



# Crédito Agrícola Group

**Institutional Presentation**  
9M22 – December 2022

# Disclaimer

The financial statements have been prepared on the basis of the International Financial Reporting Standards (IFRS) as adopted in the European Union in accordance with Regulation (EC) No. 1606/2002 of the European Council and of the Parliament of July 19 and provisions of Decree-Law No. 35/2005 of February 17.

In a context marked by the uncertainties prevailing related to the COVID-19 pandemic situation and Russia-Ukraine crisis, and resorting to the information available at this time, Crédito Agrícola has estimated and recognized in its financial statements for the period ending on December 31, 2021 its best estimate of the financial effects, including the valuation of financial assets and the measurement of expected losses in the loan and REO portfolio, which will remain subject to continuous monitoring and reassessment.

This presentation is intended for general information purposes and does not constitute an investment recommendation nor professional guidance and thus it may not be construed as such.

# Executive Summary

-  The 111 year-old Crédito Agrícola Group is directly supervised by Banco de Portugal, under the Single Supervisory Mechanism (SSM). The CA Group is considered O-SII and must comply with a further 0.25% capital buffer from 1 June 2023 onwards.
-  The law recognizes Caixa Central as Head of the Group, empowering it in the areas of supervision, intervention and guidance of the 71 local banks, as per the applicable regulatory framework (“RJCAM”)
-  Robust financial position, as evidenced by the strong solvency (CET1: 18.1% excluding net income) and liquidity positions (LCR: 494%), as of 30 September 2022
-  Crédito Agrícola has delivered ROE consistently above EU and Portuguese market averages
-  Attractive value proposition, underscored by profitable market share growth and customer satisfaction
-  Business growth is on track to reach the MLT Targets set in accordance with the Strategic Plan
-  Increasing levels of digitalization enhance value propositions and improve service levels
-  Net commissions and fees leveraged by pricing management and increasing customer transactions, nonetheless, there is still margin for further progress to keep pace with market trends
-  Significant and continued reduction of Non-Performing Assets (NPL and REO)
-  Crédito Agrícola carried out its inaugural social bond issuance in the international market in 2021, meeting the 1<sup>st</sup> binding requirement MREL (TREA+CBR) with leeway



# Contents

**01. OVERVIEW AND BUSINESS MODEL**

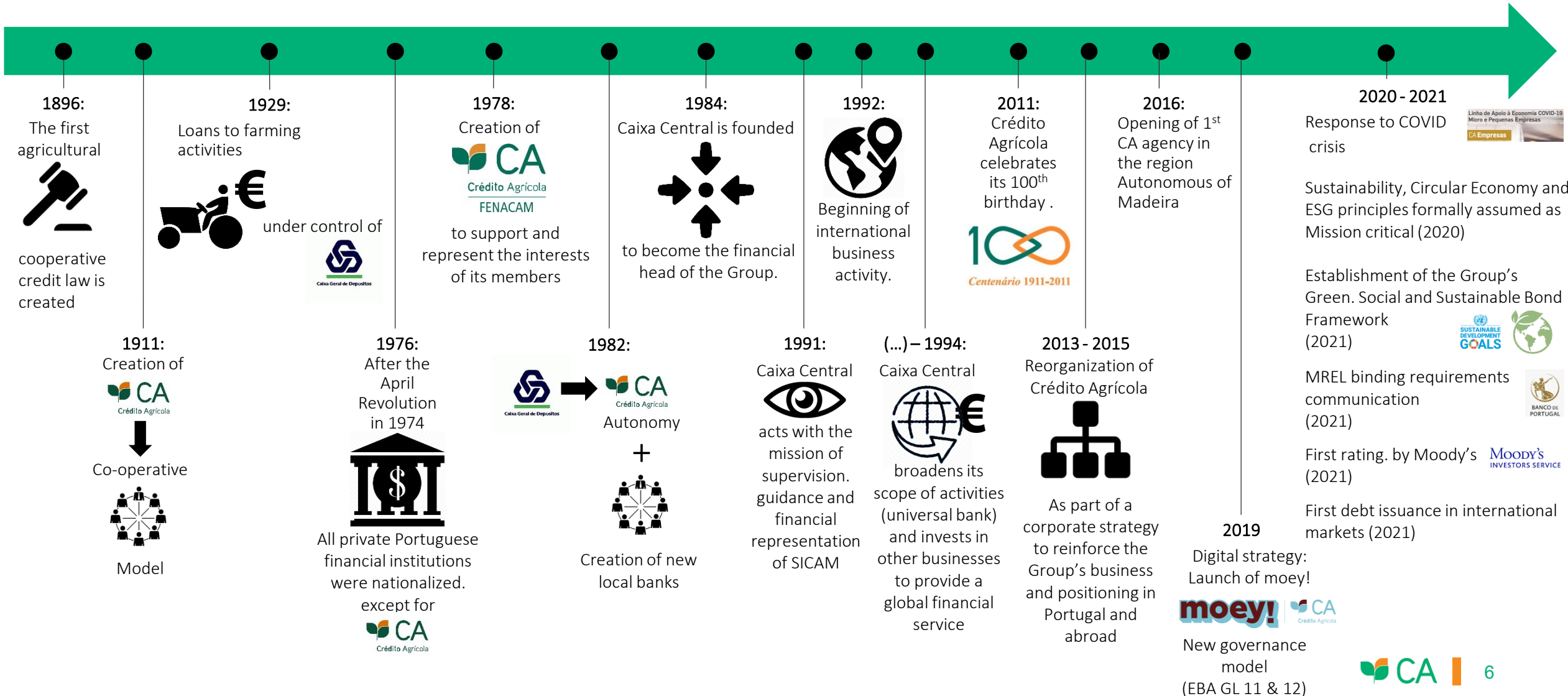
**02. STRATEGY AND SUSTAINABILITY**

**03. KEY FINANCIALS**



# **01. Overview and Business Model**

# Crédito Agrícola Group has a remarkable century-old history in Portugal, mostly connected with agri-business activities until the 1990's



# Sustainability and co-operative values are core to the Group's DNA



## GROUP'S MISSION

To contribute to the social and economic progress of communities, by carrying out purposeful and sustainable proximity banking practices



## GROUP'S VISION

To become a reference in inclusion, sustainability and innovation, maintaining recognition as the most trusted Financial Group in Portugal



## CORE VALUES

Customer centricity

Innovation and sustainability

Development of communities

Proximity, trust, transparency & simplicity

Cooperative Values

## SUSTAINABILITY AS CORE OF THE GROUP'S DNA - CREDITO AGRICOLA GROUP BELIEVES IT IS ITS DUTY TO CONTRIBUTE TO:

The preservation of ecosystems



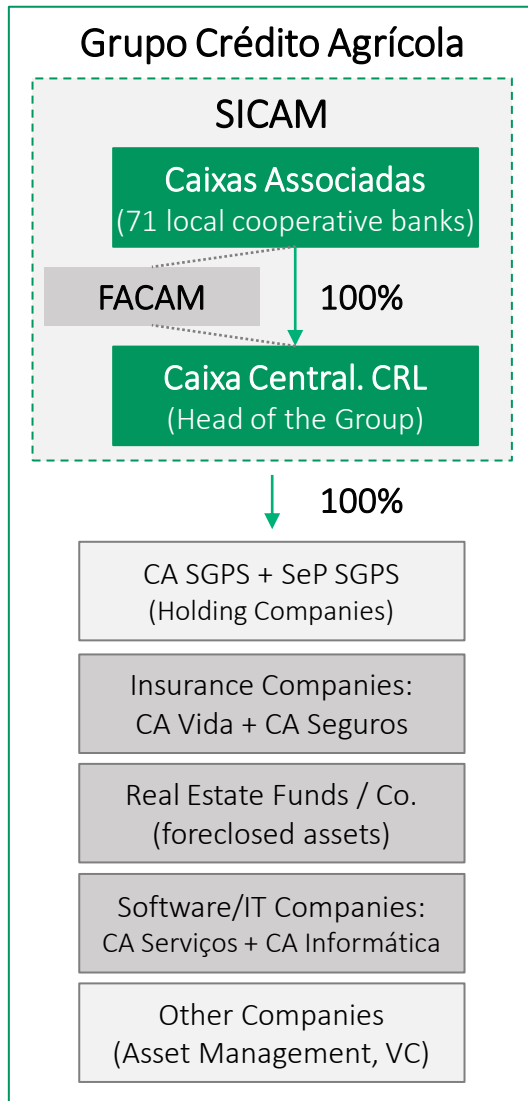
The reduction of the physical impacts of climate change



The reduction of waste generation

The fight against social inequalities

# Crédito Agrícola Group structure



## SICAM

**Sistema Integrado do Crédito Agrícola Mútuo (“SICAM”)**. Develops the *Bancassurance* activities and sells other financial products and services.



## Group’s Central Body

**Caixa Central** – Caixa Central de Crédito Agrícola Mútuo, CRL, is a cooperative bank with responsibilities regarding the Group’s coordination and joint banking strategy development, institutional representation (including domestic clearing and capital markets), supervision and guidance (as empowered by the Portuguese Central Bank), Group treasury and liquidity management, shared services provision and retail bank for the Lisbon, Oporto, Leiria and Madeira Islands markets.



## Local Banks

71 Local Banks (“CCAM”) represent the core of the **Crédito Agrícola** Group, with:

- **421 thousand Members** (210M€ paid-up share capital as of 30 September 2022)
- **1.5 million Customers**



## FACAM

Private instrument with an autonomous set of assets managed independently, to which local cooperative banks make yearly contributions according to the volume of liabilities and equity indicators (similar to resolution funding mechanism). The aim of FACAM is to assist local banks in situations of financial distress.



## Insurance (Life and Non-Life)

**CA Vida and CA Seguros** - Life and non-life insurance companies, 100% owned by CA Group and distributing solely through Group’s retail network, widely recognized in the retail market.



## Software and IT/Comms.

Software development services, IT infrastructures, communications, equipment, procurement and sourcing.



## Venture Capital

Venture capital company focused on innovative startups operating in FSI, cleantech and industry 4.0 in the agribusiness sector.



