans	7,448	6,833	6,042	9.0 %	
<b>COMPANIES</b>	<b>21,021</b>	<b>22,001</b>	<b>23,548</b>	<b>(4.5 %)</b>	
Services	7,185	7,528	8,037	(4.6 %)	
Commerce	3,794	3,834	4,055	(1.1 %)	
Construction	1,546	1,500	1,532	3.1 %	
Others	8,496	9,139	9,923	(7.0 %)	
	<b>57,203</b>	<b>56,814</b>	<b>57,713</b>	<b>0.7 %</b>	
Of which:					
Activity in Portugal	38,370	38,625	40,149	(0.7 %)	
International activity	18,833	18,190	17,564	3.5 %	

The structure of the consolidated (gross) loans to customers portfolio maintained balanced patterns of diversification, with an increase in loans to individuals (greater weight of mortgage loans and personal loans) and a decrease in loans to companies compared to the end of the last year. In effect, the relative weight of loans to individuals in the total amount of portfolio stood at 63.3% as of 31 December 2024, 2 pp above the 61.3% recorded at the end of 2023 and loans to companies stood at 36.7% at the end of 2024, 2 pp below the 38.7% recorded as of 31 December 2023. Still regarding loans to individuals, at the end of the year 2024, mortgage loans represented 79.4% of that aggregate vis-à-vis 80.4% recorded at the end of the previous year and personal loans represented 20.6% vis-à-vis 19.6% recorded on the same date of 2023.

The quality of the credit portfolio continues to benefit from the focus on selectivity and monitoring of the credit risk control processes, as well as from the initiatives carried out by the commercial and credit recovery areas over the recent years, in order to recover non-performing loans.

The Bank has in place credit portfolio management and monitoring processes, namely with regard to the assessment of the risk profile of the exposure in different portfolios/segments. These procedures have the purpose of identifying and closely monitoring the customers potentially more affected by the prevailing macroeconomic context, in complying the responsibilities and defining credit and performance strategies adjusted to the specificities of each customer/group of customers, with a view to both maintaining support to customers considered viable and mitigating credit risk in cases where there are risks of loss in the exposure value.

As part of this monitoring process and with an impact on other complementary procedures adopted, the Bank defines a list of sectors considered to be more vulnerable to the macroeconomic environment and climate impacts, which is reviewed periodically (at least annually), supporting a set of reports on the evolution of the risk profile of the exposures associated with these sectors.

In order to incorporate an additional level of conservatism in the impairment values, the Bank implemented a methodology of complementary identification of significant increase in credit risk situations and potential signs of impairment. This approach adopts differentiated criteria in relation to the base methodologies in force, with distinct processes having been adopted for the calculation of overlays for the corporate and individual customers segments. The overlays currently in force seek in particular to address the uncertainty that continues to prevail, associated with a context of multiple geopolitical conflicts, instability in several relevant European countries, constraints on economic growth and potential measures affecting international trade. This positioning is in line with the guidelines on this matter issued by the supervisors in what regards the identification and measurement of credit risk in contexts of uncertainty, so that the release of overlays initially constituted in the context of the pandemic should be carried out with prudence and taking into account the possible need for new overlays to respond to the current context.

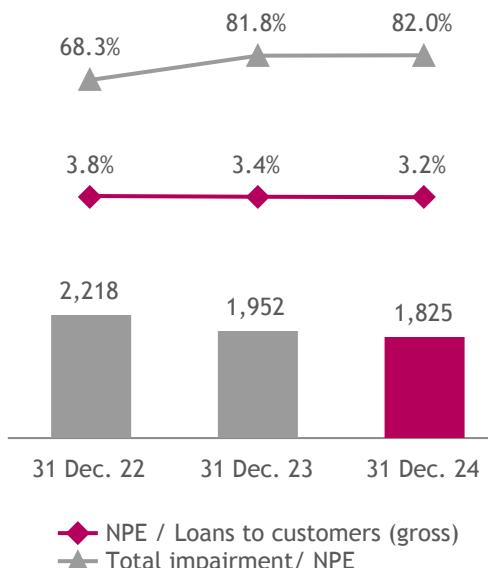
The NPE stock, in consolidated terms, decreased to EUR 1,825 million on 31 December 2024, showing a reduction of EUR 127 million compared to the end of 2023. In the activity in Portugal, the NPE stock totalled EUR 973 million at the end of 2024, with a reduction of EUR 134 million being recorded over the last year.

Regarding credit quality indicators, the NPL ratio for more than 90 days, on a consolidated basis, stood at 1.4% at the end of the current year, slightly above the ratio of 1.3% recorded at the end of the previous year. In turn, NPE ratio in percentage of the total credit portfolio, on a consolidated basis, decreased from 3.4% on 31 December 2023 to 3.2% on 31 December 2024. In the activity in Portugal, the NPE ratio as a percentage of the total credit portfolio dropped from 2.9% at the end of 2023 to 2.5% at the end of 2024.

In consolidated terms, the ratio of total impairments to NPL by more than 90 days evolved from 213.0% at the end of 2023 to 188.1% on 31 December 2024. The ratio between total impairment and the stock of NPE showed stability in consolidated terms (82.0% at the end of 2024 vis-à-vis 81.8% recorded on 31 December 2023) and a slight increase in the activity in Portugal (90.4% on 31 December 2024 vis-à-vis 89.3% on 31 December 2023). Additionally, on 31 December 2024, the ratio between specific NPE impairment and NPE stock stood at 54.0% in consolidated terms (52.7% on 31 December 2023) and 54.8% in the activity in Portugal (54.7% on 31 December 2023).

#### NON-PERFORMING EXPOSURES (STOCK)

million EUR



## CREDIT QUALITY INDICATORS

	Group				Activity in Portugal			
	31 Dec. 24	31 Dec. 23	31 Dec. 22	Chg. 24/23	31 Dec. 24	31 Dec. 23	31 Dec. 22	Chg. 24/23
<strong>STOCK (M€)</strong>								
Loans to customers (gross)	57,203	56,814	57,713	0.7 %	38,370	38,625	40,149	(0.7 %)
Restructured loans	1,530	1,729	1,866	(11.5 %)	979	1,186	1,341	(17.5 %)
NPL > 90 days	795	750	725	6.1 %	373	360	333	3.8 %
NPE (Loans to customers)	1,825	1,952	2,218	(6.5 %)	973	1,107	1,361	(12.1 %)
Total loan impairments (Balance sheet)	1,497	1,596	1,515	(6.2 %)	880	989	935	(11.0 %)
Impairments allocated to NPE (Balance sheet)	985	1,028	1,011	(4.2 %)	533	606	592	(12.1 %)
<strong>RATIOS AS A PERCENTAGE OF LOANS TO CUSTOMERS</strong>								
Restructured loans / Loans to customers (gross)	2.7%	3.0%	3.2%		2.6%	3.1%	3.3%	
NPL > 90 days / Loans to customers (gross)	1.4%	1.3%	1.3%		1.0%	0.9%	0.8%	
NPE / Loans to customers (gross)	3.2%	3.4%	3.8%		2.5%	2.9%	3.4%	
NPE ratio - EBA (includes debt securities and off-balance exposures)	1.9%	2.2%	2.6%		1.7%	2.0%	2.4%	
<strong>COVERAGE BY IMPAIRMENTS</strong>								
Total impairment / NPL > 90 days	188.1%	213.0%	208.9%		235.6%	274.8%	280.4%	
Total impairment / NPE	82.0%	81.8%	68.3%		90.4%	89.3%	68.6%	
Impairments allocated to NPE / NPE	54.0%	52.7%	45.6%		54.8%	54.7%	43.5%	

