

Annual Report



T.1

(Euro)

Consolidated	2025	2024	2023	2022
Net interest income	41,332,209	46,662,970	36,935,760	28,388,331
Net fees and commissions	19,716,056	17,824,362	15,194,661	17,508,837
Treasury and capital markets	20,480,758	20,511,516	27,031,307	10,347,623
Other income	-247,507	325,631	1,037,830	194,870
Operating income	81,281,516	85,324,480	80,199,558	56,439,661
Staff expenses	-25,443,051	-26,073,661	-24,382,649	-21,233,057
Other administrative expenses	-14,853,016	-15,791,063	-14,922,015	-13,591,009
Cash contributions to resolution funds and deposit guarantee schemes	-347,017	-284,469	-1,072,243	-1,164,782
Functional expenses	-40,643,085	-42,149,194	-40,376,908	-35,988,849
Operating cash flow	40,638,431	43,175,286	39,822,649	20,450,812
Depreciation and amortization	-3,424,728	-2,919,955	-3,270,577	-3,473,142
Provisions	42,759	-11,215	-61,171	319,059
Impairments	1,089,093	86,852	1,289,680	-2,695,616
Operating result	38,345,556	40,330,968	37,780,581	14,601,114
Profit or loss before income tax	38,345,556	40,330,968	37,780,581	14,601,114
Current income tax	-9,873,820	-8,809,685	-8,714,130	-3,605,892
Deferred income tax	735,062	-914,737	-1,373,529	-274,776
Profit or loss for the year before non-controlling interests	29,206,798	30,606,546	27,692,923	10,720,446
Non-controlling interests	-2,712,289	-3,568,369	-3,497,857	-478,959
Profit or loss for the year	26,494,509	27,038,177	24,195,067	10,241,487

Individual	2025	2024	2023	2022
Profit or loss for the year	25,692,411	26,557,803	24,449,135	8,704,277

Selected Indicators	2025	2024	2023	2022
Total assets	2,891,079,971	2,803,349,164	2,663,349,214	2,436,982,999
Total equity	425,784,568	405,260,603	390,666,894	350,043,120
Own funds	396,484,379	369,615,813	357,496,450	316,065,294
Client deposits	2,275,843,633	2,208,678,567	2,024,574,177	1,611,444,893
Non-performing loans / Total loans	0.1%	0.1%	0.1%	0.3%
Loans / Client deposits	1.3%	0.9%	1.0%	2.2%
Loans / Total assets	1.1%	0.7%	0.7%	1.4%
Assets under supervision (*)	10,264,681,871	8,200,794,769	6,942,720,538	5,808,620,545

(*) Assets under management, assets held in custody and client deposits

Profitability	2025	2024	2023	2022
Return on average assets (ROA)	0.9%	1.0%	0.9%	0.4%
Return on average equity (ROE)	7.0%	7.7%	7.5%	2.8%
Operating income / Average total assets	2.9%	3.1%	3.1%	2.2%

Solvency	2025	2024	2023	2022
CET1 Capital ratio	36.6%	31.1%	31.4%	28.8%
Total capital ratio	36.6%	31.1%	31.4%	28.8%

Efficiency	2025	2024	2023	2022
Net interest income / Earning assets	1.5%	1.7%	1.5%	1.3%
Transformation expenses / Operating income	54.2%	52.8%	54.4%	69.9%
Staff expenses / Operating income	31.3%	30.6%	30.4%	37.6%

1. FINANCIAL INDICATORS

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MANAGEMENT REPORT

2. INTRODUCTION

2.1. BIG PROFILE

Banco de Investimento Global, S.A. (“BiG” or “Bank”) is a specialised financial institution, headquartered in Lisbon, wholly owned by private investors and authorised to operate in all business areas open to the banking sector. The Bank has been in business for 28 years in Portugal and, since 2020, in Spain.

The Bank’s business focuses on savings, investment and advisory services for private and institutional clients. In addition to traditional banking services, the Bank provides its clients with trading platforms with access to global markets, through which it offers savers and investors easy access to all the main investment markets and products. The Bank’s products and services include deposits, investment funds, pension savings plans, asset management, brokerage, custody, general banking and payment services for private and institutional clients, as well as treasury applications, investment products, capital markets and financial advisory services for institutional and corporate clients.

On 31 December 2025, on a consolidated basis, the Bank held approximately € 2.9 billion in assets, € 2.3 billion in client deposits and € 425.8 million in equity.

Operationally, on a day-to-day basis, BiG focuses on asset quality, liquidity and interest rate risk management, internal operational controls, reliable execution, capital preservation and a strict control of business risks.

The Bank’s capital is held by a diversified and stable group of individual and institutional investors, predominantly of Portuguese nationality (see Section 2.3 – Shareholder Structure and Note 40 to the Consolidated Financial Statements).

At the end of 2025, the number of employees of the Group totaled 409 (see Section 2.4 – Human Resources).

The Bank’s business model and risk appetite were structured with the objective of ensuring preparedness to operate under adverse market conditions. With this objective in mind, the Bank’s solvency,

asset quality, liquidity and other operational metrics have consistently remained strong and robust, supported by the Management’s deliberate, permanent and strategic focus on financial discipline.

Since its foundation in 1998, BiG’s growth has been fundamentally based on the retention of a part of its generated earnings, after the payment of dividends. This earnings retention policy has also been instrumental in extending and enhancing the Bank’s business model, often during periods of volatility in financial markets. BiG’s business is essentially managed using its own funds, client deposits and interbank financing.

BiG’s business model is based on technology-driven solutions to reach clients and process their transactions. The Bank invests regularly in efficient and scalable processes and procedures and promotes a dedicated operating culture focused on minimizing operational errors and credit losses. BiG prioritises quality over volume and market share in all its business areas and has never sought to replicate or emulate the business models of traditional universal banking. BiG is independent of financial groups, specific shareholders or other interest groups and, since its foundation, has never requested nor required any form of assistance, capital or guarantees from external or public sources.

2.2. WHAT BIG DOES

For individual clients, the Bank provides savings products, brokerage, custody and asset management, as well as general banking and payment services. For corporate and institutional clients, the services include market risk management, treasury, asset management, brokerage, custody and financial advisory services. The Bank’s Treasury and Capital Markets area focuses on liquidity and balance sheet management and plays a central role in the Bank’s culture of market and credit risk management.

The Bank’s activities, including its branch in Spain, subsidiaries and specialised sales and product teams, are combined

and presented for internal reporting purposes into two main business lines – Wealth Management and Advisory and Treasury and Capital Markets. These business areas are described in further detail in Section 6.3 – Results of Business Lines.

The Bank’s main subsidiaries are focused on providing savings and investment services (BiG Moçambique), on FinTech-related investments and activities (Onetier Partners), and on brokerage services (DIF Broker). In Spain, BiG operates a branch based in Madrid, which offers deposits and banking services, predominantly digital trading platforms for clients, and financial advisory services to corporate clients.