## Asset Management

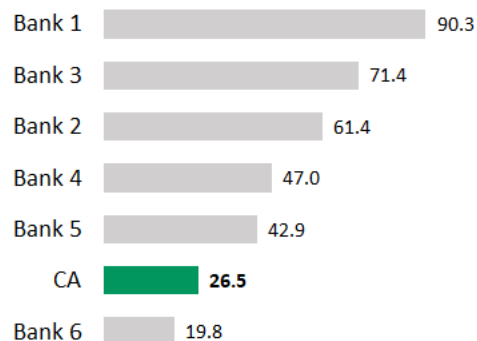
Funds and Assets and Liabilities Management.

Additional information in the Appendix.

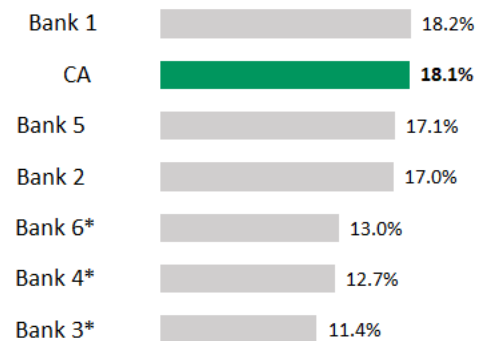


# Crédito Agrícola Group is the 6<sup>th</sup> largest bank in the market (in terms of net assets), with the widest-reaching branch network and strong solvency and liquidity positions

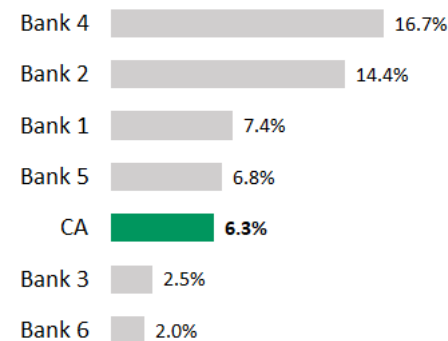
Net assets - Sep 2022 (Bn €)



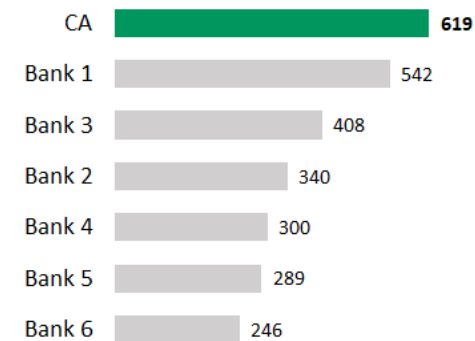
CET 1 Ratio - Sep 2022 (%)



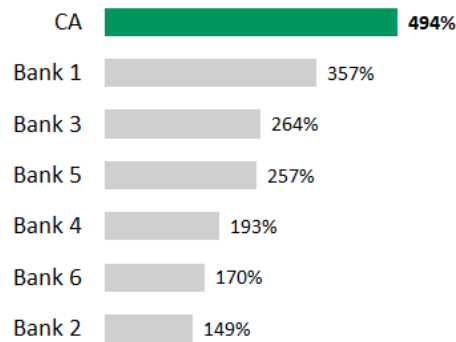
Return on Equity - Jan-Sep 2022 (%)



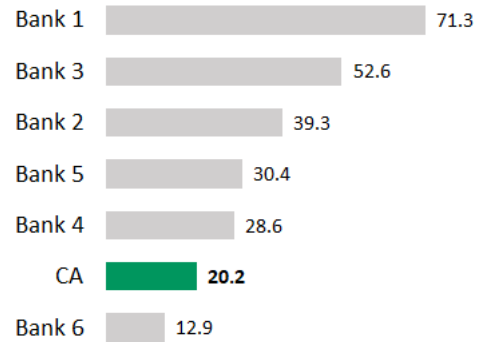
Branches - Sep 2022 (#)



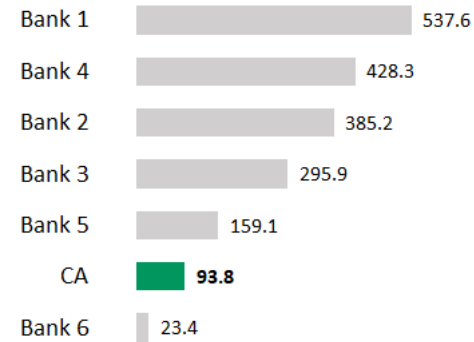
LCR Ratio - Sep 2022 (%)



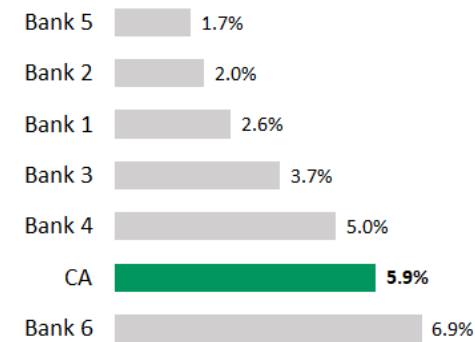
Deposits - Sep 2022 (Bn €)



Net income - Jan-Sep 2022 (M€)

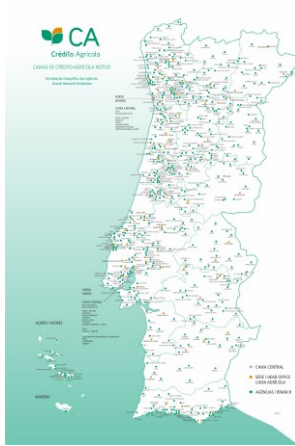


NPL Ratio\*\* - Sep 2022 (%)

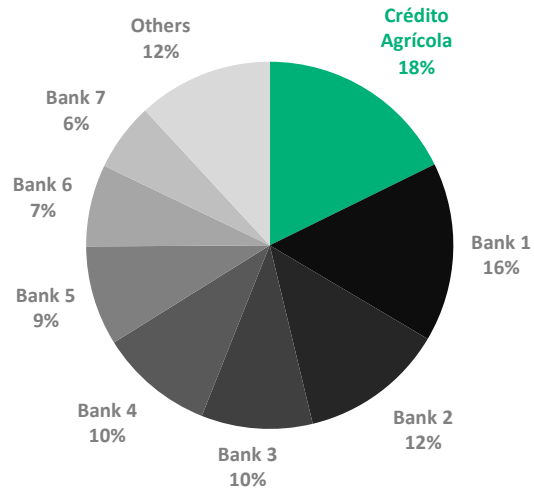


Source: Banks' 9M22 Earnings Announcements. (\*) including Net Income for the period. (\*\*) Banks 2 and 6 only reported NPE Ratio (2.0% and 6.9% respectively).

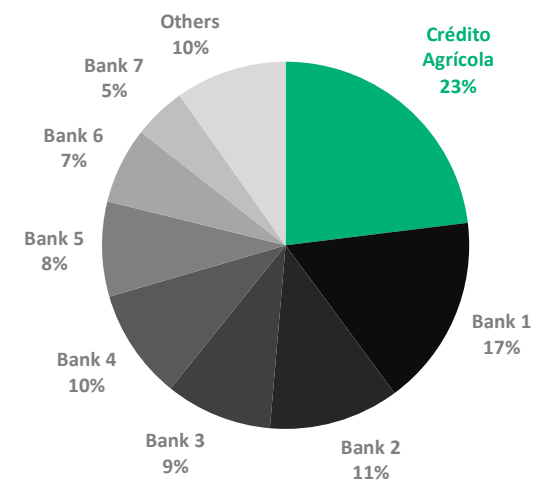
# Crédito Agrícola's presence in Portugal is unparalleled, particularly outside main urban areas



The largest coverage in Portugal: 619 branches and 1.601 ATMs covering all regions, of which over 40% are the single branch or ATM in the local community\*



Market Shares: total # of branches\*



Market Shares: # of branches excluding Lisbon and Oporto districts\*



Call Center  
808 20 60 60



CA Online



CA Mobile and Apps

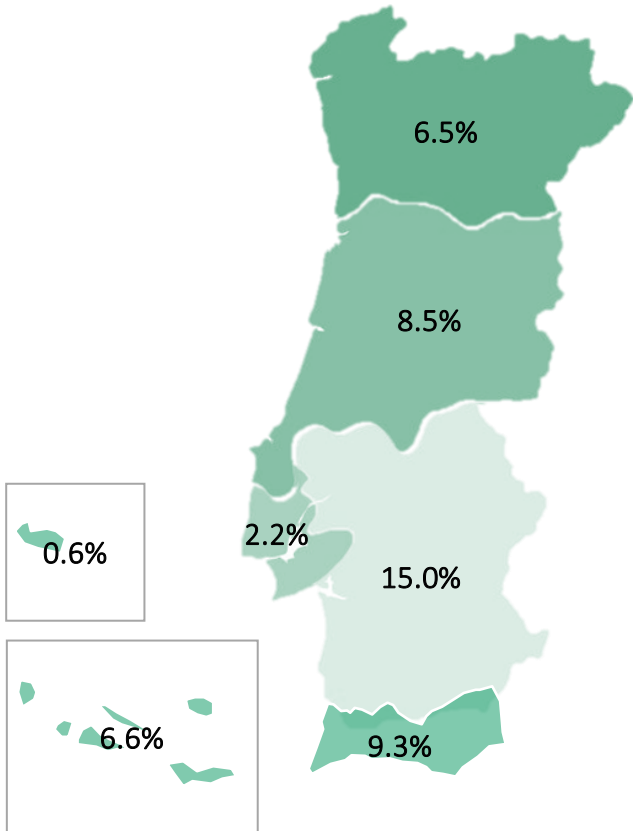


moey!  
Digital-only banking app

\* As of FY21. Source: Associação Portuguesa de Bancos.