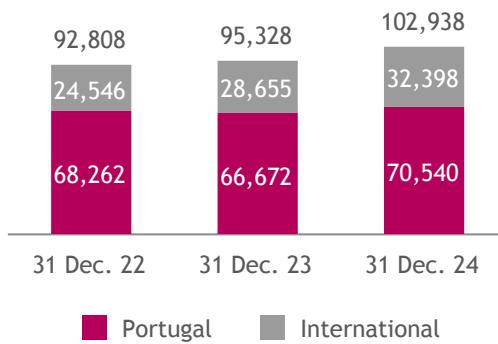
Note: NPE include loans to customers only, as defined in the glossary.

## CUSTOMER FUNDS

On 31 December 2024, the consolidated total customer funds amounted to EUR 102,938 million, representing an increase of EUR 7,611 million (+8.0%) compared to the EUR 95,328 million obtained on the same date of the previous year, benefiting from the growth in the activity in Portugal (EUR +3,868 million than on the same date of the previous year) and the increase in the international activity (EUR +3,742 million than on the same date of the previous year). The evolution of total customer funds reflects the good performance of the majority of areas, with emphasis on the increase in deposits and other resources from customers (EUR +6,114 million compared to 31 December 2023) in respect of balance sheet customers funds and in assets placed with customers (EUR +1,112 million compared to the end of the previous year) in respect of off-balance sheet customer funds.

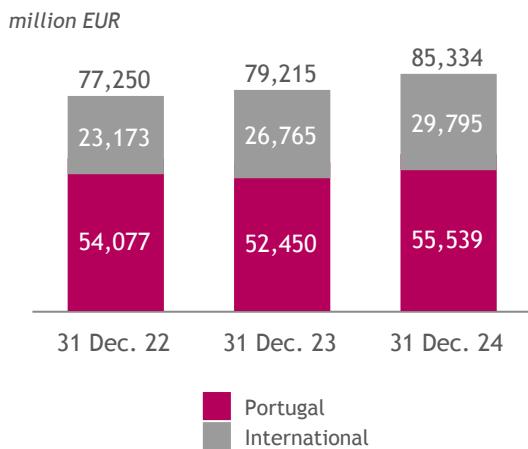
### TOTAL CUSTOMER FUNDS

million EUR



Consolidated balance sheet customer funds, as defined previously, amounted to EUR 85,334 million on 31 December 2024, showing an increase of EUR 6,118 million (+7.7%) compared to the EUR 79,215 million achieved at the end of the previous year. This favourable evolution is due to the dynamism recorded both in the activity in Portugal (EUR +3,088 million compared to the same date in the previous year) and in the international activity (EUR +3,030 million compared to the same date in the previous year).

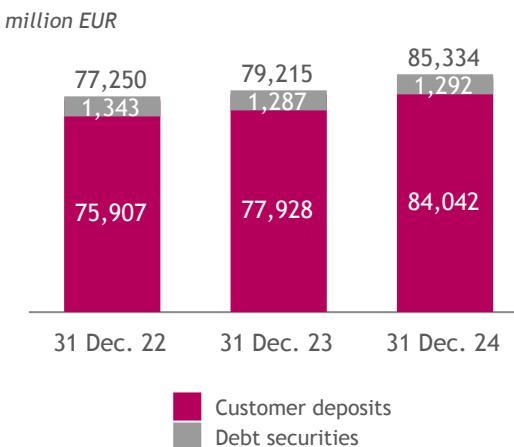
#### BALANCE SHEET CUSTOMER FUNDS



Consolidated deposits and other resources from customers totalled EUR 84,042 million at the end of 2024, which compares with EUR 77,928 million on 31 December 2023. This favourable evolution is due to the growth both in the activity in Portugal and in the international activity.

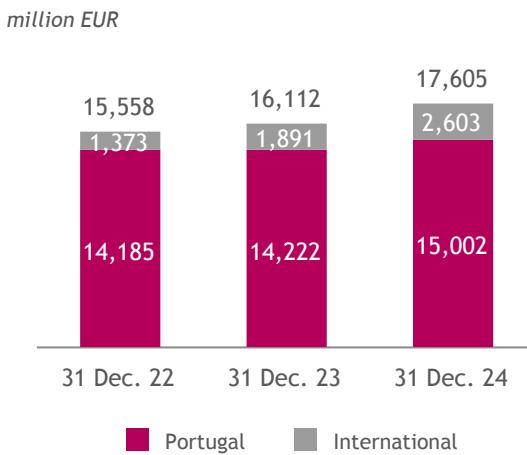
Consolidated debt securities, which corresponds to the Group's issues of debt securities subscribed by clients (existing only in the activity in Portugal) recorded a slight increase of EUR 5 million compared to the end of 2023, standing at EUR 1,292 million on 31 December 2024.

#### BALANCE SHEET CUSTOMER FUNDS



As of 31 December 2024, consolidated off-balance sheet customer funds, which include assets under management, assets placed with customers and insurance products (savings and investment), amounted to EUR 17,605 million, representing an increase of EUR 1,492 million compared to the figure posted on the same date in the prior year. Off-balance sheet customer funds recorded increases both in the activity in Portugal and in the international activity (EUR +780 million and EUR +712 million compared to the same date in the previous year, respectively).

#### OFF-BALANCE SHEET CUSTOMER FUNDS



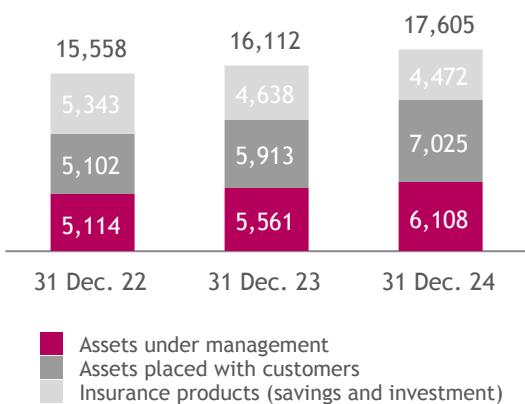
Assets under management, which result from the provision of the service of managing portfolios of clients under existing agreements for their placement and administration, amounted to EUR 6,108 million on 31 December 2024, having shown an increase of 9.8% compared to the figure of EUR 5,561 million recorded at the end of 2023, benefiting from the dynamism of the international activity. In the activity in Portugal, assets under management remained almost unchanged compared to the amount recorded at the end of the previous year.

