

February 2024

WHO WE ARE

novobanco

Our mission & values

Our mission is to be the trusted bank.
Supporting families and companies
throughout their lifetime

novobanco

We put our **Clients First**

We put ourselves in our clients' shoes to engage and support their needs, wants, dreams and desires, and we invest in our people so they can deliver excellence.

We embrace **Ethics & Inclusion**

We act ethically at all times and do the right thing. We always respect one another, and encourage people to be their true selves.

We act with **Trust & Transparency**

We are open and honest with one another - giving clear sight of decisions, the reasons for decisions, when we succeed, and when we fail.

We strive for **Simplicity every day**

We seek simplicity to bring clarity and efficiency to complex situations.

We **Collaborate with each other**

We work together seamlessly for shared success and take pride in our team work.

A remarkable journey

NOVOBANCO FIRST YEARS LAY THE FOUNDATION FOR ITS RELAUNCH IN 2022 ESTABLISHING A STRONG TRACK RECORD IN EXECUTION AND DELIVERY



2014

2017

2020

2021

2022

2023

CREATION OF
NOVOBANCO

NEW SHAREHOLDERS
STRUCTURE

RESTRUCTURING
CYCLE

RENOVATION &
TRANSFORMATION

RELAUNCH

STRATEGY
DELIVERING

Creation of novobanco following the resolution applied to BES by Banco de Portugal.

Lone Star acquires 75% of novobanco share capital Fundo de Resolução holds the remaining 25%. The EU imposes 33 commitments on novobanco as part of the state aid.

Focus on reducing legacy exposure and fulfilling commitments demonstrating resilience and performance capacity.

Novobanco enters the last phase of its restructuring with a revamped image. A domestic commercial bank with a strong corporate presence and close customer relationships.

New strategic plan focused on maximizing value for customers, while maintaining profitable operations and capital efficiency.

Novobanco is delivering consistent growth and exceeding expectations, reinforcing its position as an independent, strong and successful Portuguese bank. Novobanco remains committed to support families and companies throughout their lifetime.

Shareholder structure on 12/31/2023:

75% Lone Star Funds (through Nani Holdings, S.à r.l.);

13.04% Fundo de Resolução;

11.96% Direcção-Geral do Tesouro e Finanças.

LEADING INDEPENDENT PORTUGUESE BANK FOCUSED ON SERVING DOMESTIC RETAIL AND CORPORATE CLIENTS

✓ 4th largest bank in Portugal, in terms of total assets, serving 1.6mn clients

✓ With historical know-how in the Corporate sector and a partner for households, developing value-added products and services

✓ Convenience and easy-to-bank experience, to support customer holistic needs

✓ Established presence in the Portuguese market, with a solid commercial franchise

A WELL-RECOGNISED COMMERCIAL FRANCHISE

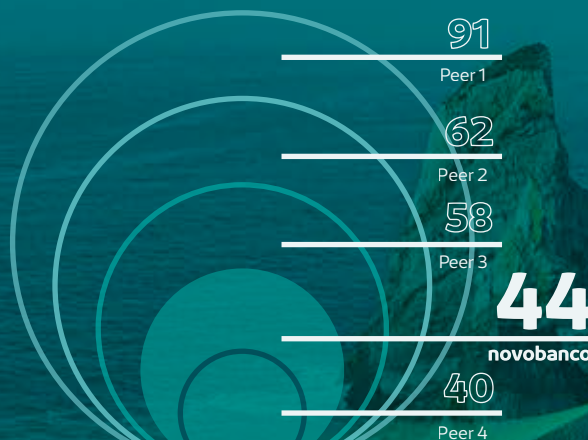
>90%

satisfied / very satisfied corporate customer and PME's

>85%

satisfied / very satisfied retail customers

Concentrated market with Top-5 banks covering 73%¹ of total assets (€bn)



... FOCUSED ON 2 SEGMENTS

55%

Corporate

Focus on corporate and SMEs with an historical in-depth knowledge allowing to develop specialized approaches to clients

45%

Retail

Supporting customers' needs at the most decisive moments of their journeys, with value-added services and innovative offering