# Crédito Agrícola's banking market shares show continued growth

## Gross Loans Market Share Per NUT II Region



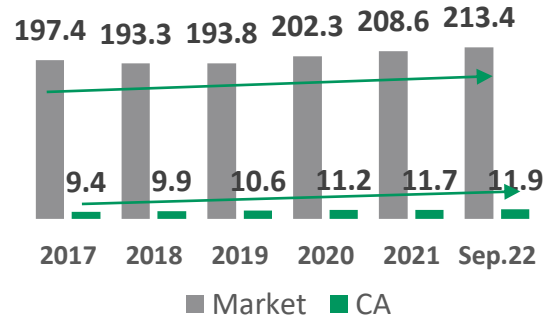
## Gross Loans Market Share \*\*

2017	2018	2019	2020	2021	9M22
4.8%	5.1%	5.4%	5.5%	5.6%	<b>5.6%</b>

## Deposits Market Share \*\*

2017	2018	2019	2020	2021	9M22
6.7%	7.2%	7.5%	7.7%	8.0%	<b>8.0%</b>

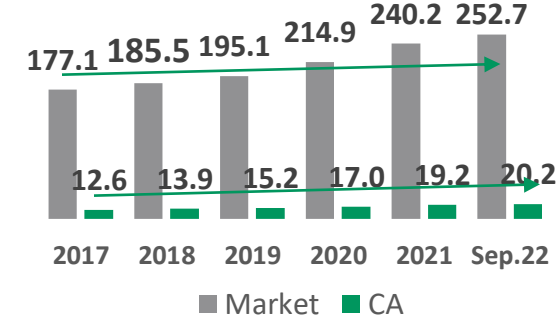
## Gross loans evolution in Bn € \*\* (Market\* versus CA)



CAGR Market 17-21:  
+1.7%

CAGR CA 17-21:  
+5.8%

## Deposits evolution in Bn € \*\* (Market\* versus CA)



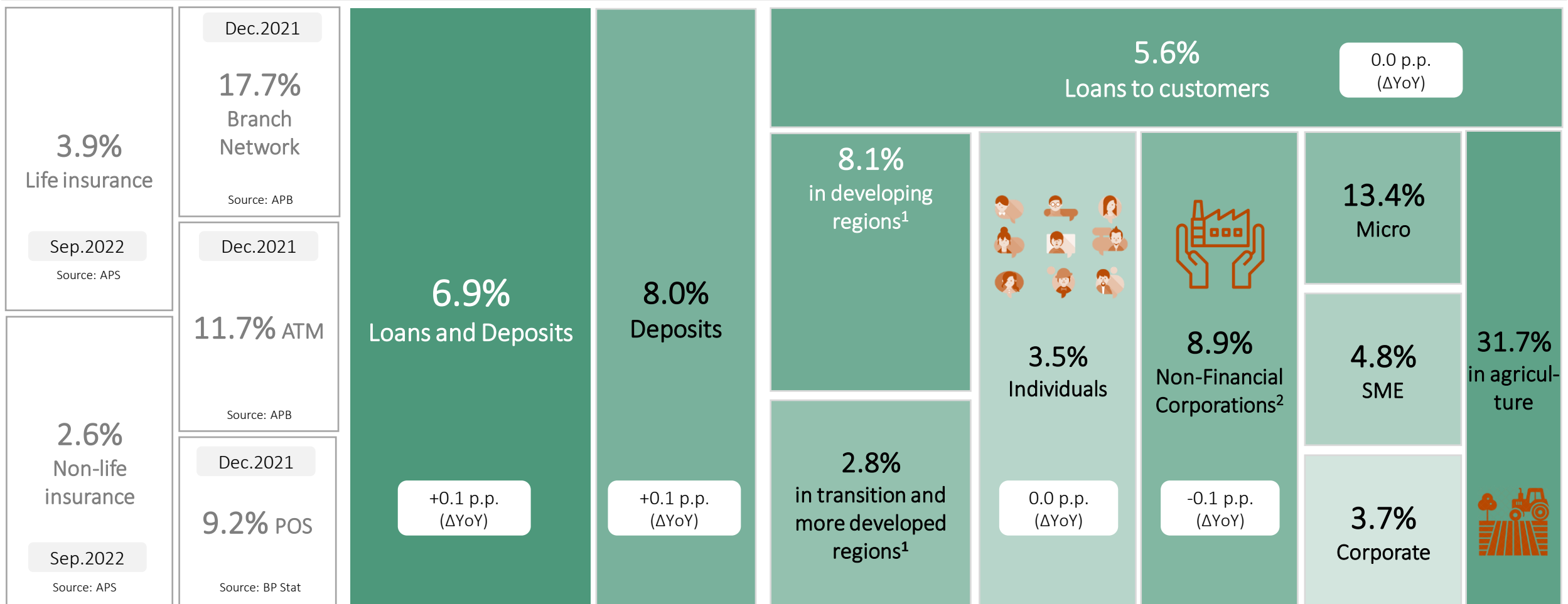
CAGR Market 17-21:  
+7.3%

CAGR CA 17-21:  
+11.2%

(\*) Source: Bank of Portugal  
(\*\*) Values include Public Sector

# Leader in Agriculture with one third of the market. Higher relative market share in Non-Financial Corporations, particularly in the Micro and SME segments

Crédito Agrícola's market shares (September 2022)



(1) Criteria used by Eurostat: Less developed regions [NUT II: Norte. Centro. Alentejo. RA Açores] | Transition regions [NUT II: Algarve. RA Madeira] | More developed [NUT II: AM Lisboa] | (2) Excludes Financial Institutions and Public Sector | Sources: Bank of Portugal. BP Stat

**In 2021, Caixa Central, acting as the Group's treasury and sole debt issuing entity, was attributed its first credit rating by Moody's and carried out its inaugural 300 M€ social bond issue**

Ratings - Moody's, September 2021	
<b>Caixa Central de Crédito Agrícola Mútuo</b>	
<i>Intrinsic</i>	
Baseline Credit Assessment (BCA)	ba1
Outlook	Stable
Adjusted Baseline Credit Assessment	ba1
<i>Long Term / Short Term</i>	
Counterparty Risk Rating (CRR)	Baa2/Prime-2
Counterparty Risk Assessment (CR)	Baa1(cr)/Prime-2(cr)
Long Term Deposit Rating	Baa3
Outlook	Stable
Senior Unsecured Notes (*)	Ba2
Outlook (*)	Stable
Short Term Deposit Rating	Not-Prime
<b>Portuguese Republic, Sovereign Risk</b>	
Long Term Rating	Baa2
Short Term Rating	Prime-2
Outlook	Stable

(\*) October 2021

## Customer satisfaction (ranks #1 in least complaints in Portugal)

- Crédito Agrícola is the **top performer in the market in terms of least (number of) complaints** with: demand deposits (10 versus 30 per 100 000), consumer loans (15 versus 45 per 100 000), and mortgages (42 versus 111 per 100 000).



**Ainda não viu nada**

Temos muito mais para apoiar a sua vida.

- Apple Pay  
Uma nova forma de pagar  
CA | Apple Pay
- CA Online  
(Homebanking)
- App CA Mobile  
(Mobile banking)
- Financiamento Online

Fale conosco, há tanto mais para ver.

creditoagricola.pt • 808 20 60 60

CA  
Crédito Agrícola



# Public recognition

## ■ Main awards and recognitions

2022	Escolha do Consumidor	Crédito Agrícola voted as <b>Best Bank, in the Small and Mid-Sized Banks category by ConsumerChoice 2022</b>
	The Banker (Global Financial Intelligence)	The British magazine The Banker considered Crédito Agrícola as the bank with <b>the best performance in Portugal</b> , in the “Top 250 European Banks” ranking
2021	BECX (Best European Customer Experience)	<b>Crédito Agrícola, CA Seguros and CA Vida</b> elected in <b>2021, Customer Satisfaction Leaders</b> , in the <b>Banking, Non-Life Insurance and Life Insurance</b> , respectively. Crédito Agrícola was awarded for the second time, CA Seguros for the fourth year in a row and CA Vida for the fourth time, as <b>Leaders in Customer Satisfaction</b>
	Reputation Knowledge Center (On Strategy consultants)	<b>Recognition of CA’s reputation</b> , by the Brand Reputation Portugal 2020 Awards
2020	Five Stars	Five Stars Award in the <b>Customer Service</b> category, for the 6th consecutive year, awarded by U-Scout
	MSCI - European Property Investment Awards	The Open-ended Real Estate Investment Fund CA Património Crescente won the " <b>Best Return on a Diversified Portuguese/Iberian Real Estate Portfolio</b> " award for the 11th consecutive year
2019	Escolha do Consumidor	Crédito Agrícola was distinguished as the <b>Best Bank in Portugal</b> , in the Small and Medium-Sized Banks Category, by Consumerchoice
	ECSI (European Consumer Satisfaction Index)	The Crédito Agrícola, CA Vida and CA Seguros elected <b>Customer Satisfaction Leaders</b> in Banking, Life and Non-Life Insurance categories CA Vida elected for the third consecutive year and CA Seguros for the second
2018	Global Banking and Finance Review	Crédito Agrícola was considered the <b>Best Bank for Agricultural Development</b> in Portugal, for Global Banking and Finance Review magazine
	The Banker (Global Financial Intelligence)	The British magazine The Banker considered Crédito Agrícola as the <b>3<sup>rd</sup> most solid</b> bank and the <b>2<sup>nd</sup> most profitable</b> in Portugal. CA also achieved the <b>553<sup>rd</sup></b> place in its “Top 1000 World Banks” ranking
	Women in Business	CA Seguros won best company award in its segment at the <b>Women in Business Friendly Companies Awards</b>

The awards and recognitions are the exclusive responsibility of the awarding entity.