In general terms, the Bank’s assets exhibit geographical and sectoral diversification, which may vary over time depending on market conditions and business opportunities. The Bank’s balance sheet also reflects a policy of maintaining significant levels of assets that are easily convertible into liquidity. With regard to funding sources, the Bank focuses on the stability of retail deposits and on capital growth. The Bank interacts with clients through a variety of integrated channels. Retail clients are served through online investment platforms (www.big.pt, www.bancobig.es), mobile apps and a network of 14 branches located in key regions of Portugal. Corporate and institutional clients are served by dedicated sales and product teams based in Lisbon, Oporto, Madrid (Spain) and Maputo (Mozambique).

The Bank’s brokerage platform is based on its participation as a direct member of Euronext, covering the domestic market as well as key international markets. In addition, the Bank maintains partnership arrangements with global financial services providers in order to offer its clients access to a broad range of other global equity, options and futures markets. Trading platforms for other “over the counter” (“OTC”) products, bonds, and mutual funds are typically based on a combination of internally developed technological solutions and agreements with counterparties and service providers.

2.2.1. WEALTH MANAGEMENT AND ADVISORY

This business area of BiG serves retail and institutional clients with different needs and expectations through an integrated multichannel approach, supported by digital banking and trading platforms and by a branch network in Portugal, Spain and Mozambique.

The combination of online platforms and specialized sales teams enables BiG's clients to carry out banking transactions, manage their savings and invest in some of the world's main regulated markets. The Bank provides banking services and solutions tailored to clients with diverse profiles, ranging from self-directed clients to those seeking support in investment decision-making, through tools designed to meet day-to-day banking needs and a broad range of traditional savings products and investment funds.

For private clients, institutional investors and corporates, professionals from BiG's key business areas develop specialised financial solutions, implement trading and investment strategies and provide support in the management of risks associated with their assets and business. BiG offers services including trading in regulated markets, research and content, asset management, market risk hedging and financial advisory services.

2.2.2. TREASURY AND CAPITAL MARKETS

The Treasury and Capital Markets area focuses on the Bank's investment activities and centralises the management of BiG's liquidity and balance sheet. This business area also plays a central role in the Bank's risk analysis and risk management culture, in particular with

regard to market-related risks, namely interest rate risk inherent to the Bank's credit securities portfolio.

2.3. SHAREHOLDER STRUCTURE

As at the end of 2025, the Bank's shareholder structure comprised approximately 221 common stockholders, predominantly private Portuguese individuals. On the same date, 60.33% of the common stock was held by individuals and 39.67% was held by institutions, foundations, corporations or holding entities. The largest shareholder held 14.60% of the stock.

As at that date, 13 shareholders were owners of at least 2% of the Bank's common stock and, collectively, accounted for 66.05% of the total share capital. There are no shareholders' agreements in place.

In accordance with the Bank's statutes, there are no restrictions on shareholders' voting rights. Each share corresponds to one vote, which can be exercised provided that each shareholder, or group of shareholders, holds at least 1,000 shares.

2.4. HUMAN RESOURCES

The breakdown by category of staff levels during 2025 is presented in Note 12 to the Consolidated Financial Statements. As at 31 December 2025, total staff on a consolidated basis was 409, of which 322 were based in Portugal, 53 in Mozambique and 34 in Spain.

The Bank's corporate culture is based on principles of risk control, quality of execution, and team preparation to implement the defined strategy. Accordingly,

Management plays an active role in the recruitment, training and career development of employees. Employee development is considered a fundamental investment for BiG, which seeks to recognise and reward talent from an early stage. In the recruitment of new employees, the Bank values diversity, while preserving its core values, such as academic excellence, commitment, teamwork, energy, innovation, respect for others, and, above all, integrity.

The emphasis on talent development reflects the Bank's commitment to a merit-based environment, to high standards of performance and to continuous improvement and development.

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Number of Employees	2025	2024	2023
Portugal	322	324	331
Mozambique	53	49	50
Spain	34	31	35
Number of Employees	409	404	416

3. PERFORMANCE HIGHLIGHTS IN 2025

3.1. KEY HIGHLIGHTS

Table 3 summarizes selected indicators from the statement of profit or loss and the statement of financial position (figures on a consolidated basis). A more detailed analysis of financial indicators and the results of the various business segments is provided in Section 6.2 – Earnings in 2025 and in the Notes to the Consolidated Financial Statements.

The Bank generated consolidated profit for the year attributable to the owners of the parent company of € 26.5 million in 2025, versus € 27.0 million in 2024.

The Bank's operating income in 2025 was € 81.3 million, versus € 85.3 million in 2024.

The Bank's total equity as at 31 December 2025 totalled € 425.8 million, compared with € 405.3 million as at the same date in 2024.

Own funds as at 31 December 2025 amounted to € 396.5 million, versus € 369.6 million at 31 December 2024.

Earnings per share (EPS) in 2025 were € 0.14, in line with the figure reported in 2024.

Return on average equity (ROE) in 2025 was 7.0%, compared with 7.7% in 2024.

The book value (BV) of BiG's common stock as at 31 December 2025 was € 2.28, compared with € 2.17 as at the same date in 2024.

The Common Equity Tier 1 (CET1) ratio as at 31 December 2025 stood at 36.6%, compared with 31.1% as at the same date in 2024.

The Leverage ratio as at 31 December 2025 was 6.8x, versus 6.9x as at 31 December 2024.

The Liquidity Coverage Ratio (LCR) as at 31 December 2025 was 497.4%, versus 495.6% as at the same date in 2024.

In 2025, around 88% of the Group's revenues were generated in Portugal, with the remaining revenues coming from the business in Spain, developed through the BiG branch based there, and the investment banking unit in Mozambique.

In terms of balance sheet management, the Bank focuses on liquid investment-grade securities, recognised within the financial assets' portfolios. The statement of financial position contains a limited loan book, which by nature is less liquid and not considered strategic from a risk-return perspective. Given the highly liquid nature of the balance sheet, credit risk and concentration levels are managed actively in the context of overall market conditions and investor sentiment with respect to interest rates. These activities are structural and remain unchanged compared to prior years.

BiG's analysis of credit concentrations and investment opportunities takes into consideration the Management's expectations with respect to trends in credit quality, interest rates and market liquidity, as well as the correlation of these factors with economic, political or regulatory developments. As a matter of long-term strategy and risk appetite, a substantial majority of the Bank's exposure involved country risk other than Portugal, including other European countries, the United States and, to a lesser extent, other geographies.