Assets placed with customers, which in turn correspond to the amounts held by customers within the scope of placing third-party products that contribute to the recognition of commissions, also recorded an increase of 18.8% compared to the EUR 5,913 million recorded as of 31 December 2023, amounting to EUR 7,025 million on 31 December 2024, benefiting from the dynamism of the activity in Portugal and also from the international activity, though in the latter case to a lesser extent.

Insurance products (savings and investment) amounted to EUR 4,472 million on 31 December 2024, representing a reduction of 3.6% compared to the EUR 4,638 million posted on the same date of the previous year, with this evolution being explained by the reductions recorded in the activity in Portugal and in the international activity.

#### OFF-BALANCE SHEET CUSTOMER FUNDS

million EUR



- Assets under management
- Assets placed with customers
- Insurance products (savings and investment)

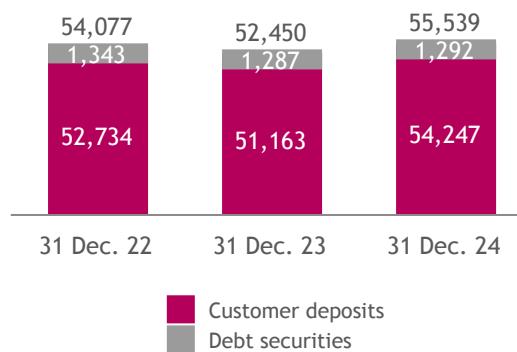
In the activity in Portugal, total customer funds reached EUR 70,540 million on 31 December 2024, compared with the EUR 66,672 million recorded at the end of the previous year (+5.8%), with this evolution being mainly justified by the increase in deposits and other resources from customers in respect of balance sheet customer funds and by the increase in assets placed with customers in respect of off-balance sheet customer funds.

Balance sheet customer funds in the activity in Portugal reached EUR 55,539 million on 31 December 2024, compared with EUR 52,450 million recorded on the same date of the previous year, with this evolution being justified by the increase in deposits and other resources from customers (EUR +3,084 million compared to the end of the previous year), reflecting a higher level of savings by families and companies. Debt securities recorded a slight increase (+0.4%) compared to the amount observed in the same date of the previous year.

#### BALANCE SHEET CUSTOMER FUNDS

##### Activity in Portugal

million EUR



- Customer deposits
- Debt securities

Off-balance sheet customer funds in the activity in Portugal recorded an increase of EUR 780 million compared to the end of the previous year, standing at EUR 15,002 million on 31 December 2024, with an increase in assets placed with customers, partially offset by the decrease observed in insurance products (savings and investment). Assets under management remained stable compared to the value recorded at the end of the previous year.

#### OFF-BALANCE SHEET CUSTOMER FUNDS

##### Activity in Portugal

million EUR

	31 Dec. 22	31 Dec. 23	31 Dec. 24
14,185	14,222	15,002	
5,075	4,355	4,256	
4,803	5,516	6,417	
4,307	4,351	4,329	

■ Assets under management  
 ■ Assets placed with customers  
 ■ Insurance products (savings and investment)

In the international activity, total customer funds increased by EUR 3,742 million (+13.1%) compared to the EUR 28,655 million recorded on 31 December 2023, standing at EUR 32,398 million at the end of 2024, driven by the good performance of the balance sheet customer funds due to the rise of deposits and other resources from customers and also to a lesser extent by the favourable evolution of the off-balance sheet customer funds. By geographies, good performances were recorded by the Polish and Mozambican subsidiaries, with a smaller increase being recorded in the latter case.

Balance sheet customer funds in the international activity, entirely composed of deposits and other resources from customers stood at EUR 29,795 million on 31 December 2024, EUR 3,030 million above the EUR 26,765 million recorded at the end of 2023, benefiting from the rising volumes of resources in the Polish operation (influenced mainly by the increase in resources in local currency and also by the appreciation of the Zloty). The subsidiary in Mozambique also recorded an increase, but on a smaller scale.

#### BALANCE SHEET CUSTOMER FUNDS

##### International activity

million EUR

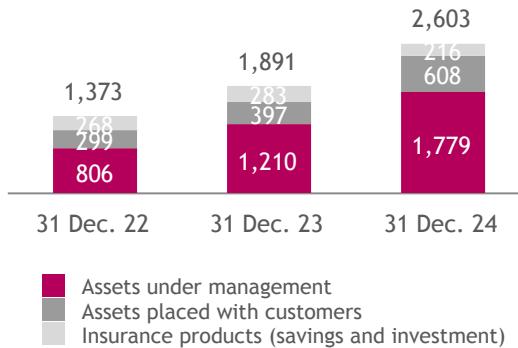


Off-balance sheet customer funds in the international activity increased by EUR 712 million compared to the end of the previous year, standing at EUR 2,603 million on 31 December 2024, driven mainly by the increase recorded in assets under management and also due to the smaller increase in assets placed with customers. Conversely, insurance products (savings and investment) recorded a decrease compared to the end of the previous year.

#### OFF-BALANCE SHEET CUSTOMER FUNDS

##### International activity

million EUR



On 31 December 2024, balance sheet customer funds, on a consolidated basis, represented 82.9% of total customer funds (83.1% at the end of 2023), with deposits and other resources from customers representing 81.6% of total customer funds (percentage almost unchanged comparing to the one recorded at the end of 2023).

## TOTAL CUSTOMER FUNDS

	31 Dec. 24	31 Dec. 23 restated	31 Dec. 22	Chg. 24/23
<b>BALANCE SHEET CUSTOMER FUNDS</b>	<b>85,334</b>	79,215	77,250	7.7%
Deposits and other resources from customers	84,042	77,928	75,907	7.8%
Debt securities	1,292	1,287	1,343	0.4%
<b>OFF-BALANCE SHEET CUSTOMER FUNDS</b>	<b>17,605</b>	16,112	15,558	9.3%
Assets under management	6,108	5,561	5,114	9.8%
Assets placed with customers	7,025	5,913	5,102	18.8%
Insurance products (savings and investment)	4,472	4,638	5,343	(3.6%)
	<b>102,938</b>	95,328	92,808	8.0%
Of which:				
Activity in Portugal	70,540	66,672	68,262	5.8%
International activity	32,398	28,655	24,546	13.1%

## NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale recorded a decrease of 43.7% on 31 December 2024 compared to the same date of the last year, amounting to EUR 45 million at the end of the current year (EUR 80 million at the end of 2023; amounts net of impairment in both cases).

Other assets (which mainly include equipment and financial assets) amounted to EUR 15 million, with a decrease of 6.3% being recorded compared to 31 December 2023.