## **02. Strategy and Sustainability**



# Crédito Agrícola defined 5 strategic priorities to fulfill its mission and to enhance sustainable growth



- 1 Sustainability (ESG)
- 2 Customer focus
- 3 Efficiency
- 4 Talent and innovation
- 5 Financial strength

*To be a reference in sustainability in Portugal*

*Increase digital presence and boost customer focus*

*Improve efficiency, productivity and digital capabilities*

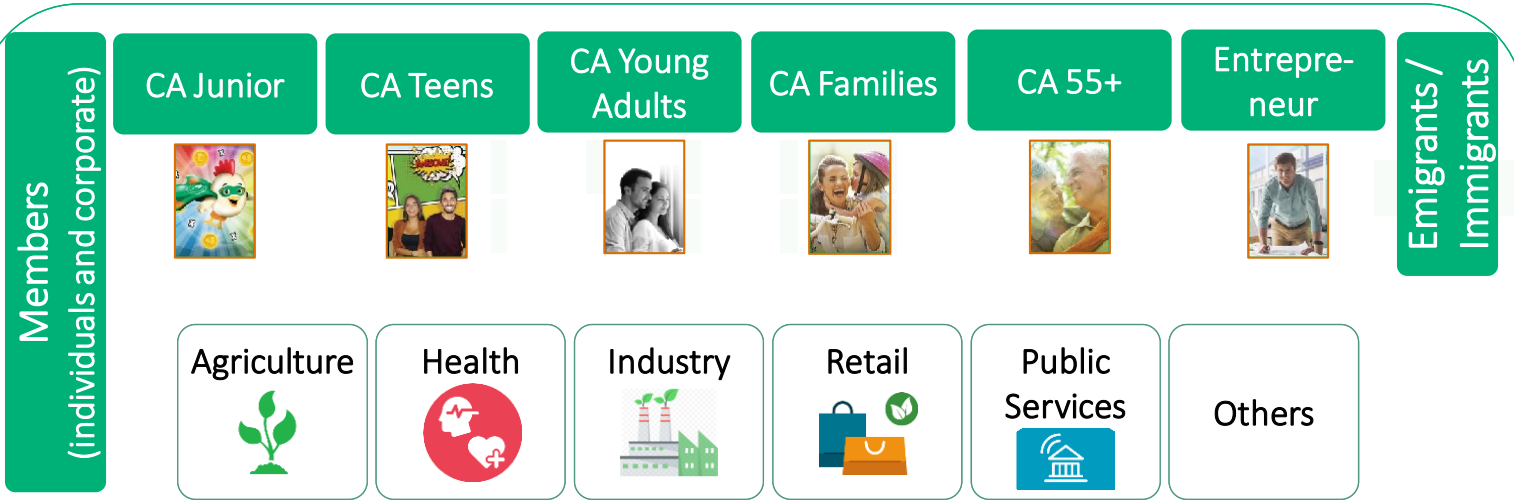
*Promote an internal culture able to attract, promote and retain talented employees*

*Maintain the Group capitalization and financial sustainability*

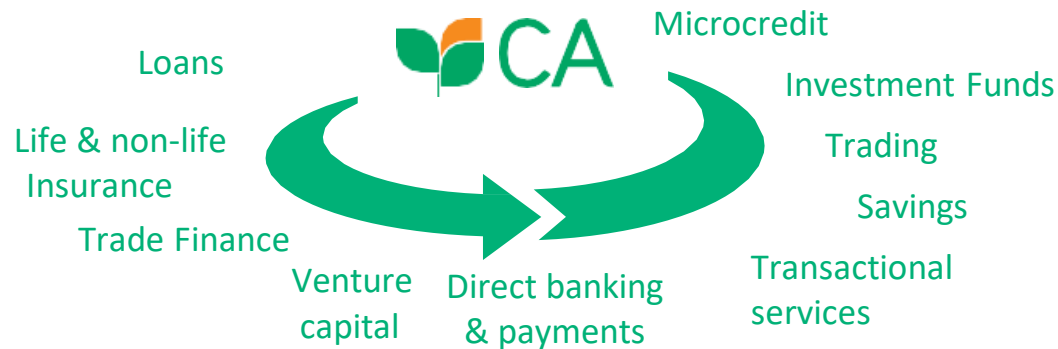
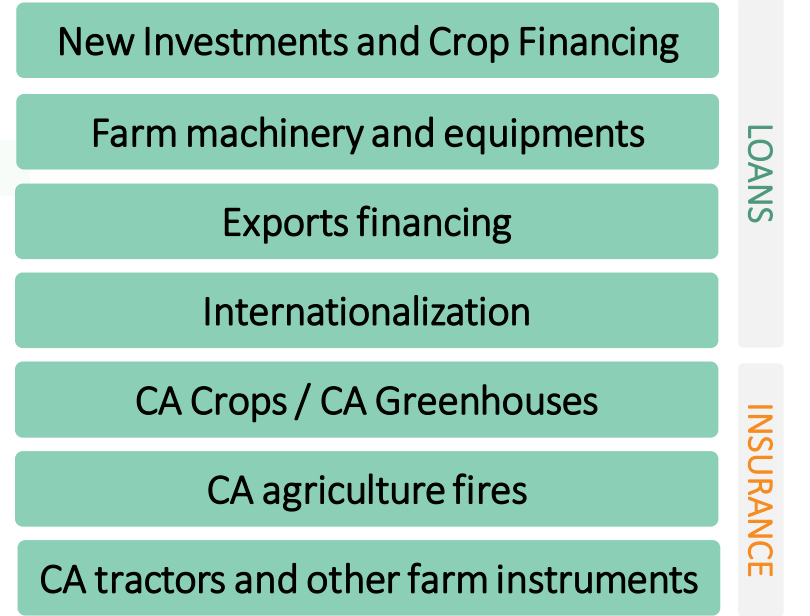


# Crédito Agrícola has a bancassurance strategy and its value proposition covers all customer segments with a wide range of retail banking services and expertise in agribusiness

## UNIVERSAL COVERAGE



## EXPERTISE IN AGRICULTURE



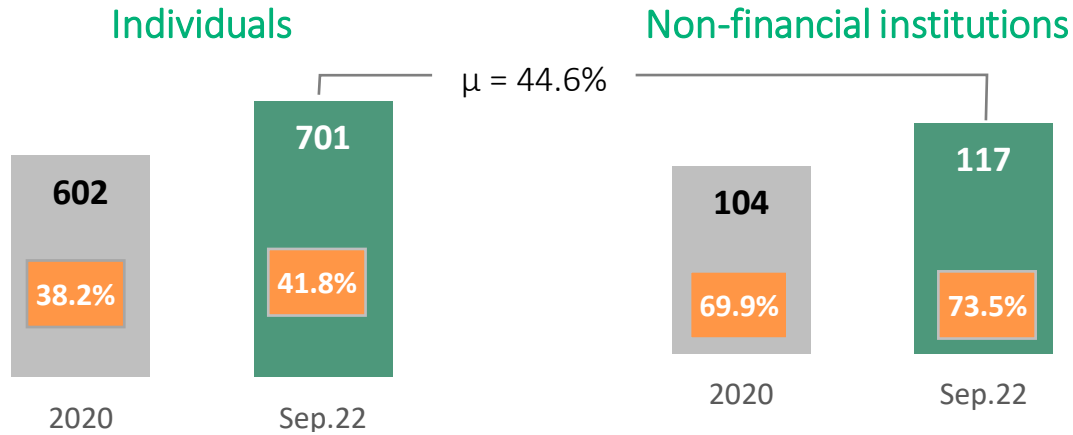
## AGREEMENTS & PARTNERSHIPS



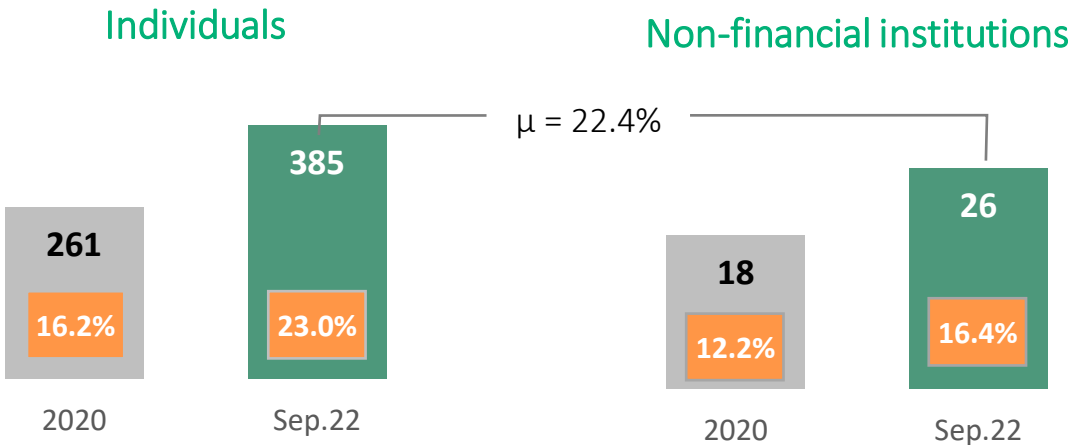
# Innovation is at the core of our strategy, with increasing levels of digitalization

## Digital channels attractiveness

### CA Online (homebanking): online subscriptions (active)



### CA Mobile: mobile subscriptions (active)



- Penetration rate (%)

## Innovative solutions



### GO ALL IN WITH YOUR BANK ACCOUNTS

Check the balance of your bank accounts

Add your bank accounts to moey! and check your aggregated balance or of each individual account.

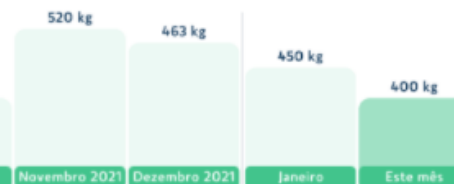


moey! - the first mobile-only Portuguese digital bank (2019).