T.3

(Euro 000)

Summary of Results	2025	2024	2023	2022
Operating income	81,282	85,324	80,200	56,440
Operating expenses	-42,936	-44,994	-42,419	-41,839
Income tax	-9,139	-9,724	-10,088	-3,881
Non-controlling interests	-2,712	-3,568	-3,498	-479
Profit or loss for the year	26,495	27,038	24,195	10,241
Earnings per share (€)	0.14	0.14	0.13	0.06
Book value per share (€)	2.28	2.17	2.09	1.87
Return on average equity (ROE)	7.0%	7.7%	7.5%	2.8%

Summary of Statement of Financial Position	2025	2024	2023	2022
Total equity	425,785	405,261	390,667	350,043
Own funds	396,484	369,616	357,496	316,065
Total assets	2,891,080	2,803,349	2,663,349	2,436,983
Loans	30,683	20,127	19,953	34,869
Client deposits	2,275,844	2,208,679	2,024,574	1,611,445
CET1 Capital ratio	36.6%	31.1%	31.4%	28.8%
Total capital ratio	36.6%	31.1%	31.4%	28.8%
Leverage ratio (Total assets / Total equity)	6.8x	6.9x	6.8x	7.0x
Liquidity coverage ratio (LCR)	497.4%	495.6%	360.2%	239.6%

3.2. KEY FINANCIAL METRICS IN 2025

For a more detailed analysis, please refer to Section 6.2 – Earnings in 2025 and the Notes to the Consolidated Financial Statements.

3.2.1. MARKET BACKGROUND

In 2025, the monetary policy reversal that began in 2024 became more firmly established, with further cuts to policy rates by the European Central Bank in a context of sustained disinflation, and with the Federal Reserve resuming easing in the final quarter of the year.

The global backdrop remained resilient, albeit with distinct regional dynamics: the United States outperformed the Euro area, while China continued to show signs of deflationary pressure. This evolution, together with trade reconfiguration prompted by U.S. tariffs, weighed on global industry and influenced the terms of trade policies between major economic blocs.

The geopolitical backdrop remained fragile. In Ukraine, the continuation of hostilities and intermittent ceasefire negotiations underscored the persistence of the conflict and reinforced strategic uncertainty. In the Middle East, a phased ceasefire between Israel and Hamas – marked by progress and risks of reversal during the transition between phases – shaped the regional environment.

In the United States, the change in Administration translated into greater deregulation, tax cuts and increased use of tariffs, generating episodes of global

volatility and upward pressure on long-term yields. In Europe, the approval of a large-scale investment programme in Germany and the approval of the State Budget in France, after months of political instability, helped anchor expectations in an environment that remained uncertain.

3.2.2. EARNINGS

Regardless of market conditions, the long-term strategy defined by the Management is to maintain a medium-to-low risk profile, preserve capital and deliver sustainable growth.

Following the decline in short-term interest rates and reflecting the Bank's high level of interest rate risk hedging, net interest income decreased in 2025. Throughout the period, the Bank maintained the high quality and liquidity of the assets on its balance sheet and actively managed its funding costs.

Conversely, income from trading and investment activities increased, as the Bank took advantage of market opportunities associated with spread tightening to realise gains, within the defined limits and risk profile.

Net fees and commissions increased, reflecting higher client activity, as evidenced by the growth in total resources and assets under supervision.

As a result of these developments, consolidated operating income amounted to € 81.3 million in 2025, compared with € 85.3 million in 2024.

The cost-to-income ratio, defined as transformation expenses/operating income, increased to 54.2%, compared

with 52.8% in the previous year. This reflected the decline in operating income, despite a 2.2% reduction in transformation expenses, which include staff expenses, other administrative expenses, cash contributions to resolution funds and deposit guarantee schemes, and depreciation and amortization.

Total operating costs, which, in addition to transformation expenses components, include provisions and impairments, amounted to € 42.9 million, compared with € 45.0 million in 2024.

During the year, there was a significant reversal of impairment losses, with a reduction in expected credit losses (ECL) compared with the previous year. This development was mainly driven by the near-complete disposal of the securities portfolio at BiG Moçambique, and by more pronounced spread compression observed in the second half of the year in the securities portfolio in Portugal. Reinforcing this trend, the Bank also increased investment in higher-quality sovereign securities over the year, alongside a slight reduction in the overall amount invested in the securities portfolio.

The Group's income tax expense for 2025 amounted to € 9.1 million, corresponding to 23.8% of profit before tax.

Consolidated profit for the year attributable to owners of the parent company amounted to € 26.5 million, compared to € 27.0 million in 2024.

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(Euro 000)

Earnings	2025	2024	2023	2022
Operating income	81,282	85,324	80,200	56,440
Operating expenses	-42,936	-44,994	-42,419	-41,839
Profit or loss before income tax	38,346	40,331	37,781	14,601
Income tax	-9,139	-9,724	-10,088	-3,881
Profit or loss for the year before non-controlling interests	29,207	30,607	27,693	10,720
Non-controlling interests	-2,712	-3,568	-3,498	-479
Profit or loss for the year	26,495	27,038	24,195	10,241

3.2.3. KEY BALANCE SHEET ITEMS

Total assets as at 31 December 2025 amounted to approximately € 2.9 billion, representing an increase of 3.1% compared with the end of the previous year.

The Bank maintains a significant component of its assets valued at fair value. This practice translates the principles of prudence, rigor and transparency to which the Bank has been committed since its foundation. It also means that the Bank's financial statements reflect, on a timely basis, adjustments in market conditions and in market sentiment of economic agents.

The composition of BiG's earning assets continued to consist mainly of liquid fixed-income financial instruments, measured under the accounting headings of *Hold to Collect and Sell* and *Hold to Collect*.

The *Hold to Collect* accounting item includes a "Medium-term financial margin portfolio", created in 2022 with the aim of holding medium-term financial assets and receiving contractual cash flows until maturity, as well as a "Long-term financial margin portfolio", previously established, dedicated to investments in securities with longer maturities (over 10 years on the date of acquisition).

The ratio of loans granted to client deposits stood at 1.3% at the end of 2025, compared with 0.9% in 2024. This ratio may vary slightly from year to year, but tends to remain structurally low over time, in line with the principle of maintaining high structural liquidity. The ratio of overdue loans to loans granted was 0.1% as at 31 December 2025, in line with the level recorded at the end of 2024.

The Bank's main funding sources in 2025 were retail client deposits and equity. Additionally, the Bank maintains

sale and repurchase agreements (repos) with market counterparties, including globally active financial institutions, with the use of this funding source varying in line with market opportunities and conditions.

Consolidated equity increased to € 425.8 million, compared with € 405.3 million at the end of 2024, reflecting, in addition to the results achieved in the period, net of the distribution of interim dividends, a positive performance in terms of fair value reserves, associated with the mark-to-market of the *Hold to Collect and Sell* portfolio.