## NON-CURRENT ASSETS HELD FOR SALE

	31 Dec. 24	31 Dec. 23	31 Dec. 22	Chg. 24/23
<b>REAL ESTATE</b>	<b>30</b>	64	470	(53.1%)
Arising from recovered loans	25	48	236	(47.9%)
From investment funds and real estate companies	4	14	220	(71.4%)
For own use	1	2	14	(50.0%)
<b>OTHER ASSETS</b>	<b>15</b>	16	29	(6.3%)
Equipment	4	4	16	0.0%
Other assets	11	12	13	(8.3%)
	<b>45</b>	80	499	(43.7%)

The Group's properties received under customer credits recovery (foreclosed assets), held directly and held by investment funds and real estate companies, are classified under non-current assets held for sale and also under the heading of other assets. The aggregate value of these properties net of impairment evolved from

EUR 188 million at the end of 2023 to EUR 112 million at the end of 2024, as a result of the divestment strategy in this type of non-productive assets.

## SECURITIES PORTFOLIO

The securities portfolio, as defined previously, stood at EUR 34,210 million as of 31 December 2024, showing an increase of 25.0% compared to the EUR 27,375 million recorded on the same date of the previous year, representing 33.5% of total assets at the end of 2024 (29.0% at the end of 2023). This increase is essentially the result of the liquidity arising from the growth of balance sheet customer funds.

The EUR 6,384 million increase in the consolidated public debt securities portfolio was determinant for the aforementioned evolution, with total amount of public debt increasing from EUR 22,093 million at the end of 2023 to EUR 28,477 million at 31 December 2024, representing 83.2% of the total amount of portfolio at the end of 2024, above the 80.7% recorded at the end of 2023.

There were increases in the different portfolios, with investments in financial assets measured at amortised cost and in financial assets measured at fair value through other comprehensive income being the most significant ones in absolute terms.

The portfolio allocated to the activity in Portugal increased from EUR 17,238 million at the end of 2023 to EUR 20,866 million existing on 31 December 2024, with this increase being explained by the increase in public debt portfolio.

The securities portfolio allocated to the international activity also showed an increase, rising from EUR 10,138 million at the end of the previous year to EUR 13,344 million on 31 December 2024, driven mainly by the activity in the Polish subsidiary, following the reinforcement of investment in local public debt and also in public debt from other euro zone countries.

## SECURITIES PORTFOLIO

	31 Dec. 24	31 Dec. 23 restated	31 Dec. 22 restated	Chg. 24/23	million EUR
Financial assets measured at amortised cost (1)	19,546	15,671	11,535	24.7 %	
Financial assets measured at fair value through profit or loss (2)	1,765	870	878	102.8 %	
Financial assets measured at fair value through other comprehensive income	12,899	10,834	7,462	19.1 %	
	34,210	27,375	19,874	25.0 %	
Of which:					
Activity in Portugal	20,866	17,238	14,517	21.1 %	
International activity	13,344	10,138	5,357	31.6 %	

(1) Corresponds to debt instruments not associated to credit operations.

(2) Excluding the amounts related to loans to customers and trading derivatives.

## CENTRAL BANKS AND CREDIT INSTITUTIONS

Cash and deposits at central banks and credit institutions and loans and advances to credit institutions (31 December 2024: EUR 6,638 million; 31 December 2023: EUR 5,792 million) net of deposits from credit institutions, including central banks (31 December 2024: EUR 778 million; 31 December 2023: EUR 829 million) totalled a positive amount of EUR 5,860 million at the end of 2024, which compares with an equally positive amount of EUR 4,963 million at the end of 2023.

## OTHER ASSET ITEMS

Other asset items, which include hedging and trading derivatives, investments in associates, investment property, other tangible assets, goodwill and intangible assets, current and deferred taxes assets and other assets, stood at EUR 5,544 million on 31 December 2024, representing 5.4% of total consolidated assets. At the end of 2023, other asset items represented 6.3% of total consolidated assets, totalling EUR 5,906 million.

## EQUITY

On 31 December 2024, total equity amounted to EUR 8,193 million, EUR 902 million above the equity of EUR 7,290 million recorded at the end of the previous year. Non-controlling interests increased from EUR 987 million at the end of the previous year to EUR 1,098 million at the end of the current year, in this case motivated mainly by the increase in the equity of the subsidiary in Poland, justified by the positive results generated in the year.

The increase in equity was mainly due to the integration of the net income for the year which amounted to EUR 906 million, to the positive impact of the fair value reserve net of income taxes, which decrease its negative balance by EUR 331 million and to the positive exchange rate consolidation differences, totalling EUR 35 million. Conversely, equity was impacted by the payment of dividends in the amount of EUR 257 million, by the negative actuarial deviations associated with the pension fund in the net amount of EUR 194 million and by the interest from coupons of the Additional Tier 1 instruments, which amounted to EUR 34 million.

# Business Areas

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## Activity per Segments

Millennium bcp conducts a wide range of banking activities and financial services in Portugal and abroad, with special focus on Retail Banking, Companies Banking and Private Banking business.

BUSINESS SEGMENT	PERIMETER
Retail Banking	Retail Network of Millennium bcp (Portugal) Retail Recovery Division Banco ActivoBank
Companies and Corporate	Companies and Corporate Network of Millennium bcp (Portugal) Specialised Recovery Division Large Corporate Network of Millennium bcp (Portugal) Investment Banking (*) Interfundos (*) Specialized Credit and Real Estate Division (*) Treasury and Markets International Division (*)
Private Banking	Private Banking Network of Millennium bcp (Portugal)
International Business	Bank Millennium (Poland) BIM - Banco Internacional de Moçambique Banco Millennium Atlântico (**)
Other	Comprises the activity carried out by Banco Comercial Português, S.A. not included in the commercial business in Portugal which corresponds to the segments identified above, including the activity carried out by Macao branch. Also includes all other business and unallocated values in particular centralized management of financial investments, corporate activities and insurance activity.

(\*) Units all together that serve mainly customers in the Companies & Corporate segment, but also customers in other segments, in which the corresponding income is recognized. The operating costs of those units are attributed to the Other segment.

(\*\*) Consolidated by the equity method.

The figures reported for each segment resulted from aggregating the subsidiaries and business units integrated in each segment. For the business units in Portugal, the aggregation process reflects the impact from capital allocation and balancing process in the balance sheet and income statement, based on average figures. The balance sheet headings for each business unit in Portugal was recalculated, considering the replacement of the equity book values by the amounts assigned through the allocation process, based on the regulatory solvency criteria.

As the process of capital allocation complies with the regulatory criteria of solvency in force, the risk weighted assets, and consequently the capital allocated to the business segments, are determined in accordance with the Basel III framework, pursuant to the CRD IV/CRR. The capital allocated to each segment resulted from the application of a target capital ratio to the risks managed by each segment, reflecting the application of the Basel III methodology previously referred. Each operation is balanced through internal transfers of funds, with impact on the net interest income and income taxes of each segment, hence with no impact on consolidated accounts.

Commissions and other net income, as well as operating costs calculated for each business area, are based on the amounts accounted for directly in the respective cost centres, on the one hand, and the amounts resulting from internal processes for allocating revenues and costs, for another. In this case, the allocation is based on the application of pre-defined criteria and subject to periodic review, related to the level of activity of each business area.