### Pegada de Carbono moey!

Emissões este mês

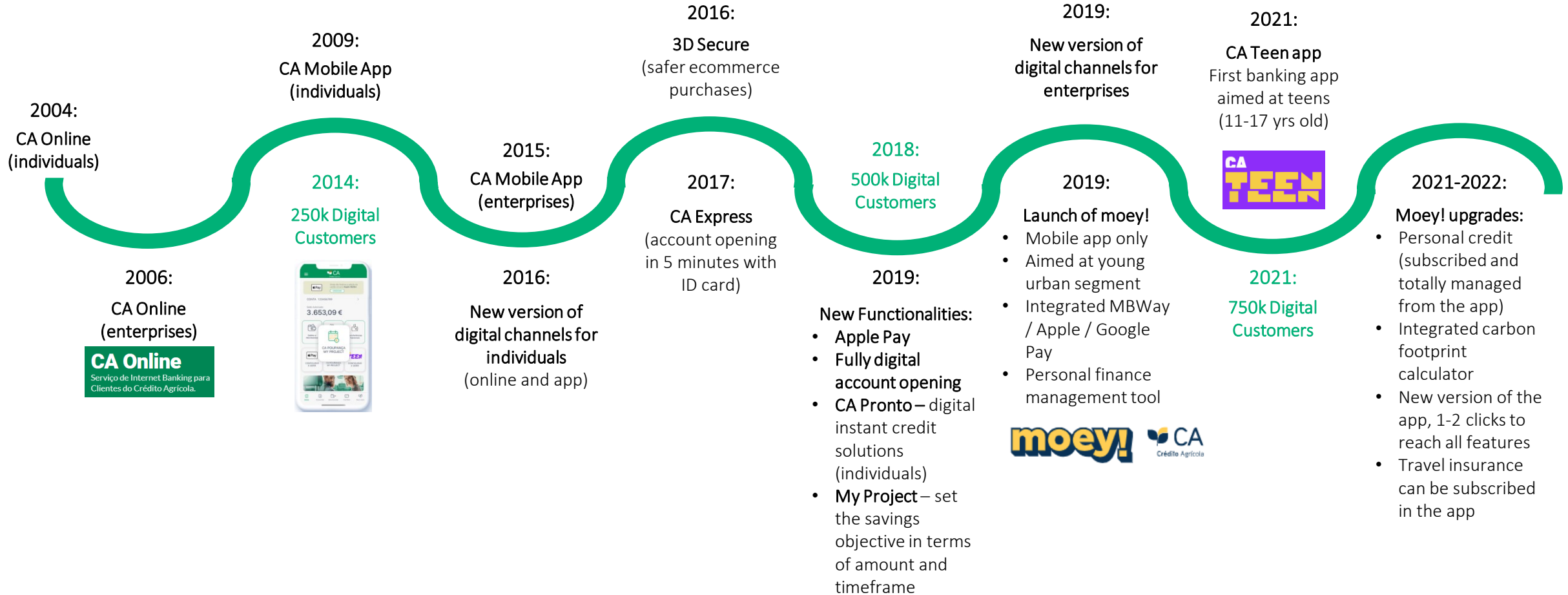
400 kg CO<sub>2</sub>e



### TRACK YOUR CARBON FOOTPRINT

moey! is the only bank account in Portugal to give you an estimate of your Carbon Footprint

# Innovation is at the core of our strategy, with our long track record continuing to drive increasing levels of digitalization






# Crédito Agrícola's Sustainability Policy in a nutshell










## FIVE PRIORITY SDGs



### 01 MAIN GOALS

-  To promote the circular economy, financing investments and sustainable projects (contributing to reduce the environmental impact of economic activities and reduce social exclusion and inequality);
-  To develop financial, investment and protection products and services that can fulfil the needs and the aspirations of all communities, contributing to sustainable economic development, people's empowerment and job creation;
-  To promote a more efficient management of the daily use of the resources necessary for the own functioning, while ensuring the physical, emotional and social well-being of its employees.

### 02 MAIN COMMITMENTS

-  Include sustainability considerations as part of the fiduciary duties of the Group;
-  Avoid contributing to/or causing adverse social and environmental impacts;
-  Integrate material sustainability criteria in all areas of its activity as well as throughout the Group;
-  Integrate environmental, social and governance criteria in financing and investment analysis;
-  Create financial products and services that contribute to: i. the economic prosperity, so that the environmental and social components are effectively incorporated into the project's feasibility analysis; ii. the reduction of negative impacts deriving from existing practices; and iii. a green and circular economy;
-  Support the most disadvantaged communities;
-  Define a list of sectors and activities in which the Group will not provide financial services.

# Key sustainability achievements and external commitments

## Examples of recent achievements



### Social loan Portfolio

Over € 2.4bn of Social Assets identified under the Group's Green, Social and Sustainability Bond Framework (Dec.2021)

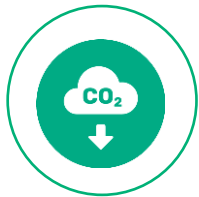
Supporting on average around 2 600 different institutions



### Financial inclusion

Minimum bank services: 1.122 accounts in 2021 (+17% yoy)

258 branches and 695 ATM are isolated<sup>1</sup> (no competition) (Dec. 2021)



### Environmental progress

- 5.6% of CO<sub>2</sub> emissions (scope 1 & 2<sup>2</sup>) in 2021 vs. 2019 (total of 5 383 tons CO<sub>2</sub>e)

Launch of CO<sub>2</sub> Footprint Calculator for customers and employees

45 M€ of loans granted to renewable, waste and water treatment sectors

## Examples of external commitments



**a** Biodiversity protection: 10 common commitments & a group of individual commitments



**b** Business Mobility Pact: Promoting the adoption of electric cars, the increase of recharge points in Group's buildings and the use of public transports



**c** Letter of principles of BCSO Portugal: This letter is comprised of guidelines for good business management and sustainability commitments

**d** Letter of Commitment to Sustainable Financing in Portugal



**e** Lisbon European Green Capital 2020 – Climate Action 2030




**f** Partnership for Carbon Accounting Financials with the purpose of also accounting for the emissions of CA's loans and investments (2021)

# Green, Social and Sustainability Bonds framework issued in 2021



## Becoming a sustainable finance actor and committing to national initiatives



-  Signatory of the “Letter of Commitment to Sustainable Financing in Portugal” (July 2019) in which banks committed to:
  - Increase the awareness and training on sustainability challenges amongst employees and board
  - Gradually incorporate ESG considerations within their risk analysis


## Creating conditions to finance projects that seek to achieve positive environmental and social impacts



-  Setting up a Green, Social and Sustainability Bond Framework with the goal of creating optimal conditions to finance and re-finance Green and Social Assets:
  - Designed as an umbrella Framework allowing the issuance of three types of bonds in alignment with the four core components of the 2021 Green Bond Principles (GBPs), 2021 Social Bond Principles (SBPs) and 2021 Sustainability Bond Guidelines (SBGs), as published by ICMA: 1. Use of Proceeds; 2. Process for Project Evaluation and Selection; 3. Management of Proceeds; 4. Reporting.
-  Intention to align with European Green Bond Standard when finalized

## Aligning with best market practices



-  **Second Party Opinion by ISS-ESG:**
  - Green, Social and Sustainability Bonds link to issuer’s sustainability strategy: **consistent with issuer’s sustainability strategy** ✓
  - Alignment with GBPs, SBPs, and SBGs: **aligned** ✓
  - Sustainability quality of the Selection Criteria: **positive** ✓

## Performance moving in the right direction to reach MLT strategic targets

	2019	2020	2021	9M22	Mid-Long Term Target
<b>Sustainability</b>					
% Green and social loans in total customers loans (gross)	n.a.	n.a.	20.6%	20.7%	> 30%
Women representation in leadership roles (%)	n.a.	25.9%	25.7%	27.7%	> 30%
<b>Business Growth</b>					
Loans Market Share (%)	5.4%	5.5%	5.6%	5.6%	> 6%
Loyal Customers <sup>1</sup> (%)	50.9%	52.8%	53.3%	51.9%	> 54%
Digital Customers %	37.1%	40.9%	42.7%	44.6%	> 49%
<b>Profitability &amp; Soundness</b>					
ROE	8.2%	4.9%	8.1%	6.3%	> 5%
Cost-to-Income	67.0%	64.1%	65.4%	66.6%	< 60%
CET1 <sup>2</sup>	16.1%	18.5%	19.1%	18.1%	> 15%
NPL Ratio	9.2%	8.1%	7.2%	5.9%	< 5%
# Local Banks <sup>3</sup>	79	75	75	73	< 65

(1) Loyal customers refer to individuals (customers) with product ownership of, at least, 4 of these 8 product groups families: current accounts; saving accounts, life insurances; non-life insurances; mortgages; mutual funds; consumer loans; other loans to individuals.

(2) Incorporates net income for the period.

(3) As of December 2022, two additional mergers have taken place, reducing the number of local banks to 71.

Note: The list of MLT Targets is not exhaustive.