3.2.4. CAPITAL

The Bank's capital level provides confidence to its clients and counterparties and reflects key aspects of management. The Bank manages its capital through: (i) close monitoring of potential risks and expected returns, (ii) applying the results of capital

T.5

(Euro 000)

Key Statement of Financial Position Items	2025	2024	2023	2022
Total assets	2,891,080	2,803,349	2,663,349	2,436,983
Total equity	425,785	405,261	390,667	350,043
Own funds	396,484	369,616	357,496	316,065
Client deposits	2,275,844	2,208,679	2,024,574	1,611,445
Non-performing loans / Total loans	0.1%	0.1%	0.1%	0.3%
Loans / Client deposits	1.3%	0.9%	1.0%	2.2%
Loans / Total assets	1.1%	0.7%	0.7%	1.4%
Assets under supervision (*)	10,264,682	8,200,795	6,942,721	5,808,621

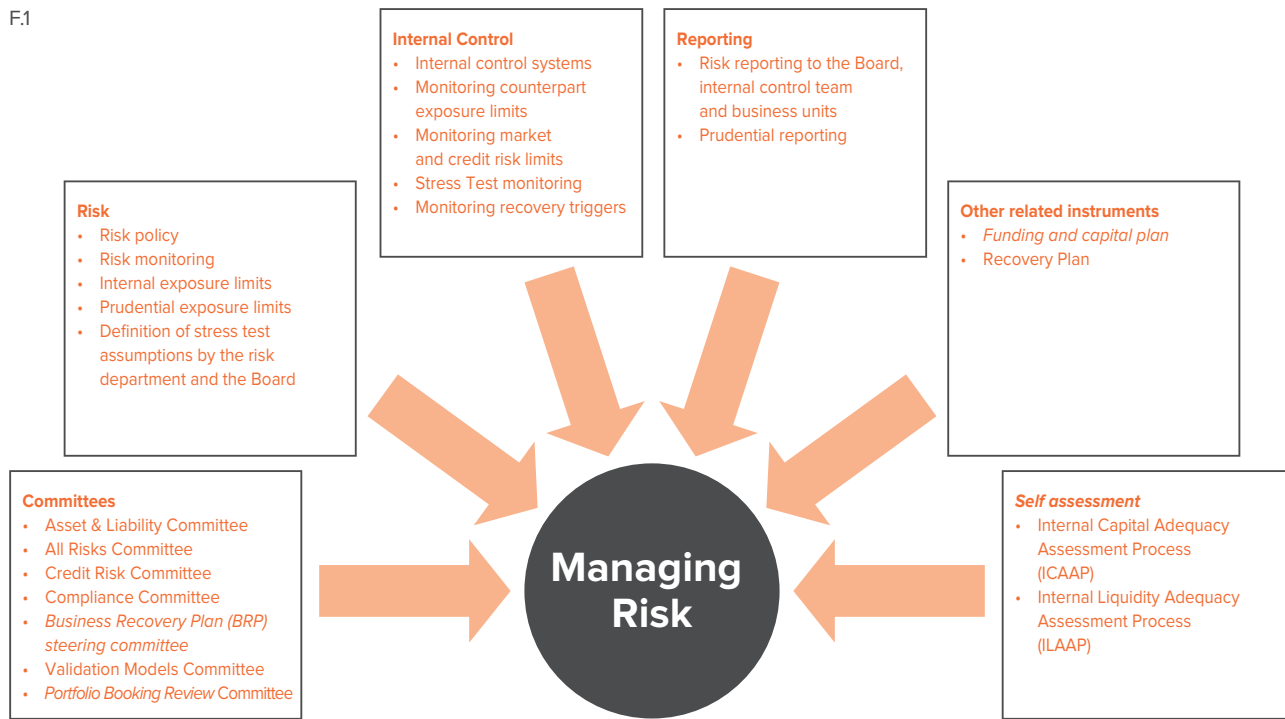
(*) Assets under management, held in custody and client deposits

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(Euro 000)

Total equity	2025	2024	2023	2022
Capital	186,947	186,947	186,947	186,947
Share premium	1,362	1,362	1,362	1,362
Treasury stock	-2	-2	-2	-2
Accumulated other comprehensive income	-32,213	-49,086	-56,989	-86,398
Other reserves	247,158	242,071	236,068	232,347
Profit or loss for the year	26,495	27,038	24,195	10,241
Interim dividends	-9,347	-9,347	-6,543	0
Non-controlling interests	5,385	6,278	5,629	5,545
Total equity	425,785	405,261	390,667	350,043
Book value per share (€)	2.28	2.17	2.09	1.87
Total assets / Total equity	6.8x	6.9x	6.8x	7.0x

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planning and stress testing processes to the daily management of the balance sheet, (iii) assessing the economic, financial and business environment; and (iv) identifying and measuring potential material risks, whether specific or strategic.

As previously noted, the Bank regularly prepares funding and capital projections, which are submitted to the regulator on an annual basis. These analyses are fundamental to maintain discipline in risk taking and, therefore, in the deployment of capital.

Figure 1 provides a brief overview of the capital management process.

The value of the shareholders' capital at the end of the year was € 186.9 million, corresponding to 186,947,388 ordinary shares issued, each with a nominal value of € 1.

The Bank's regulatory capital (own funds) is calculated in accordance with Central Bank regulations and amounted to € 396.5 million as at 31 December 2025, versus € 369.6 million as at 31 December 2024. This figure does not include the

2025 net income, which at year-end is still subject to approval by the shareholders at the General Shareholders' Meeting.

The Bank's consolidated Common Equity Tier 1 (CET1) ratio stood at 36.6% at the end of 2025, higher than the 31.1% recorded at the end of 2024. This ratio has consistently remained well above minimum regulatory requirements, including under the most stressful market conditions over the past 20 years.

To ensure prudent use of capital and the maintenance of comfortable reserves, the Bank performs stress tests to the most critical items of the statement of financial position. These include: (i) stress tests on solvency and (ii) controls on prudential and internal limits established by the Bank. These tests are designed to measure the impact on solvency ratios resulting from adverse changes.

Although hypothetical, stress test results regularly serve as an early warning to the Management and to the various business areas to reduce risk or diversify concentrations. Examples of extreme

scenarios used by the Management as at 31 December 2025 are presented and discussed in further detail in Section 8 – Risk Management and Internal Control of this report, and in Note 44 to the Consolidated Financial Statements.

Table 7 presents the impact on the Bank's solvency ratios at the end of December 2025 under each scenario.

Through the Internal Capital Adequacy Assessment Process (ICAAP), the Bank further analyses how, under a severe crisis scenario, the Bank's balance sheet would be managed in terms of liquidity generation and/or the deployment of equity. This assessment incorporates market, credit and operational risks and, when combined with daily scenario analyses, as described above and in Section 8 – Risk Management and Internal Control of this report, forms the basis for the Management's ongoing assessment of the Bank's capital adequacy.