Each segment's income includes the non-controlling interests, when applicable. Therefore, the values of net income presented incorporate the individual net income of the business units, regardless of the percentage stake held by the Group, and the impacts of the transfers of funds described above.

The information presented below for the individually more relevant business areas in Portugal and aggregately for the international activity was based on the financial statements prepared in accordance with IFRS and on the organization of the Group's business areas as at 31 December 2024

## RETAIL

### Mass Market

Throughout 2024, the Mass Market Segment focused its commercial attitude on strengthening relationships with Customers with the aim of increasing penetration as the first Bank, as well as growing the Customer base.

The focus on the University Segment was reinforced, developing several actions to promote and boost the value proposition and improve the commercial offer. In the youth segment, the launch of new features on the App stands out.

As salary domiciliation is very important for establishing first-bank relationships, campaigns to capture salaries for current and new Customers were maintained throughout 2024.

Recognizing the importance of the segment of Customers over 65, a set of initiatives were promoted with advantages in the areas of Health, Insurance, Investments, Travel and Digital.

In 2024, in this segment, the strategy of increasing Customers' digital engagement was also reinforced, through actions to encourage the opening of an account on the App with a Digital Mobile Key; activating/encouraging the use and development of new Functionalities and Services, in order to simplify the Customer's interaction with the Bank.

### Prestige

In 2024, the Prestige segment continued to show significant growth in its Customer base.

The continuous improvement of the Prestige Customer experience continued to be a priority, with emphasis on the offer of the Local or Remote Personalized Management Service.

Seeking to provide specialized and exclusive services to this segment in 2024, a new Risk Insurance Advisory service was launched.

In the Investment component, the Bank sought to constantly adjust the offer of different Investment Instruments to the needs of its Customers, adapting the offer to different profiles and objectives, through the Personalized Investment service.

### Portuguese Diaspora & Foreigners

In 2024, this segment maintained its strategy of expanding and renewing its Customer base, strengthening proximity and relationships.

In order to guarantee greater support to Customers abroad, Millennium bcp maintains a physical presence through the local Network of Representative Offices in Brazil (Rio de Janeiro and São Paulo), the United Kingdom (London) and Switzerland (Geneva and Zurich).

### Businesses

The commercial dynamics that characterize the business segment continued throughout 2024. A set of initiatives associated with the continuous improvement of the experience of corporate Customers were developed with the aim of guiding and defining the intensity of contacts.

The credit portfolio showed a positive evolution with greater dynamics and the evolution of resources also registered a positive trend throughout 2024.

With regard to attracting Customers in the business segment, the growth trend continued, demonstrating consistency in the development of actions focused on attracting new business customers.

## Products

### Loans to individuals

In 2024, the Bank continued to consolidate its position as a partner for Customers, adjusting the commercial offer for Individuals and introducing significant innovations.

In Personal Credit, the Bank continued to boost its digital offer through various promotional actions and invest in the digital journey, in order to make the process faster, simpler and more intuitive. The Bank expanded the scope of some Personal Credit solutions, especially for Health and Automobile purposes.

In Real Estate Credit, the Bank maintained a very competitive and comprehensive product offer, for example, the offer of mixed and fixed rates was reinforced, allowing instalments to be fixed with flexible terms, between 2 and 30 years.

It is also worth highlighting the campaign for transfers of Home Credit from Other Credit Institutions and the benefits attributed to Customers within the scope of the protocols established with companies that are Customers of the Bank.

For the younger segment, and as a complement to the tax exemptions implemented by the Government, a commercial offer was launched with total exemption from initial commissions for all types of Credit.

In the last quarter of the year, considering the Bank's adherence to the "State Guarantee for Young People" measure, the simulator was made available in advance to the Customer so that they could simulate the impact on the provision.

The Customers' digital experience was also a priority on this business front, with the implementation of new functionalities that, in a simple, practical and agile way, allow the Customer to simulate, formalize the request, deliver documentation and interact and monitor the entire contracting process.

### Investment solutions

In 2024, the Bank demonstrated high dynamism in making savings and investments available, adjusting the commercial offer to market conditions.

In parallel, and with a view to making the savings of Millennium bcp Customers profitable, a comprehensive and diversified commercial offer of investment alternatives continued to be made available, including structured deposits, the launch of financial insurance, retirement savings plans, investment plans in certificates, as well as

the Bank's participation in the placing of eight Public Subscription Offers.

It is also worth highlighting the continuation of a strong investment in innovation in the digital channel with the availability of several products.

### Insurance

In the year in which the 20th anniversary of the partnership with the Ageas Group was marked, Millennium bcp consolidated its leadership in the sale of insurance through the bancassurance channel, continuing to focus on the provision of products and services aligned with the protection needs of Customers, with increasing use of new technological tools, and the availability of insurance products on digital channels was reinforced.

### Integrated Solutions

In 2024, the Bank celebrated 20 years after the launch of the first Integrated Solution, the Frequent Customer, having presented many new features, commercial offers and campaigns aimed at Millennium Customers holding Integrated Solutions.

### Current Accounts

Millennium bcp made available, during 2024, new features to provide greater convenience and flexibility to Customers when managing their accounts.

In order to increase knowledge of its Customer base, Millennium bcp reinforced ongoing data updating actions. Given the recurrence of this type of actions, a set of initiatives were implemented to simplify the process of updating information, either using the Millennium App or with the implementation of automatic reading of citizen card data in branches.

### Microcredit

Millennium bcp began very early supporting Microcredit projects, with teams dedicated to training and promoting communities in this matter. For a decade and a half, it has associated guarantees from the European Investment Fund with Microcredit operations, thus leveraging this business component.

Millennium bcp has distinctive conditions available for Microcredit operations, with the possibility of better terms and amounts.

## Activobank

In 2024, Activobank maintained its focus on the young digital segment, seeking to reinforce its positioning as the first bank through the development of a complete commercial offer and digital functionalities that respond to the financial needs of this segment. The bank attracted approximately 80 thousand new customers, which allowed it to reach a base of 580 thousand customers, with a degree of digitalization of 75%.

These results are the result of the development of several campaigns throughout the year, focused on the brand's central value proposition and the development of the paycheck domiciliation product in order to stimulate positioning as the first bank.

In 2024, Activobank intensified its digital marketing initiatives. This strategic approach not only strengthened the bank's digital presence, but also consistently supported new business capture.

In 2024, Activobank launched Activo Viagem, an innovative service designed to meet the needs of customers carrying out transactions abroad. This solution reinforces the bank's value proposition, providing convenience, security and cost reduction for customers travelling abroad.

Within the scope of savings and investment products, the strategy remained focused on term deposits with the creation of new products to support the aspects of capturing and retaining resources. Furthermore, in terms of the Activobank application, a term deposit hub was created that allows the customer to have an aggregated view of their assets applied to these products and also access to the products that are available to them at all times in a personalized way.