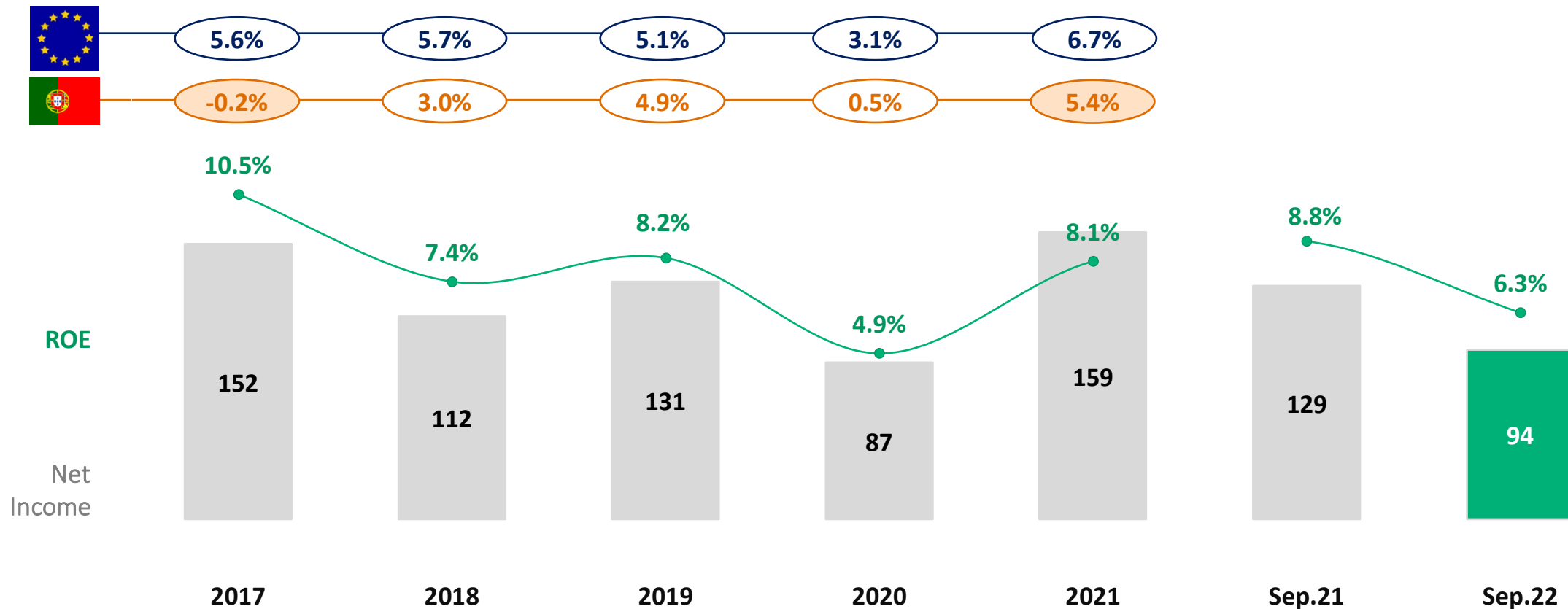
## **03. Key Financials**

# Highest-ever Net Income in 2021. ROE consistently above Portuguese and EU average.

## 9M22 Net Income yoy evolution impacted by one-off gains booked in 1Q21

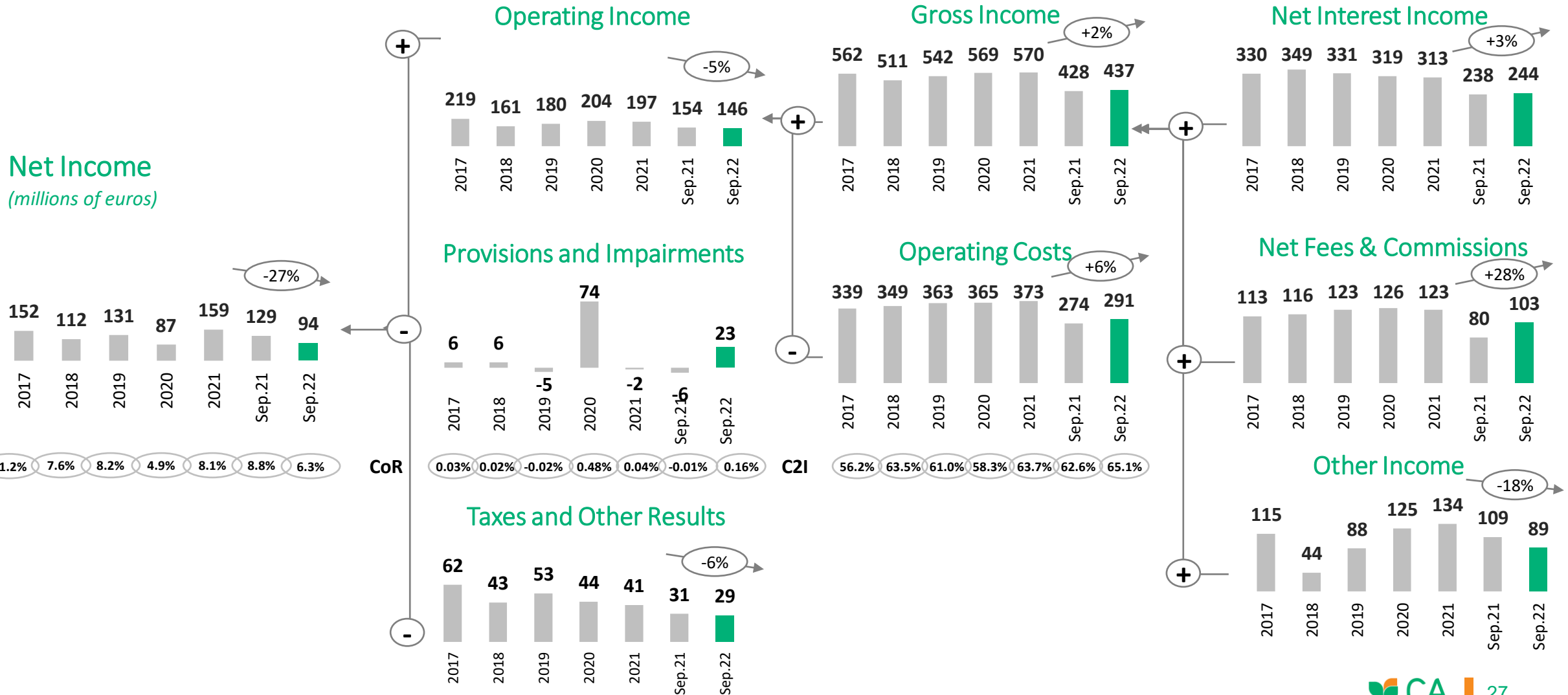
### Net Income and Return on Equity (ROE)

(millions of euros)



Source: European Central Bank (EU) and Bank of Portugal (PT)

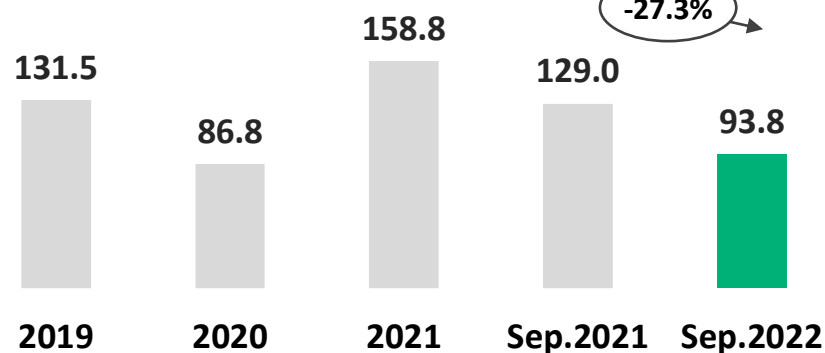
# ROE consistently above 7% in a low interest rate environment (except 2020 given prudent credit risk / loan impairments policy)



# Consolidated Net Income breakdown by entities

## Consolidated Net Income

(millions of euros)



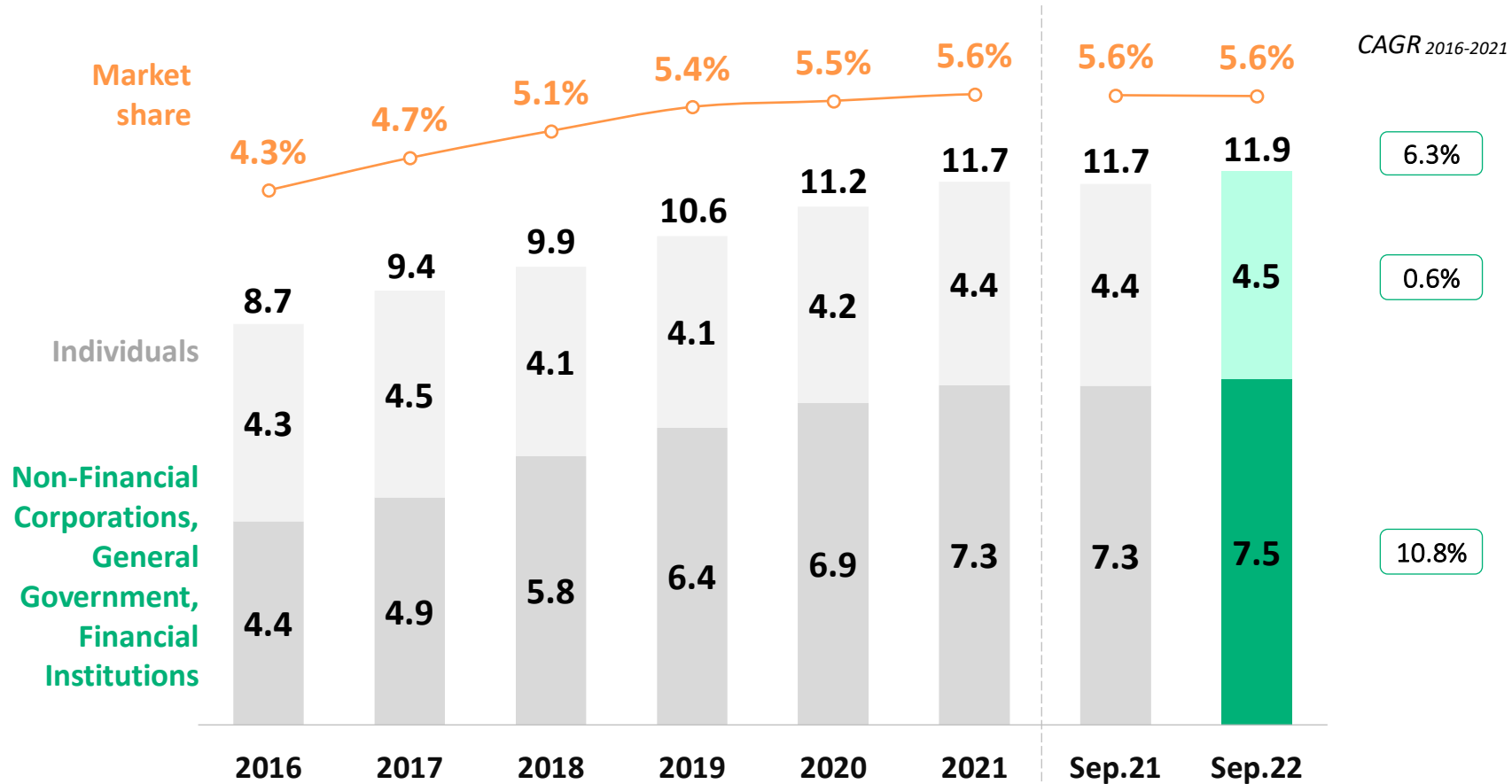
	2019	2020	2021	Sep. 21	Sep. 22
Caixa Central (Head of the Group)	20.6	27.8	42.8	35.4	8.7
Local banks	98.2	51.0	97.0	65.6	54.7
Others*	12.7	7.8	19.0	28.0	30.4

(\* ) Includes Insurance and AM companies + Divestment REO vehicles + consolidation adjustments.