(1) Based on reported figures for Portuguese business

CONSISTENTLY FOCUSING ON DELIVERING ON OUR STRATEGY



Customer-Centric Bank

- ✓ Understanding of clients' needs
- ✓ Distinctive value propositions
- ✓ Customer proximity
- ✓ Personal customer experience
- ✓ Omnichannel approach



1.6mn clients

Including 55% of SMEs in Portugal



€3.5bn

Loans originated in 2023



91%

Satisfied corporate clients - Quality of Service



Simple & Efficient Operations

- ✓ Superior resource allocation
- ✓ Leading tech capabilities
- ✓ Data driven approach
- ✓ Agile decision making
- ✓ Improved efficiency



79%

Of household interactions are digital



>90%

Of branches under new distribution model



33%

Cost to Income (recurrent basis)



Developing People & Culture

- ✓ Value proposition for employees
- ✓ Development of internal talent
- ✓ Strong organisational culture
- ✓ Capacity to attract & retain talent
- ✓ High internal standards



4 209

Employees of Grupo novobanco



54%

Women



~19.0 yrs

Average seniority of employees



Sustainable Performance

- ✓ Resilient capital levels
- ✓ Robustness of balance sheet
- ✓ Quality of credit decisions
- ✓ Integrated ESG framework
- ✓ Improvement of internal models



+500 bps

CET1 YTD on a fully loaded basis to 18.2%



24.7%

MREL ratio (above linear progression)



€713mn

Financing in green investment¹ (EU taxonomy)

WE SUPPORT OUR CUSTOMERS



We support **our customers throughout their lives** and on their most significant **life events...**



... on their daily lives

Making payments, transfers and purchases wherever and whenever the customer wants, manage expenses and revenues, and deal with the unforeseen through salary anticipation solutions or credit cards.



... fulfilling their dreams

With solutions tailored to their ideas and aspirations, whether to buy or remodel their home, travel, invest in education, buy that special gift or even face an unexpected expense.



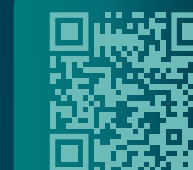
... protecting what is most precious to them

Global insurance solutions for all protection needs with holistic and tailored solutions, from home or car insurance to health or life insurance.



... achieving their financial goals

Products and services suiting the different savings and investment profiles and goals of each client, whether to prepare retirement, save for the children's education or for that dream vacation.



We support **our commercial clients**, from small businesses to large corporates...



... as a partner for EU funds

We support companies searching for opportunities driven by EU funds (PRR and PT2030). We partner with expert consultants that can support our clients' application processes.

To manage their day-to-day needs

With digital solutions for:

- cash management
- account aggregation
- financial control.



... with sector specific financing solutions

We have industry-specific solutions such as agriculture, industry, tourism or trade, among others.

To ensure their financing needs

With solutions designed for specific realities:

- revenue anticipation
- treasury management
- investment financing.



... with sectorial initiatives and dedicated events

To support, promote and give voice to portuguese companies, debating regional and national challenges, international trade and exports, financial literacy for businesses, ...

To expand across borders

With highly recognize Trade Finance solutions:

- market prospection
- international trade
- expansion.



... with HR solutions for companies

Such as payment cards, euroticket meal cards, Insurance, or car financing and renting.

To protect their business

With an extensive insurance offer for:

- employees
- assets
- activity.

WITH INNOVATIVE AND RECOGNIZED DIGITAL SOLUTIONS



Online Account Opening

With Digital Mobile Key (CMD) or Video Call.

Seamless. Fast and safe.



Online Business Loans

Availability of funds in less than 48 hours.

Autonomous. Seamless. Fast and safe.



App

A revolutionary way to engage with the bank.

Adapts. Anticipates. Evolves.



novobanco Online

Financial aggregation and treasury management, for commercial customers.

Aggregate accounts. Ensure financial control. Manage payments.



Life Insurance

100% digital solution.

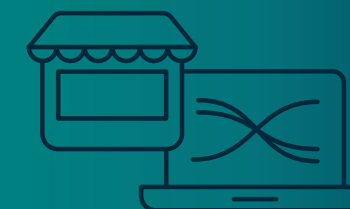
Simple, intuitive and efficient.



Personal Credit

Immediate response solution, integrated with insurance underwriting and data update.