3.2.5. LIQUIDITY AND FUNDING

Liquidity remains a fundamental pillar of the Bank's management and remained

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December 2025 – Stress test	Base Scenario	Scenario 1	Scenario 2
CET1 Capital ratio	36.6%	31.0%	30.3%
Total capital ratio	36.6%	31.0%	30.3%

Scenario 1: Negative variation in fair value recognized 100% in own funds as per EBA haircuts

Scenario 2: Negative variation in fair value recognized 120% in own funds as per EBA haircuts

solid in 2025, in line with previous years. The ratio of Loans / Client deposits stood at 1.3% in 2025, compared with 0.9% in 2024. Funding through sale and repurchase agreements (repos) established with several international banking counterparties continued throughout 2025. During the year, the Bank did not make use of longer-term instruments made available by the ECB.

Overall, the Bank's potential, untapped liquidity, based on the capacity to use eligible securities as collateral for further drawdowns, continues, with a substantial eligible assets to deposits ratio. Available liquidity rises to over 100% of deposits when unencumbered, non-eligible but liquid assets available for sale, and cash are added to unused available amounts of the ECB / EUREX Pools.

At the end of 2025, as in previous years, the majority of the Bank's assets consisted, in general terms, of liquid debt financial instruments, measured at fair value through other comprehensive income (*HTCS*), at amortised cost (*HTC*), or held for trading (*Trading*). The Management believes that the strategy of maintaining a significant portfolio of liquid assets measured at market prices

T.8

(Euro 000)

Liquidity and Funding	2025	2024	2023	2022
Loans / Client deposits	1.3%	0.9%	1.0%	2.2%
Earning assets / Total assets	96.0%	95.3%	95.4%	92.0%
Funding from Central Banks	0	0	0	25,017
Other sources of funding	80,291	65,741	131,719	323,944
Client deposits / Total liabilities & Total equity	78.7%	78.8%	76.0%	66.1%

T.9

(Euro)

	Average values 1st quarter 2025	Average values 2nd quarter 2025	Average values 3rd quarter 2025	Average values 4th quarter 2025
ECB - POOL value - Eligible assets (includes haircut) ⁽¹⁾	804,875,911	747,318,262	675,140,745	709,446,943
ECB - POOL value - Borrowed	0	0	0	0
ECB - POOL value - Available (a)	804,875,911	747,318,262	675,140,745	709,446,943
EUREX Repo - POOL value ⁽²⁾	651,435,373	769,672,336	854,029,731	795,404,060
EUREX Repo - POOL value ⁽²⁾	0	0	0	0
Eurex Repo - Available (b)	635,457,035	728,243,895	810,585,323	750,928,826
Eligible assets available for collateral outside the POOL's	93,868,330	144,920,750	169,112,363	150,253,642
Total eligible assets available for collateral (a) + (b) + (c)	1,534,201,276	1,620,482,907	1,654,838,431	1,610,629,410
Eligible assets not available (given as guarantee to other counterparties)	7,229,082	7,845,369	8,624,313	9,016,046
Non eligible assets available held for collateral in repos	57,495,227	60,556,279	47,701,750	26,768,780
Non eligible assets available for collateral (d)	599,079,947	544,003,106	523,691,866	517,336,426
Non eligible assets - Total	656,575,174	604,559,385	571,393,616	544,105,206
Total unencumbered assets (a) + (b) + (c) + (d)	2,133,281,223	2,164,486,013	2,178,530,297	2,127,965,837

(1) POOL assets are valued with the ECB prices, for that reason it may not be equal to market prices.

(2) POOL of assets valued with Eurex prices.

encourages discipline in risk-taking and in the growth of the balance sheet, consistent with the Bank's policy of transparency in the valuation of financial assets. The combination of (i) a low concentration of illiquid loans, (ii) reduced overall balance sheet gearing relative to capital and stable funding sources, and (iii) a policy of maintaining a large inventory of unencumbered assets on hand to ensure comfortable levels of liquidity, are central to the business model and profitability of the Bank.

3.2.6. DIVIDEND POLICY

Dividend distribution proposals are generally submitted by the Board of Directors and are subject to approval by the shareholders in the General Shareholders' Meeting.

The Bank began paying annual dividends in 2004 (relative to 2003 earnings). Since then, and up to the 2024 financial year, the Bank distributed, on average, approximately 48% of its individual net profit as dividends and retained around 52%, while maintaining high solvency levels.

For the 2025 financial year, the proposed dividend corresponding to the distribution of results is € 0.12 per share, representing a payout ratio of 87%. This includes the interim dividend of € 0.050 per share, paid to shareholders in December 2025, based on the net results calculated and certified by the Bank's external auditor for the period from 1 January to 31 October 2025.

The Bank's recent history of payouts is presented in Table 10.

Since 2004, the Bank has distributed approximately € 249.7 million in dividends to shareholders, which largely exceeds the total amount of capital injections made to the Bank since inception, totalling € 141.7 million.

T.10

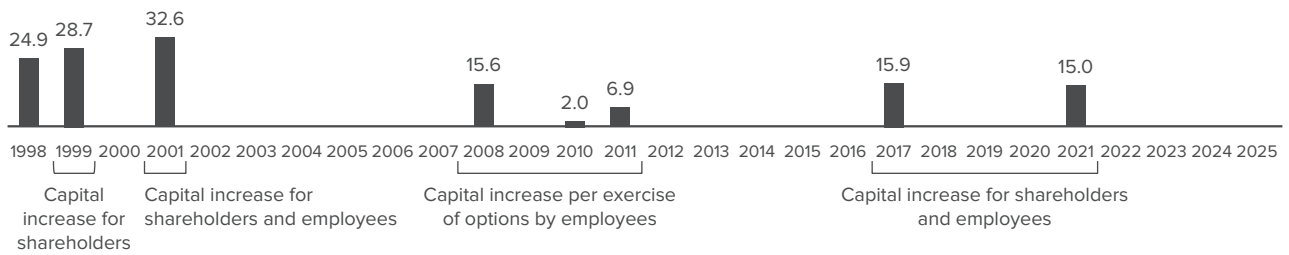
(Euro)

Dividends	2025 ¹⁾	2024	2023	2022	2021
Dividend per share	0.120	0.110	0.100	0.035	0.050
% Individual net income distributed	87%	77%	76%	75%	52%

1) Proposed distribution of the 2025 results, subject to approval by the Shareholders at the General Meeting. Includes the interim dividend of €0,05 per share paid in 2025.