In terms of investments, it must be highlighted the reformulation of the offer of investment funds with the reinforcement of thematic investment funds and SRI Funds (Socially Responsible Investing).

With regard to credit, Auto and Electric Motorcycle Credit was made available for contracting on the Activobank app and the scope of training credit was reinforced to include new student accommodation and travel expenses.

As part of strengthening the digital experience, Activobank reinforced its digital offer with the launch of FinCare, an innovative feature integrated into the Activobank App, developed to help Customers better manage their personal finances.

Still within the scope of the digital experience, Activobank reinforced its commitment to the Customer experience through the launch of ABot, an intelligent virtual assistant integrated into its digital channels.

Within the scope of Financial Literacy, Activobank provided a set of content that was disseminated on Facebook, YouTube, Instagram, LinkedIn and TikTok, such as conferences, podcasts or videos and informative content.

During 2024, Activobank developed 12 social solidarity actions through its monthly item "Give Credits", associating a project or social cause that was supported with an amount of up to EUR 3,000. In total, 13 institutions were supported.

Activobank's net profit in 2024 was EUR 34 million, which represented a reduction of 13.7% compared to the previous year.

			million EUR
	Dec 31, 2024	Dec 31, 2023	Chg. 24/23
<b>RETAIL BANKING in Portugal</b>			
<b>PROFIT AND LOSS ACCOUNT</b>			
Net interest income	1,153	882	30.8%
Other net income	482	450	7.1%
	<b>1,635</b>	<b>1,332</b>	<b>22.8%</b>
Operating costs	328	356	-8.0%
Impairment and provision	75	45	70.0%
<b>Income before tax</b>	<b>1,232</b>	931	32.3%
Income taxes	386	291	32.3%
<b>Income after tax</b>	<b>846</b>	640	32.3%
<b>SUMMARY OF INDICATORS</b>			
Allocated capital	971	1,001	-3.0%
Return on allocated capital	87.1%	63.9%	
Risk weighted assets	7,419	7,251	2.3%
Cost to income ratio	20.1%	26.8%	
Loans to Customers (net of impairment charges)	26,701	25,894	3.1%
Balance sheet Customer funds	41,293	39,079	5.7%

Notes:

Allocated capital, Loans to customers (net of recoveries) and Balance sheet Customer funds figures based on average balance.

## Financial performance

As at 31 December 2024, income after tax from Retail Banking segment of Millennium bcp in Portugal totalled EUR 846 million, showing a 32.3% increase compared to EUR 640 million in 2023, reflecting higher net interest income. Regarding the evolution of the main income statement headings, the following aspects should be highlighted:

- Net interest income reached EUR 1,153 million as at 31 December 2024, increasing 30.8% compared with the previous year (EUR 882 million), mainly benefiting from the net interest income arising from the deposit portfolio, reflecting the impact of the higher income from the internal placements of the excess liquidity following the normalization of interest rates.
- Other net income reached EUR 482 million on December 31, 2024, increasing 7.1% compared with 2023. This performance reflects essentially the higher level of commissions, mostly from bancassurance, resulting from the update of the distribution fees to be supported by the insurance company for the remuneration of the Bank's role as distributor, and investment funds.

- Operating costs were 8.0% lower than the amounts recognized in 2023.
- Impairment charges amounted to EUR 75 million at the end of December 2024, remaining at a low level relative to the loan portfolio size of this segment, despite the increase compared to the amount of EUR 45 million recorded in the same period of the previous year.
- In December 2024, loans to customers (net) totalled EUR 26,701 million, increasing 3.1% from December 2023 (EUR 25,894 million), mainly from the increase in mortgage loans, while balance sheet customer funds increased by 5.7% in the same period, amounting to EUR 41,293 million in December 2024 (EUR 39,079 million in December of the previous year), mainly explained by the increase in customer deposits.

## COMPANIES AND CORPORATE

During 2024, Millennium bcp maintained its focus on credit solutions for companies, reinforcing the Sustainability aspect.

The Bank maintained the distribution of financial instruments from the European Investment Bank and the European Investment Fund, which make it possible to leverage credit for all types of companies, across all sectors.

Cooperation with national entities such as Banco Português de Fomento, Mutual Guarantee Societies, Turismo de Portugal, IFAP, among others, was also highlighted. Millennium bcp subscribed and made available all types of BPF InvestEU guarantees, paving the way for supporting the economy during the years this European program is in force.

In 2024, Millennium bcp launched its own credit lines in order to meet the treasury and investment needs of Portuguese companies.

Within the scope of Sustainable business credit solutions, Millennium bcp ensured the implementation of products with eligibility criteria aligned with the taxonomy and encouraged, among its customers, the response to ESG Questionnaires, so that the climate transition path can be followed.

With the acceleration of application opportunities and approvals under the Portugal 2030 Community Framework, in 2024 the Bank maintained its focus on supporting Business Investment, encouraging the sharing of information, knowledge and financial solutions adjusted to the specific needs of Businessmen who are investing with community support.

In the Recovery and Resilience Plan, the Bank maintains a strong contribution to the execution of the Plan, contributing to support the Entities that are responsible for executing their investments until the end of the year 2026.

In 2024, the Bank maintained a very relevant dynamic of proximity initiatives aimed at sharing practical information and knowledge with Customers and other Stakeholders about the main business investment opportunities and challenges in the country.

Highlight is the Millennium Talks Events, which since their launch in 2022 have brought together more than 3000 entities and continue to place issues such as innovation, company financing, but also how they can grow on sustainable foundations at the centre of the discussion.

At the same time, the Bank is holding Volta Portugal 2030, workshops that tour the main district capitals, giving voice to the success stories of its business Clients and sharing best practices and opportunities in investment supported by European Funds.

In supporting the primary sector, Millennium bcp maintains a specialized team with the capacity to monitor and respond to the specific financial needs of entrepreneurs, has dedicated financial solutions and maintains regular presence in the main national agriculture and livestock events.

In Leasing, Millennium bcp maintains its leadership, with EUR 742 million of new production in 2024 and a 25% market share<sup>4</sup>. The Bank has carried out several operational optimization initiatives with an impact on the Customer experience. The Leasing offer is now an integral part of the European Investment Bank and European Investment Fund guarantee lines provided by Millennium bcp.

As for Factoring and Confirming, in 2024, Millennium bcp once again led this line of business with almost EUR 10 billion of invoicing taken, thus supporting the short-term financing needs of its Customers. According to the most recent statistics from ALF - Portuguese Association of Leasing, Factoring and Renting, the Bank had a market share of 22.0% in September 2024.

In the Trade Finance business, Millennium bcp reinforced its positioning as a partner bank for exporting and importing companies:

- Best Trade Finance Bank with the Best Service and Market Leader, according to Euromoney.
- Global market share of 25.6% in import and export operations, namely Trade Finance operations (based on the number of SWIFT messages);
- Organization of the largest event dedicated to foreign trade in Portugal, the "Millennium Portugal Exportador".

<sup>4</sup> Source: ALF (September 2024)

**Investment banking**

The Bank participated in a wide range of projects both in Portugal and in international markets.