# Commercial activities drive yoy market share expansion

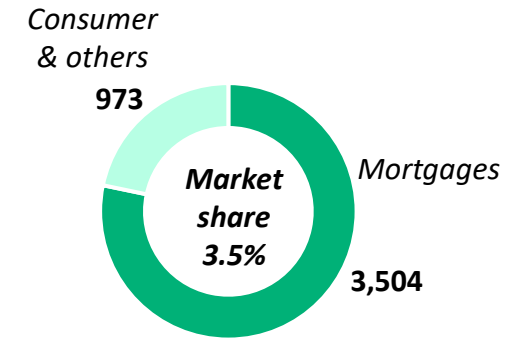
## Loans and Advances to Customers (Gross)

(billions of euros)



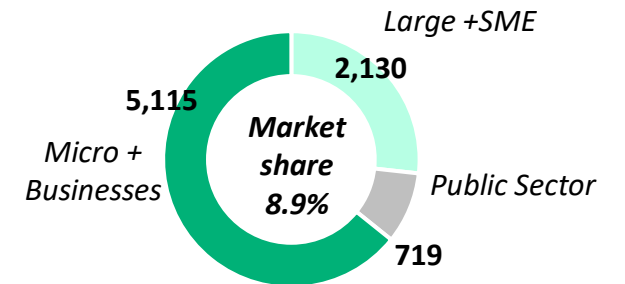
## Loans to Individuals Breakdown

(millions of euros, Sep. 2022)



## Loans to Corporates Breakdown

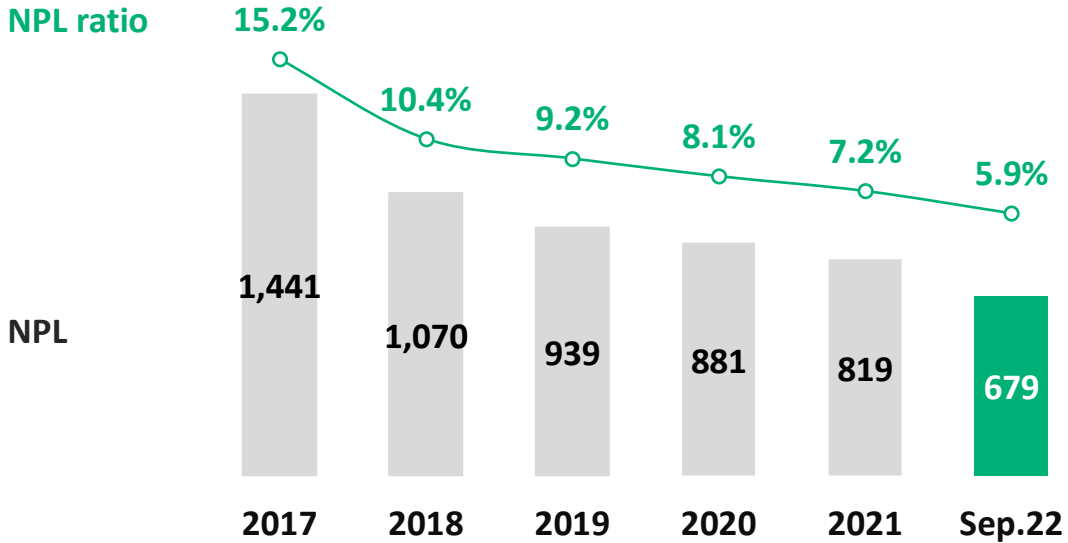
(millions of euros, Sep. 2022)



# NPL decreasing with higher coverage level. NPL are granular and highly collateralized

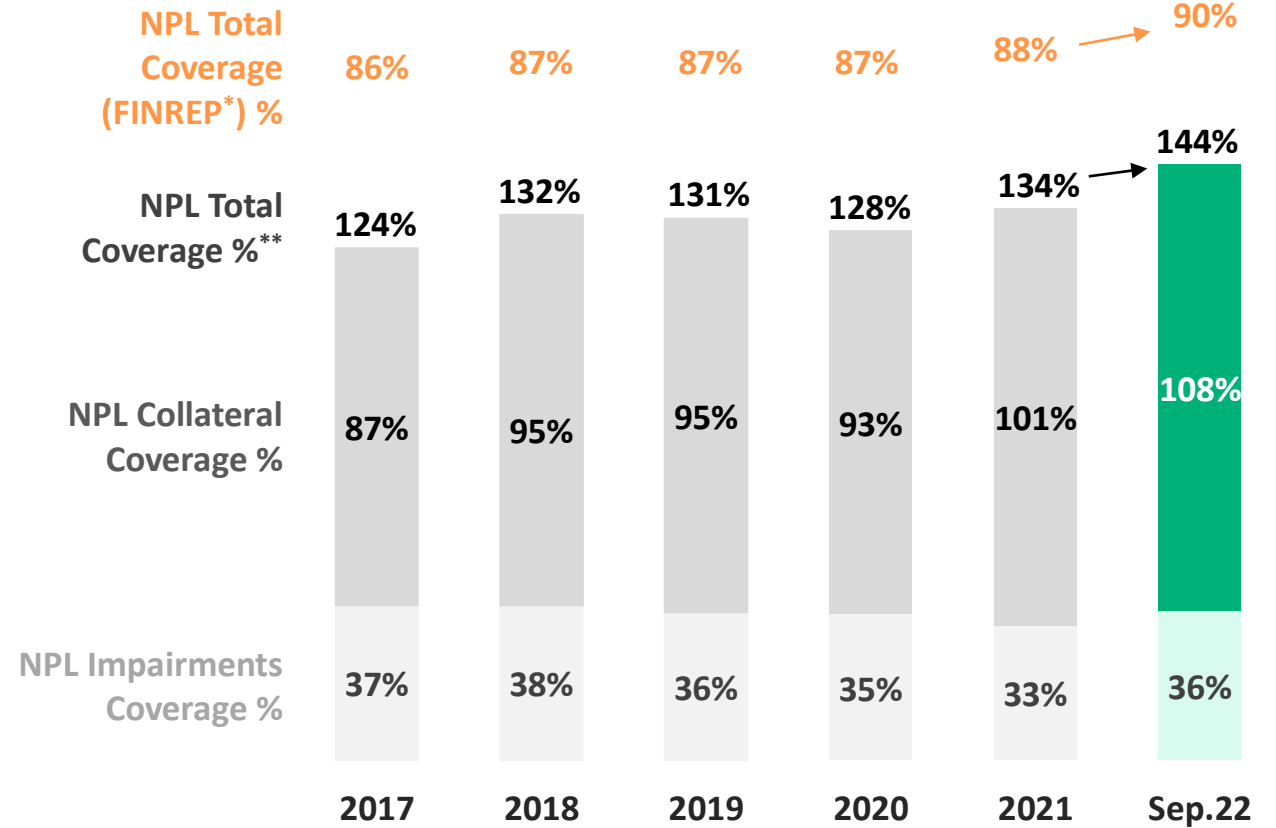
## NPL Exposure and NPL Ratio

(millions of euros, %)



## NPL Coverage

(%)



(\*) Applying haircuts and costs limited by the exposure of the contract (FINREP)

(\*\*) Applying haircuts and costs

# As a cooperative group, Crédito Agrícola equity incorporates accumulated net profits (89.2%) and share capital held by Members (10.8%)

## Total Equity

(millions of euros)

Dividend pay-out (M€)

6.76

2.34

3.06

0.99

0.08

1.16

n.a.

Pay-out ratio

12.5%

4.0%

2.0%

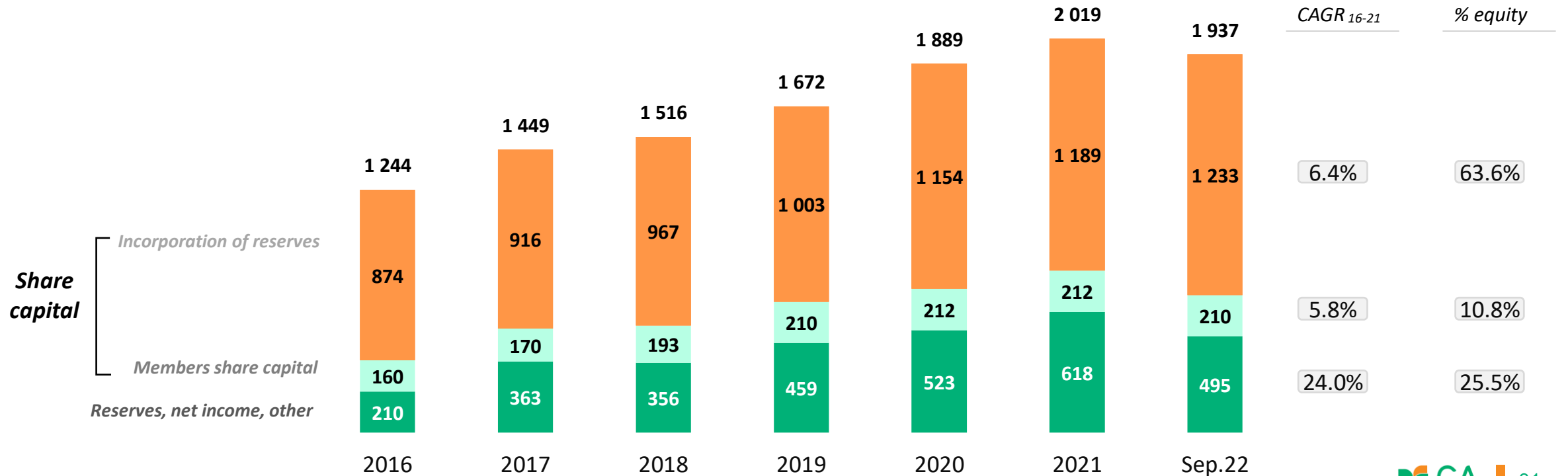
0.9%

0.03%

0.7%

n.a.

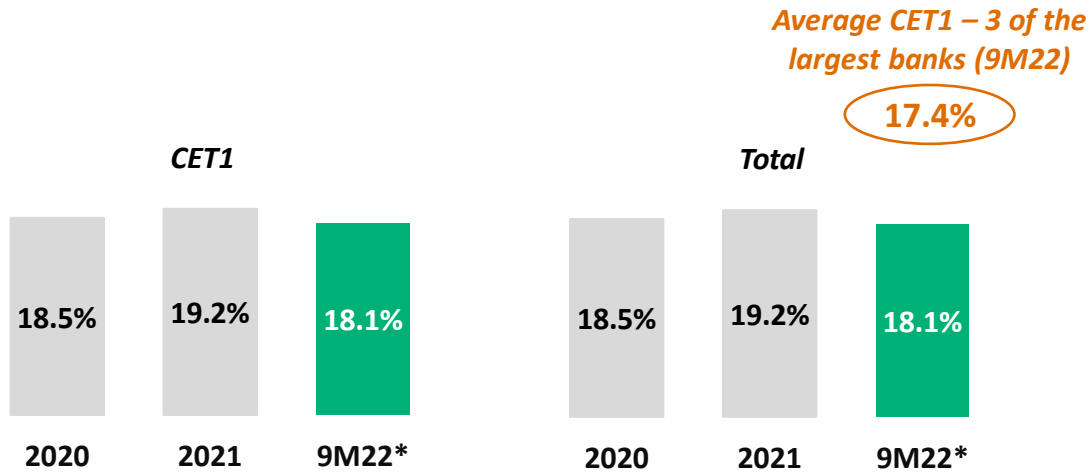
As a cooperative financial group, Crédito Agrícola has no pressure to pay-out dividends to Members. Therefore, retained results are the main source of equity (internal capital generation).