F.2

Capital Injections (€ million)

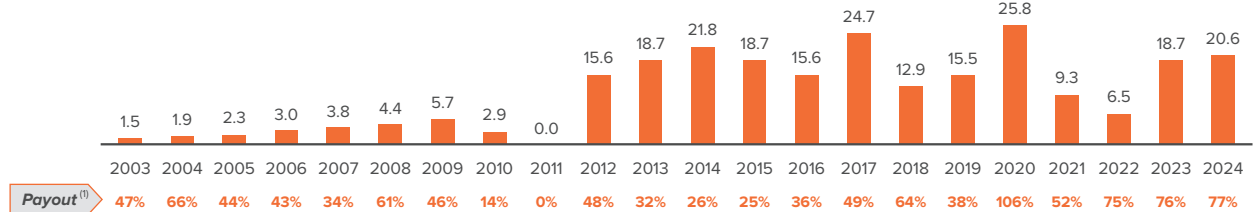


Total capital injections, including the initial capital

€ 141.7 million

F.3

Distributed dividends (€ million)



(1) Based on the individual net income

Total distributed dividends: € 249.7 million

Average payout 2003-2024: 48%

▲ 4. REGULATORY BACKGROUND

4.1. REGULATORS

The Bank's activities in Portugal are regulated by the following supervisory bodies:

▲ *Banco de Portugal* (Bank of Portugal): commenced operations on 1 March 1999, under Code Number 61. www.bportugal.pt/

▲ *CMVM – Comissão do Mercado de Valores Mobiliários* (Portuguese Securities Market Commission): commenced operations on 8 March 1999, under Code Number 263. www.cmvm.pt

▲ *ASF – Autoridade de Supervisão de Seguros e Fundos de Pensões* (Insurance and Pension Funds Supervisory Authority): registered as an Insurance Agent www.asf.com.pt

The Bank's activity in Spain is regulated by the following supervisory bodies:

▲ *Banco de España* (Bank of Spain): registered on 31 May 2019, for *Banco de Inversión Global, S.A., Sucursal en España*, under registry number 1569. www.bde.es

▲ *CNMV – Comisión Nacional del Mercado de Valores* (Spanish Securities Market Commission) www.cnmv.es

Banco BiG Moçambique, S.A., a BiG Group entity headquartered in Mozambique, is regulated by the following entities:

▲ *Banco de Moçambique* (Bank of Mozambique): registry on 29 January 2014, with the start of the bank's activity in 2016. www.bancomoc.mz

▲ *BVM – Bolsa de Valores de Moçambique* (Securities Market Regulator): date of authorization 14 December 2015. www.bvm.co.mz

At European level, BiG is considered a "Less Significant Institution" (LSI), given its size, and is therefore supervised by the Banco de Portugal, in accordance with the guidelines issued by the Single Supervisory Mechanism (SSM) of the European Central Bank. The SSM directly

supervises "Significant Institutions" (SI). BiG is subject to the same supervisory "Single Rulebook" as all other banks under European Banking Authority (EBA) guidelines.

4.2. REGULATORY DEVELOPMENTS

During 2025, the regulatory environment remained demanding, with a highly relevant set of legislative initiatives at both European and national levels, across a wide range of areas.

The following regulatory changes and initiatives are highlighted, as they had an impact on the Bank's organisation, operations and activity during the year under review:

TARGET Instant Payment Settlement service

TIPS (Target Instant Payment Settlement Service) is a Eurosystem settlement service. It enables payment service providers to offer their clients the ability to transfer funds in real time, continuously and every day of the year, through instant payments. With the entry into force of Regulation (EU) 2024/886 of 13 March 2024, banks are now required to provide immediate transfers to their clients without charging additional fees for this service.

The main requirements arising from this regulation include ensuring:

▲ **Universality:** mandatory offering of instant euro credit transfers for all Payment Services Providers (PSPs) that provide euro credit transfers.

▲ **Charges:** applying charges that are equal to or lower than those applied to corresponding traditional euro credit transfers.

▲ **Verification of the Payee:** PSPs must use a mechanism enabling verification of the match between the IBAN and the beneficiary's name provided by the payer.

▲ **Client screening procedures under restrictive measures:** rules in the frequency

of screening clients against EU individual financial restrictive measures, requiring screening of the clients rather than the transaction.

Banco de Portugal Notice No. 2/2025

Banco de Portugal Notice No. 2/2025, published on 20 March 2025, introduced amendments and updated Notice No. 3/2020, strengthening the framework relating to organisational culture, internal governance and internal control systems of the entities covered.

Key changes include the possibility of permanent outsourcing of operational tasks within internal control functions, greater scope for splitting risk management functions, broader coverage of transaction monitoring procedures involving related parties, and strengthened training obligations for management and supervisory bodies. These changes aimed to align national regulation with evolving European legislation, incorporate accumulated supervisory experience and address the needs of institutions, particularly smaller entities.

Regulation (EU) 2022/2554 (DORA – Digital Operational Resilience Act)

Regulation (EU) 2022/2554 – DORA established a harmonised framework to strengthen digital operational resilience in the European Union financial sector, imposing uniform requirements across the EU for ICT risk management, incident reporting, resilience testing and third-party ICT risk management. It applies to a wide range of financial entities and critical ICT service providers, ensuring they are able to withstand, respond to and recover from technology disruptions and cyber threats, promoting a consistent level of digital security across the European Union and mitigating risks arising from the increasing digitalisation of financial services.

The Bank carried out an analysis and self-assessment of the implementation of the requirements arising from this regulation and continued to identify the actions to be adopted, in light of the principle of proportionality.

Directive (EU) 2019/882 – Accessibility Directive

Decree-Law No. 82/2022, in force and effective from 28 June 2025, transposes Directive (EU) 2019/882 into national law, establishing harmonised accessibility requirements for products and services. The legislation aims to facilitate the free movement of goods and services within the internal market and to promote a wider availability of accessible products and services, thereby benefitting persons with disabilities or functional limitations and reinforcing inclusion by removing barriers arising from divergent legal frameworks.

In 2025, the Bank launched a project under which it will progressively seek to provide its services in a manner that is accessible and usable by all, regardless of any special needs, in compliance with applicable legislation and market best practices. To this end, the Bank is implementing a set of actions, in coordination with different national and international entities and counterparties, to ensure compliance with these requirements.

Regulatory simplification process – Review of the SFDR Regulation

The SFDR Regulation (Sustainable Finance Disclosure Regulation) established rules for the disclosure of sustainability-related information in the financial sector, with the aim of increasing transparency and combating greenwashing.

The review of SFDR was included among the simplification initiatives set out in the European Commission's 2025 Work Programme, with the objective of supporting the goals of the European Green Deal through simpler rules, a lower administrative burden and improved implementation of regulations.

4.3. RELEVANT ACCOUNTING POLICIES

BiG's financial statements are prepared in accordance with International Financial Reporting Standards ("IAS/IFRS") as adopted by the European Union. IFRS

comprise accounting standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and its predecessor bodies. The preparation of the financial statements in accordance with IAS/IFRS requires the Bank to make several judgements and estimates and uses assumptions that can affect the application of the accounting policies and the amounts of revenue, expenses, assets and liabilities. These analyses reflect the accumulated experience and perspectives of the Management, among other factors, and are periodically reassessed in light of the operating environment. Possible alterations to these estimates and assumptions may have a significant impact on the financial statements of the Bank in the periods in which they occur. The Management considers that the estimates and assumptions adopted appropriately reflect the current environment, and that the financial statements adequately present BiG's financial situation, the operating results and the cash flows on 31 December 2025, in accordance with IFRS standards, as adopted by the European Union.