- In the Corporate Finance, the Bank provided financial advice to its Customers and to the Bank itself in dossiers involving the study, development and execution of M&A operations, company valuations, corporate restructuring and reorganizations, as well as economic-financial analyzes and studies of projects. In the mergers and acquisitions segment, Fairness Opinion stands out as part of the OPA process launched by the KKR Fund to Greenvolt.
- Regarding the Project Finance, we participate in the analysis, structuring, negotiation and assembly of financing operations, highlighting participation in the financing of infrastructure projects and sustainable energy projects as well as the management of a vast portfolio of ESG financing.
- In the area of Structured Finance, the Bank assumed an important role in structuring, negotiating and setting up various national and international financing operations.
- Regarding Capital Markets activity, the highlight is participation in 10 bond subscription market operations, four of which as co-leader. We participated in several other bond issuance operations and in the setting up of around a hundred commercial paper programs. Our activity includes the management of the commercial paper program portfolio made up of more than 3 hundred operations and with a total amount of more than EUR 3 billions.
- Millennium bcp was distinguished as the "Best Investment Bank in Portugal" for the seventh consecutive year, within the scope of the World's Best Investment Banks Awards attributed by Global Finance magazine.

 January 2024 <b>Undisclosed</b> Renewable Power Fairness Opinion for the Greenvolt Financial Advisory	 January 2024 <b>€ 17,000,000</b> Industry Medium-long term syndicated loan Mandated Lead Arranger	 February 2024 <b>€ 100,000,000</b> Renewable Power Green Bonds 2024-2029 Joint Global Coordinator	 February 2024 <b>€ 300,000,000</b> Power Green Bonds 2024-2030 Joint Lead Manager	 March 2024 <b>€ 50,000,000</b> Sports & Entertainment Public Bond Offer 2024-2027 Joint Manager
 April 2024 <b>€ 50,000,000</b> Sports & Entertainment Public Bond Offer 2024-2027 Joint Manager	 April 2024 <b>€ 90,000,000</b> Industry Commercial Paper Programme Lead Manager	 April 2024 <b>€ 10,000,000</b> Industry Medium-long term loan Mandated Lead Arranger	 May 2024 <b>€ 60,000,000</b> Industry Sustainability-Linked Bonds 2024-2029 Joint Global Coordinator	 May 2024 <b>€ 175,000,000</b> Regional Government Bond Offer 2024-2029 Joint Lead Manager
 June 2024 <b>€ 98,000,000</b> Consumer Goods Leaseback of 7 properties Mandated Lead Arranger	 June 2024 <b>€ 240,000,000</b> Others Medium-long term syndicated loan Mandated Lead Arranger	 June 2024 <b>€ 60,000,000</b> Healthcare Sustainability-Linked Bonds 2024-2029 Joint Manager	 June 2024 <b>€ 50,000,000</b> Renewable Power Green Bonds 2024-2027 Financial Intermediary	 June 2024 <b>€ 50,000,000</b> Industry Sustainability-Linked Bonds 2024-2029 Financial Intermediary
 June 2024 <b>€ 50,000,000</b> Industry Sustainability-Linked Bonds 2024-2031 Financial Intermediary	 June 2024 <b>€ 48,000,000</b> Other Sustainability-Linked Bonds 2024-2028 Joint Manager	 June 2024 <b>€ 35,000,000</b> Auto Commercial Paper Programme Lead Manager	 October 2024 <b>€ 80,000,000</b> Other Sustainability-Linked Bonds 2024-2029 Joint Global Coordinator	 November 2024 <b>€ 40,000,000</b> Sports & Entertainment Public Bond Offer 2024-2028 Joint Manager
 December 2024 <b>€ 30,000,000</b> Sports & Entertainment Public Bond Offer 2024-2027 Joint Manager	 December 2024 <b>€ 40,000,000</b> Others Commercial Paper Programme Lead Manager	 December 2024 <b>€ 119,760,000</b> Tourism Medium-long term syndicated loan Mandated Lead Arranger		

## Real estate business

Main areas of action in 2024:

**Management of properties available for sale** - The Bank consolidated and deepened its strategy for the sale of real estate assets, exceeding the objectives set for the reduction of assets on the balance sheet. This performance mainly included the sale of properties with a long history in the portfolio, always taking into account the financial impacts and generating capital gains.

The challenging external context required the Bank's teams to constantly anticipate market trends and dynamically adapt to new opportunities and needs. This adaptation was achieved through the development of commercial approaches based on accumulated experience and solid relationships established over the years, providing the essential confidence to support decision-making by customers and other market participants.

In this context, the Bank positions itself as a strategic partner, offering investment solutions that go beyond the mere sale of real estate assets, reaffirming its commitment to creating value for all parties involved.

**Management of Properties Not Available for Sale** - The implementation from the outset of the legislative principles set out in the "Simplex Urbanístico", combined with the competent physical, legal and administrative regularization of the set of properties received through credit recovery or that are no longer used for exploration, allowed the main objective of putting these properties up for sale in the shortest possible time to be successful.

These procedures successfully contributed to the reduction of these assets in the portfolio and to their sale with gains in value.

The Bank continued to manage the stakes controlled by the Bank in entities that manage real estate risk, Funds and Companies in a strategy of divestment with value preservation.

## Interfundos

As of December 31, 2024, Interfundos had under management sixteen Real Estate Alternative Investment Organizations (Funds and Collective Investment Companies), corresponding to EUR 793 million of net assets under management, which compares with EUR 881 million recorded in the same period of 2023, showing a 10% decrease in the volume of assets managed compared to the same period last year.

Interfundos continued the strategy of creating liquidity conditions for Participants in Alternative Real Estate Investment Organizations, a situation evidenced by the completion of two capital

reduction operations (Fundipar - Closed Real Estate Investment Fund and TDF - Closed Real Estate Investment Fund).

Interfundos transferred the management of Predicaima - Fundo de Investimento Imobiliário Fechado and TDF - Fundo de Investimento Imobiliário Fechado and the liquidation of Fundo I Marope - Fundo de Investimento Imobiliário Fechado.

In 2024, global sales amounted to 183 million euros, corresponding to a total of 348 properties.

Interfundos' net income in 2024 amounted to EUR 760 thousand, which corresponds to a decrease of 55.9% compared to the value recorded in the same period last year (EUR 1,724.0 thousand). This performance is mainly attributable to the unfavourable evolution of net commissions, resulting from the EUR 88 million reduction in assets under management.

## Financial Institutions Group (FIG) - integrated into Treasury, Markets & Institutional Department

In a challenging economic context, BCP surpassed the values projected for 2024 in several business lines, namely custody and trade finance. The Bank also adjusted procedures, in line with the most demanding regulatory environment and market changes. In correspondence relations, the Bank continued to deepen partnerships with the main international banks and also with multilateral entities, with a view of supporting the Portuguese economy.