# Crédito Agrícola's levels of capital are comfortably above the minimum requirements

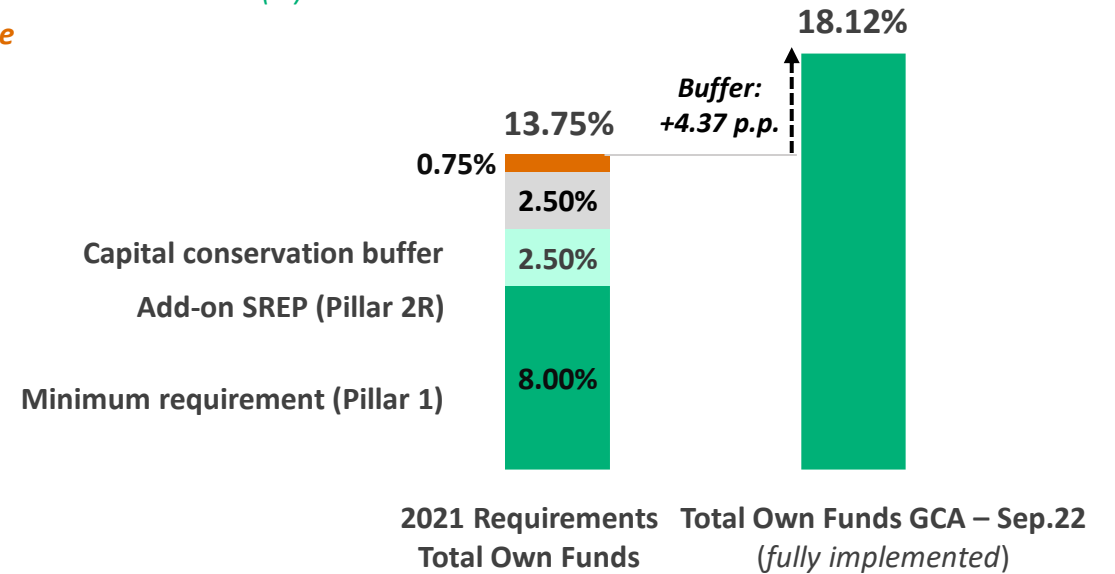
## Capital Ratios (fully implemented)

(%, including Net Income)



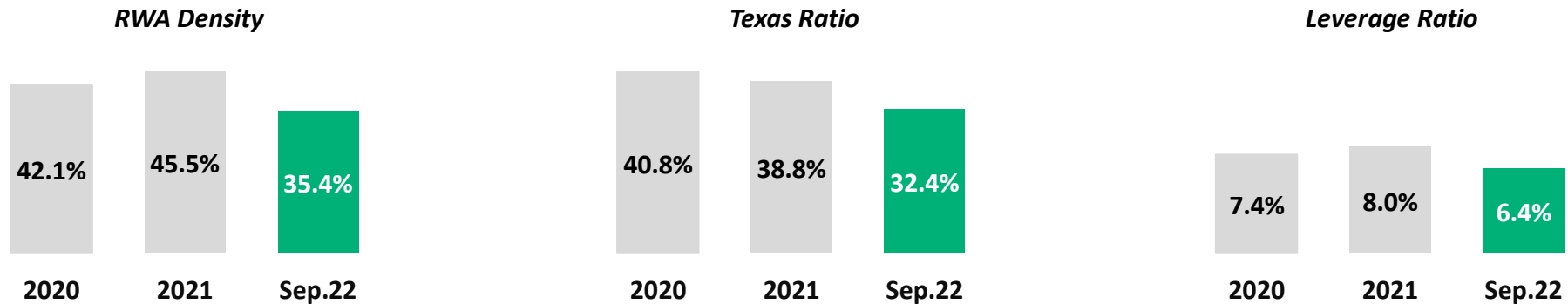
## Total Own Fund Requirements – SREP

(%)



## RWA Density, Texas and Leverage ratio

(%)



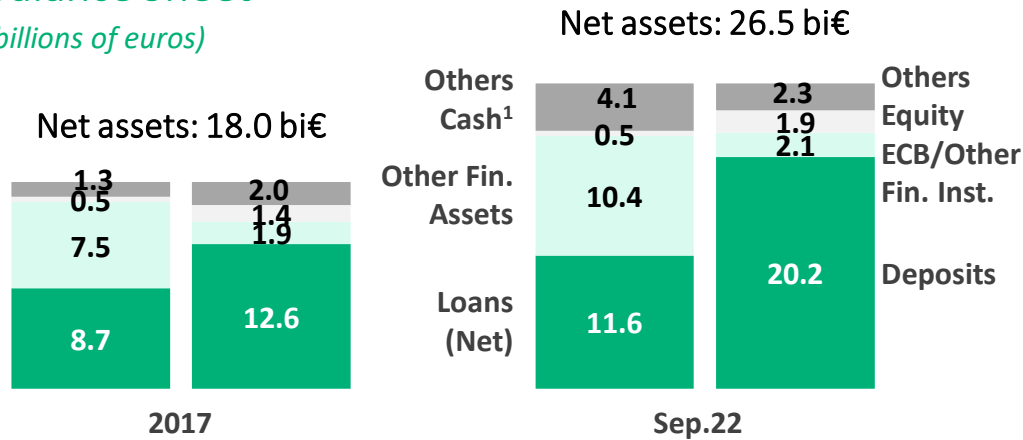
Legend: RWA Density = RWA / Total Exposure; Texas Ratio = NPA / (Tangible Common Equity + Loan Losses Reserve); Leverage Ratio = Tier 1 Capital / Total Exposure; (\*) Excluding Net Income for 2021, the CET1 ratio is 17.6% total own funds ratio is 17.6%



# Crédito Agrícola Group has a strong liquidity position

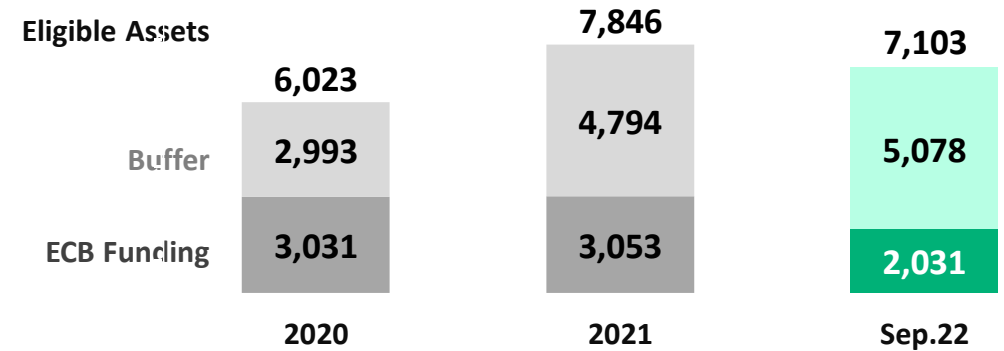
## Balance Sheet

(billions of euros)



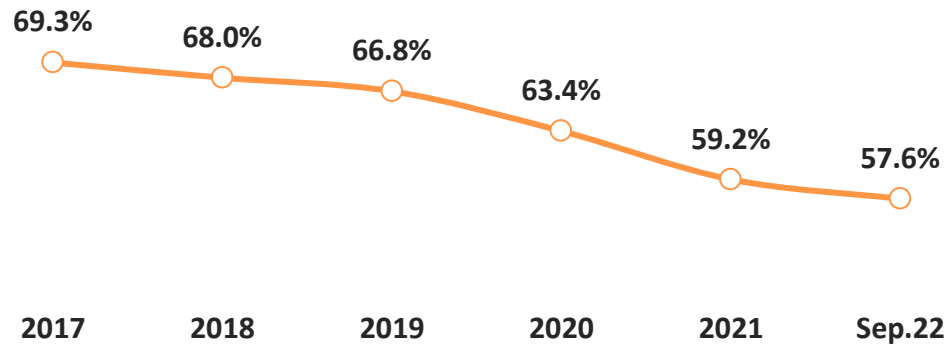
## ECB Funding

(millions of euros)



## Loans to Deposits Ratio

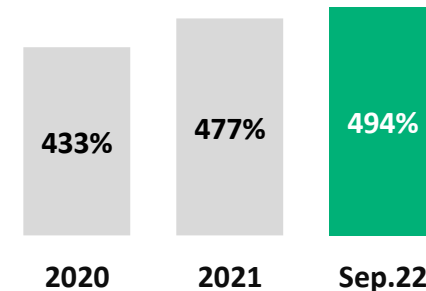
(%)



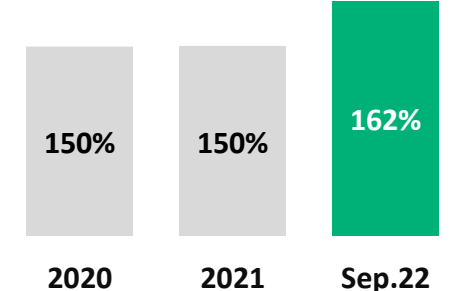
## Liquidity Ratios

(%)

### Liquidity Coverage Ratio (LCR)



### Net Stable Funding Ratio (NSFR)



(1) Cash = Cash, cash balances at central banks (414M€ as at Sep.2022) + Other demand deposits (56M€ as at Sep.2022)

# Contacts

## Caixa Central – Caixa Central de Crédito Agrícola Mútuo

Rua Castilho, 233/233A  
1909-004 Lisboa, Portugal  
BIC/SWIFT: CCCMPTPL  
[www.creditoagricola.pt](http://www.creditoagricola.pt)

## Investor Relations

Tel. (+351) 21 380 55 25  
[investor.relations@creditoagricola.pt](mailto:investor.relations@creditoagricola.pt)  
[www.creditoagricola.pt/institucional/investor-relations](http://www.creditoagricola.pt/institucional/investor-relations)





Para mais informações: [f](#) [@](#) [v](#) [y](#) [in](#) | [creditoagricola.pt](https://creditoagricola.pt)