The accounting policies considered most relevant to the Bank are described in detail in the Notes to the Consolidated Financial Statements, particularly those relating to the fair value measurement of financial instruments. This reflects the fact that the Bank's interest-earning and investment assets consist predominantly of liquid assets, of fixed or variable income, as opposed to less liquid assets. As a result, most of the statement of financial position is assessed at market prices (marked to market), which leads to greater transparency in accounting information. However, this model requires greater financial discipline, given the impact that market volatility has on certain key categories of the statement of financial position. In part, this financial discipline is reflected in the Bank's low gearing, in its focus on quality, solid assets and its high levels of solvency. In view of the occurrence of events that reduce transparency and/or liquidity in the markets, as has occurred occasionally in recent years, thus generating market volatility, the use of this

fair value measurement policy can have a significant impact on the way in which financial assets are assessed and, consequently, on the Bank's financial statements.

In accordance with the accounting standard, IFRS 13, the calculation of the fair value of the assets can be based on three levels of information, corresponding to different degrees of uncertainty. The method with the lowest level of uncertainty corresponds to the price quotation of the asset in a highly liquid market (Level 1). When an asset is not traded on a liquid market or when there are no quoted prices, fair value may be calculated through evaluation methodologies based on market information of comparable financial assets (Level 2). The method with the highest level of uncertainty corresponds to the calculation of fair value through valuation techniques incorporating relevant market information that is not observable (Level 3).

Valuation methodologies based on non-observable market data imply a higher degree of judgement compared to methodologies based entirely on observable data. The Bank's financial assets are valued based on prices and market information that reflect the use of Level 1 and 2 methodologies described above. When other valuation techniques, namely the use of financial models, are used to calculate the fair value of some assets, these techniques are periodically reviewed and validated. The models are adjusted in order to guarantee that the respective conclusions reflect the prices and the market information on comparable assets. Furthermore, the models prioritize the incorporation of market information, when available, over the incorporation of unobservable information. The selection of appropriate financial models and the incorporation of information require a higher degree of discretionary analysis when there is no market information immediately available.

In accordance with IFRS 9 – Financial instruments ("IFRS 9") and according to the business model the Bank classifies its financial assets according to the following

categories: (i) financial assets held for trading, (ii) financial assets recognised at fair value through other comprehensive income and (iii) financial assets carried at amortised cost.

For these three categories, financial instruments are recognised or derecognised on the trade date, i.e., the date on which the Bank commits to purchase or sell the asset.

Financial assets recognised at fair value through other comprehensive income and financial assets recognised at amortised cost are subject to impairment losses, with impairment recognised and measured on an expected credit loss (ECL) basis. The Bank's model focuses on the concept of significant increase in credit risk, whose determination is based on the evolution of market factors such as ratings and prices.

The increase in credit risk is classified based on three different stages:

▲ **Stage 1** – Financial assets are classified in stage 1 whenever no significant increase in the credit risk is noted from the date of its initial recognition. For these assets the expected credit impairment loss resulting from events of non-compliance occurring 12 months after the reporting date should be recognised in the income statement of the year;

▲ **Stage 2** – Incorporates the financial assets in which there has been a significant increase in the credit risk from the date of their initial recognition, even though this situation may not have led to concrete losses and are only indications. For these financial assets expected credit impairment losses are recognised over the assets' lifetime;

▲ **Stage 3** – Financial assets classified in this stage present objective evidence of impairment on the reporting date as a result of one or more events that have already occurred that result in a loss. For financial assets classified in Stage 3, lifetime expected credit losses are recognised in profit or loss, reflecting objective evidence of impairment at the reporting date.

To ascertain the expected credit loss, the Bank implemented a model whose parameters incorporate point in time, through the cycle and forward-looking requirements, calculated monthly. In the case of the securities portfolio, which is the one that is more significant in the balance sheet, the probability of default (PD) is estimated based on the credit spreads that are obtained from the market interest rate curves (issuer interest rate curve vs. risk-free interest rate curve).

Financial liabilities, including deposits and financing through sale/repurchase agreements, are measured at amortised cost.

4.3.1. OTHER RELEVANT ACCOUNTING ITEMS

Deferred tax: Deferred tax assets can arise from a variety of factors, the most significant of which are: (i) potential losses on financial assets recognised at fair value through other comprehensive income recorded at market prices, which may lead to future losses or gains recognizable for tax purposes, (ii) losses or gains recorded in the Income Statement that can only be recognised for tax purposes when the corresponding cash flow is recorded, (iii) tax losses that may be recognised in the future, and (iv) amortization of intangible assets. Deferred tax is calculated according to the tax rules in force or substantially approved and using the tax rates on the statement of financial position date and are expected to be applied when the temporary differences are reversed. Deferred tax assets are recognised only to the extent that is probable that future taxable profits will be available.

Control over valuation of financial instruments: The control infrastructures are independent of the revenue generating areas. These processes, together with the methodologies mentioned above, are defined by the Executive Committee and controlled or revised by the internal and external audit functions of the Bank.

Review of net income and expenditure:

The accounting of income and expenses is the responsibility of independent and control functions. The objective is to identify and resolve potential issues relating to the recognition, measurement and classification of income on an objective and regular basis.

4.4. OTHER PERIODIC REGULATORY ASSESSMENTS

4.4.1. INTERNAL CAPITAL ADEQUACY ASSESSMENT PROCESS (ICAAP)

Within the scope of the annual Internal Capital Adequacy Assessment Process ("ICAAP") process, BiG performs an internal analysis of the techniques and models used in the qualitative and quantitative assessment of internal capital and risks to which it is or could be exposed. BiG also carries out a critical analysis of: (i) the suitability of its capital and risk management and monitoring processes, (ii) prospects for the evolution of internal capital and materially relevant risks, (iii) its risk profile; and (iv) the adequacy of internal capital levels and assessment of capital requirements.

From a qualitative standpoint, the report also includes a descriptive analysis of: (i) the processes for managing and monitoring internal capital and risks; and (ii) the adequacy of the organisation, structure and processes in light of internal capital requirements and the risks incurred.

Regarding the quantitative aspects, the ICAAP process requires: (i) the identification and quantification of the most materially relevant risks, (ii) a description of the process for aggregating risk assessments; and (iii) an overall assessment of capital needs, which should contemplate, in particular, uncertainty about the model used, weaknesses in procedures, systems and controls; and the differences between own funds and internal capital.

The regulatory framework applicable to this report is Banco de Portugal Instruction No. 3/2019, which is reported on an annual basis, and can be more detailed or simplified at the regulator's discretion.