Dynamic, simple and transparent.



novobanco Online Empresas

Homebanking for the corporate segment, with new features and a better customer experience.



Intuitive, simple and efficient.

OUR ESG ACTION PRIORITIES ARE ALIGNED WITH OUR BANK STRATEGY

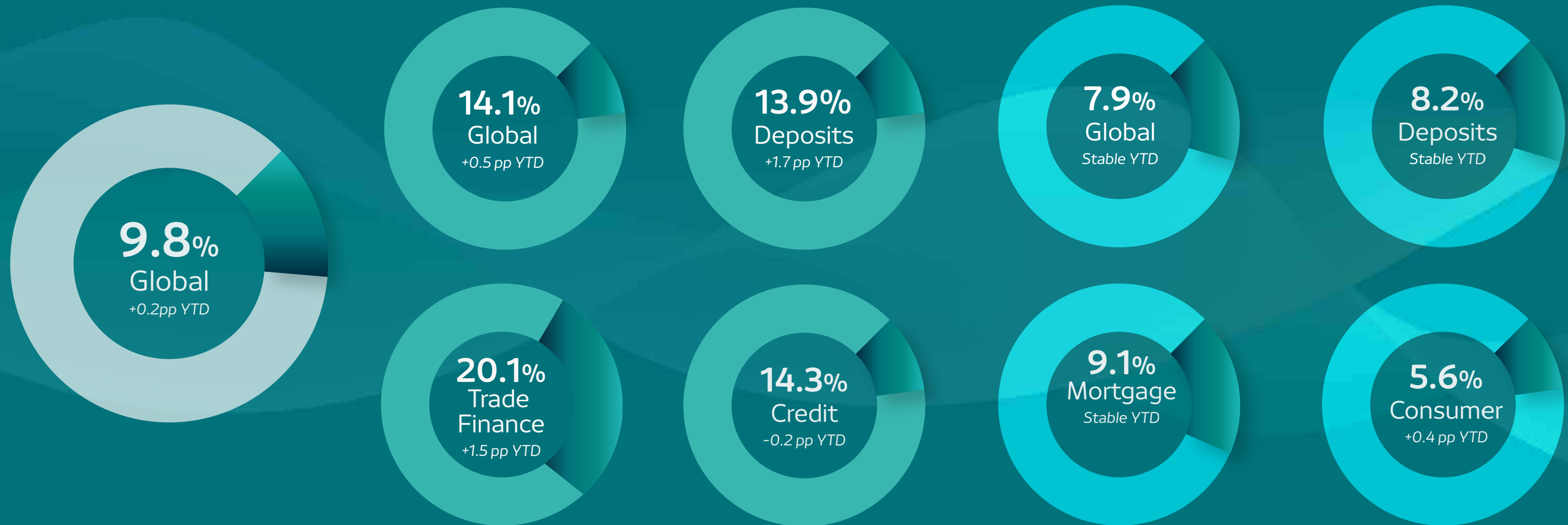


 Customer-centric Bank	 Simple and efficient operations	 Developing people and culture	 Developing sustainable performance
			
<p>Support our client's transition and maximize positive impact on society & environment</p>	<p>Improve efficiency, enable own transition, ensure systems readiness for ESG</p>	<p>Strengthen capabilities, inclusiveness, diversity and the engagement of our people</p>	<p>Build a robust ESG governance & risk management framework</p>
<p>Further develop corporate and retail ESG business strategy</p>	<p>Improve efficiency, emissions and suppliers' compliance</p>	<p>Promote Diversity & Inclusion in novobanco</p>	<p>Implement operating model & build a strong ESG governance</p>
<p>Implement and monitor financed GHC¹ emissions reduction plans</p>	<p>Adapt MIS/IT systems to ESG requirements</p>	<p>Strengthen learning & development, engagement and well-being</p>	<p>Deploy ESG risk policies and management framework</p>
<p>Develop ESG in investment and advisory services strategy</p>			
<p>Promote stakeholders engagement and bank's Corporate social responsibility</p>			

(1. Greenhouse gases)

-  Priority Sustainable Development Goals for novobanco associated with Pillar
-  Priority Sustainable Development Goals for novobanco not associated with Pillar