Regarding the different lines of business, the following stand out:

In international payments and transfers, associated with international trade, the Bank continued to move towards to achieve greater efficiency, speed and transparency, in a competitive framework undergoing profound transformation. In this sense, the ongoing migration of the payments infrastructure to the new SWIFT ISO20022 standard is highlighted, reinforcing the quality and security of service to Customers.

The very positive results in trade finance activity, supported by a wide network of correspondents that allowed the Bank to find the best solutions in all relevant jurisdictions for its Customers. The Bank's service and market position were widely recognized, having being awarded by Euromoney magazine in the categories of Country Market Leader and Country Best Service.

In the custody activity, the Bank completed the adjustments resulting from the new regulatory framework that resulted from the publication of Decree-Law no. 27/2023, of April 28, which approved the Asset Management Regime. This was an opportunity to reinforce the structure and adjust

the value proposition in a line of business where it has a leadership in the market.

During this period, it also maintained strong dynamism in other custody lines, namely in the signing of new paying agent services and the capture of institutional custody portfolios, consolidating its position as a national reference bank in this activity while at the same time reinforcing global involvement with Customers.

In the multilateral segment, the Bank continued its cooperation with the EIB/FEI group, being one of its main partners in the Portuguese market, and with Banco Português de Fomento (BPF), with benefits for the competitiveness of the business sector. In fact, during this year, there was a strong rate of use of previously contracted lines. In parallel, the Bank continued to monitor the various initiatives of these entities with a view to creating new financial instruments aimed at supporting Portuguese companies in an effective and sustainable way.

			million EUR
	Dec 31, 2024	Dec 31, 2023	Chg. 24/23
<b>COMPANIES AND CORPORATE in Portugal</b>			
<b>PROFIT AND LOSS ACCOUNT</b>			
Net interest income	<b>276</b>	207	33.5%
Other net income	<b>162</b>	152	6.7%
	<b>438</b>	359	22.1%
Operating costs	<b>63</b>	62	1.1%
Impairment and provision	<b>99</b>	155	-35.6%
<b>Income before tax</b>	<b>276</b>	142	94.0%
Income taxes	<b>86</b>	44	94.0%
<b>Income after tax</b>	<b>190</b>	98	94.0%
<b>SUMMARY OF INDICATORS</b>			
Allocated capital	<b>1,403</b>	1,276	10.0%
Return on allocated capital	<b>13.5%</b>	7.7%	
Risk weighted assets	<b>10,938</b>	11,662	-6.2%
Cost to income ratio	<b>14.3%</b>	17.3%	
Loans to Customers (net of impairment charges)	<b>10,148</b>	11,204	-9.4%
Balance sheet Customer funds	<b>9,582</b>	9,465	1.2%

Notes:

Allocated capital, Loans to customers (net of recoveries) and Balance sheet Customer funds figures based on average balance.

## Financial performance

Companies and Corporate segment in Portugal income after tax of EUR 190 million in December 2024, compared favourably to an amount of EUR 98 million presented in December 2023. This evolution results mostly from higher net interest income and lower level of impairment. As at 31 December 2024 the performance of this segment is explained by the following changes:

- Net interest income stood at EUR 276 million as at 31 December 2024, 33.5% above the amount attained as at 31 December 2023 (EUR 207 million), sustained by the improvement from the margin on deposits, with higher income arising from the internal placements of the excess liquidity following the normalization of interest rates, and from the margin on loan portfolio.
- Other net income reached EUR 162 million in December 2024, being 6.7% higher compared to the amount achieved in 2023, reflecting mostly the impact of commissions.
- Operating costs totalled EUR 63 million by the end of December 2024, 1.1% above the overall amount of costs recorded in the same period of the previous year.
- Impairments charges recorded EUR 99 million in December 2024, comparing favourably to EUR 155 million in December 2023, benefiting from

the improvement in the risk profile of the credit portfolio.

- In December 2024, loans to customers (net) totalled EUR 10,148 million, decreasing 9.4% from December 2023 (EUR 11,204 million), influenced by the environment of lower demand for credit due to higher interest rates and delays in investment projects and, also, by the repayment program of Covid lines, as the Bank had an outsized market share in granting this financing. Balance sheet customer funds reached EUR 9,582 million, 1.2% above the amount recorded in December 2023, particularly from the reduction of the client's deposits base.

## PRIVATE BANKING

In 2024, Millennium Private Banking maintained a strong commercial dynamic, focusing its commercial activity on increasing the Customer base, managing its financial investments and developing First Bank relationships through a focus on cross-selling payment methods, risk and savings insurance and digital services.

Millennium Private Banking was elected “Best Private Bank in Portugal” by The Banker and Professional Wealth Management magazines within the scope of the Global Private Banking Awards 2024, publications of the Financial Times group specialized in banking and the financial services sector, reinforcing with this award its position at the forefront of the financial industry specializing in this high-value segment.

This distinction was also a recognition that the success of commercial relationships depends on the perfect symbiosis between digital and human channels. Without ever losing sight of the relevance of the personal relationship with Customers, the strategy of increasing Customers' digital involvement was reinforced, through the activation and encouragement of the use of new

functionalities and services, which simplified the Customer's interaction with the Bank (highlighting the importance that the App channel currently has in the process of regularly updating Customer information), as well as improving Customers' online experience in their relationship with the Bank. This focus on Digital resulted in the intensive use of remote channels and digital tools, which proved to be a key component of business success, through the simultaneous use of digital and human channels.

An important part of this strategy was also the promotion of the investment hubs of the Millennium App, valued by Private Clients with a self-directed profile and the potential of the MTrader App, an ideal tool for those who want to invest in the Stock Exchange and who value quick trading. In 2024, there was once again a significant increase in the number of Customers with the Millennium App, which increased from 60% to 67%.

The Bank reinforced its investment solutions, with the launch of new structured deposits and an increase in the “offer” of funds, thus providing solutions for different objectives and risk profiles, allowing the diversification of Customers' assets, and increasing return opportunities.

	Dec 31, 2024	Dec 31, 2023	Chg. 24/23	million EUR
<b>PRIVATE BANKING in Portugal</b>				
<b>PROFIT AND LOSS ACCOUNT</b>				
Net interest income	48	35	36.8%	
Other net income	36	32	11.9%	
	84	67	24.8%	
Operating costs	15	15	3.1%	
Impairment and provision	0	0		
<b>Income before tax</b>	<b>69</b>	<b>52</b>	<b>31.3%</b>	
Income taxes	22	16	31.3%	
<b>Income after tax</b>	<b>47</b>	<b>36</b>	<b>31.3%</b>	
<b>SUMMARY OF INDICATORS</b>				
Allocated capital	26	24	9.3%	
Return on allocated capital	>100%	>100%		
Risk weighted assets	201	207	-2.6%	
Cost to income ratio	18.4%	22.2%		
Loans to Customers (net of impairment charges)	362	332	9.1%	
Balance sheet Customer funds	3,190	2,679	19.1%	

Notes: Allocated capital, Loans to customers (net of recoveries) and Balance sheet Customer funds figures based on average balance.