WE ARE A LEADING BANK IN PORTUGAL WITH FOCUS ON THE COMMERCIAL SEGMENT



CORPORATE

HOUSEHOLDS

NOVOBANCO HAS ESTABLISHED A STRONG TRACK RECORD IN EXECUTION AND DELIVERY



Growth in active digital clients

2021

-

2022

+6%

2023

+15%

**Change
2023/21**

+28%

**Performance
2023**



Delivering organic sustainable returns



NIM

1.42%

1.47%

2.75%

+133pb



Cost -to-income¹

48%

49%

33%

(15pp)



Efficient operations based on strict cost discipline



CoR (bps)

70

45

48

(22pb)



Simple and solid balance sheet, focused on growth



RoTE

6.2%

19.0%

20.4%²

>13.3pp



Net NPL ratio³

1.6%

1.0%

0.7%

(1.2pp)



Fitch: assigning IG
Moody's: +5 notch
(in 7mths)



CET1 FL ratio

10.2%

13.1%

18.2%

+800pb



Moody's/Fitch rating⁴

Caa2 / -

B3 /

Ba1 / BBB -

+7 notch/IG

Source: Company information; (1) Calculated as Operating Costs divided by Commercial Banking Income; (2) Tangible equity based on period average, excludes CCA calls accounted as a receivable but not yet received, and excluded in capital ratios; (3) Calculated as gross NPLs minus total provisions divided by gross loans. Includes cash and advances with Banks; (4) Senior unsecured rating

2024 OUTLOOK: COMPETING AS A STRONG AND INDEPENDENT DOMESTIC BANK

2024 GUIDANCE



COMMERCIAL BANKING INCOME



> € 1.3bn



COST-TO-INCOME RATIO



~ 35%



COST OF RISK



< 50bps



NET INCOME



> € 650mn

- Delivering organic sustainable returns, from a domestic business focused on growth and value-added products and services
- Efficient operations based on strict cost discipline
- Simple and low-risk balance sheet benefiting from a successfully completed de-risking strategy with strong coverage levels
- Strong levels of profitability and capital generation

THE MARKET RECOGNIZES OUR PERFORMANCE WITH AWARDS AND DISTINCTIONS



BEST TRADE FINANCE PROVIDER

2024 Novobanco has once again been voted, for the sixth year running, “the best bank in the Trade Finance area” in Portugal by the international magazine "Global Finance".



THE BANKER

Novobanco was awarded as "Bank of the Year in Portugal" by The Banker, a renowned publication within the Financial Times Group.



THE INTERNATIONAL BANKER AWARDS

Novobanco is recognised by The International Banker magazine as “the best bank in Portugal in the Retail Innovation” category.



SCI-CRT Awards

Novobanco was awarded with "Transaction of the Year" at the SCI - CRT awards



BEST TRADE FINANCE PROVIDER

2023 Novobanco has once again been voted, for the fifth year running, “the best bank in the Trade Finance area” in Portugal by the international magazine "Global Finance".



NB EURO BOND FROM GNB GESTÃO DE ATIVOS

NB Euro Bond was awarded by the Refinitiv Lipper Fund Awards 2023, for the 12th consecutive year, as the best Euro bond fund marketed in Europe for the last 3, 5 and 10 years.



BEST DISTRIBUTOR PORTUGAL AT THE SRP EUROPE

Novobanco once again receives the “Best Distributor, Portugal” award attributed by SRP. Recognized at international mlevel, both the solidity and consistency of its offer within the acope of Structured Products.



HR AWARDS

Novobanco was the winner at the HR Awards in the "Use of Technology" category with robotics solutions applied to human resources processing and management tasks.



GLOBAL FINANCE

2022 “Best Sub-custodian Bank” in Portugal novobanco voted as Best Sub-Custodian Bank 2022 in Portugal



RANKIA PORTUGAL 2022 AWARDS

The fund managed by GNB Gestão de Ativos was considered the Best Retirement Saving Plan (“PPR”) of 2022.



APFIPP GNB GESTÃO DE ATIVOS

Awards for asset management performance in 2021:

- NB Obrigações Europa in Best Other Bond Funds category
- Multireforma Plus in Best Risk 4 Pension Fund category



D-RATING

Novobanco awarded "Best digital performer of Retail Banking" in Portugal

SHAPING THE FUTURE TOGETHER.



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