In its annual ICAAP report, the Bank presents a self-assessment analysis of the main risks to which the Bank is exposed, with capital requirements calculated for Pillar I risks (market, credit, operational and credit valuation adjustment) and for Pillar II risks (interest rate risk in the banking book, concentration risk and credit spread risk). For each of these risk types, internal capital requirements are calculated using internal approaches with the aim of challenging the regulatory approaches.

Following the annual exercise conducted by BiG, the Management considers that the current levels of capital and liquidity are appropriate, taking into account: (i) the risk profile, (ii) current conditions, (iii) the prospects for the near future; and (iv) the dimension and complexity of the Bank.

4.4.2. INTERNAL LIQUIDITY ADEQUACY ASSESSMENT PROCESS (ILAAP)

Banco de Portugal Instruction No. 2/2019 sets out the procedures applicable to the ILAAP process, with the aim of ensuring that the liquidity risk to which institutions are exposed is appropriately assessed and that institutions maintain adequate levels of liquidity. Institutions are required to: (i) ensure that the liquidity and funding risks to which they are exposed are adequately identified, measured, managed and monitored, and that their available liquidity is adequate in light of their risk profile; and (ii) maintain an internally developed process for identifying, measuring, managing and monitoring liquidity that complies with the minimum requirements and guidelines established in Banco de Portugal Instruction No. 2/2019.

The ILAAP is a process that: (i) is part of the management process and culture of the institution, is regularly reviewed and considers the regulatory context and the economic environment in which the institution operates; (ii) takes into account the type, dimension, complexity and business model of the institution, and also the operating environment and nature and risks of the activities performed; and (iii) is

forward-looking, with reference to institutions that have an internal strategy to maintain adequate levels of liquidity.

4.4.3. SUPERVISORY REVIEW AND EVALUATION PROCESS (SREP)

SREP is the review and evaluation process carried out by the supervisory authorities, aimed at assessing whether each credit institution has adequate strategies, processes, capital and liquidity in place in relation to the risks to which it is, or may become, exposed. This process forms part of Basel Pillar 2.

The supervisor's objective is to determine the capital and liquidity requirements and other supervisory measures necessary to address institution-specific weaknesses, considering not only the characteristics of each institution, but also the risk it poses for the financial system.

SREP applies to both significant and less significant institutions, in accordance with the principle of proportionality. The frequency and depth of the SREP assessment performed by the supervisor may vary depending on (i) each institution's potential impact on the financial system; and (ii) its risk profile.

The analysis made by the supervisor within the scope of the SREP establishes that the risks to which the institutions are exposed must be assessed. This analysis should include: (i) the business model, (ii) internal governance and risk management, (iii) risks to capital; and (iv) risks to liquidity and funding.

Following this assessment, an overall evaluation is performed based on a holistic approach, where decisions are taken relating to quantitative capital and liquidity measures, as well as other supervisory measures.

Under the supervisor's SREP approach, the following exercises are included:

Risk Assessment

Risk assessment enables the continuous evaluation of the risk levels to which the institution is exposed and the effective-

ness of the corresponding internal controls. This assessment is based on quantitative and qualitative analysis and uses both backward-looking and forward-looking indicators.

Risks that have an impact on capital and liquidity are assessed by risk levels and by the corresponding risk control/mitigation procedures implemented. Banco de Portugal assesses institutions' business risk and profitability, as well as the respective internal governance and risk management framework. All evaluations are subsequently integrated into an overall assessment.

Assessment of Capital and Liquidity Adequacy

SREP comprises a comprehensive review of the internal processes of capital adequacy assessment – ICAAP and liquidity adequacy assessment – ILAAP. These are key risk management processes that contribute to the determination of capital and liquidity requirements.

The supervisor assesses the fulfilment of the capital requirements defined in Basel Pillar I, which are considered as minimum thresholds. Furthermore, institutions should set up specific additional own funds and liquidity requirements to cover risks not covered, or not fully covered, by Pillar I. For this purpose, institutions must use internal methods of measurement and assessment, which are then reflected in their ICAAP and ILAAP processes.

Capital and Liquidity Quantification

In SREP exercise, Banco de Portugal uses institution-specific information including: (i) periodic regulatory reporting, (ii) ICAAP and ILAAP reports, (iii) risk appetite framework, (iv) supervisory benchmarks or proxies used to verify and test institutions' own estimates, (v) risk assessment results, (vi) stress test results; and (vii) Banco de Portugal's overall risk priorities.

Based on the information analysed and assessed throughout the SREP, Banco de Portugal performs an overall assessment of the adequacy of the own funds and liquidity of the credit institution and

prepares decisions and recommendations. SREP decisions include an overall conclusion on the appropriate level of own funds and liquidity of the institution assessed. They may also include qualitative measures recommended, such as ones for addressing deficiencies in the institutions' risk management. The conclusions of this analysis and any corrective action necessary are communicated to the credit institution, which is given the opportunity to submit written observations to Banco de Portugal regarding the relevant facts, objections and legal grounds underpinning the decision.

4.4.4. RECOVERY PLAN

The Recovery Plan is an instrument designed to help financial institutions prepare for financial crisis management. The Recovery Plan describes the measures and procedures to be adopted to return to financial equilibrium and normal operation of the business after the occurrence of an event of this nature.

The main objectives of the Recovery Plan involve establishing an organised and preventive planning process for the management actions to be followed in the event of a financial crisis, whether idiosyncratic or systemic, ensuring that the Bank has the capacity to react to it in a timely and adequate manner.

The regulatory framework applicable to this reporting is Banco de Portugal Notice No. 2/2024, Articles 116-G to 116-O of the RGICSF (according to the numbering assigned by Law No. 23-A/2022, of December 9) and Delegated Regulation (EU) 2016/1075 of the Commission.

BiG's Recovery Plan provides a set of recovery measures aimed at strengthening the Bank's liquidity, capital, or own funds, describing the mechanisms and assumptions underlying their possible triggering in a scenario of severe macroeconomic and financial tension. These mechanisms can be, namely, the possibility of the divestment of the Bank's assets to correct financial shortfalls or needs, access to means of financing as a way to maintain the normal development of the activity, and a capital increase in

order to reinforce the Bank's solvency levels.

As a component of the management process, and for the purpose of preparing the Recovery Plan, BiG identified the relevant recovery indicators. These indicators can be set up on: (i) capital, (ii) liquidity, (iii) asset quality and (iv) asset profitability. These indicators are essentially preventive alerts for the activation of recovery measures and, in practice, correspond to values resulting from the monitoring of events and/or the results of stress tests and scenario analyses performed – in some cases daily – within the Bank's risk management and control framework. This monitoring enables a prompt response and immediate action to be taken to ensure the viability and financial solvency of the Bank.

The regulatory framework provides that the Recovery Plan must define an alert level and an activation level for each of the recovery indicators. If any of the triggers is reached, institutions have to notify Banco de Portugal accordingly and to assess the need to implement one of the recovery measures. These levels are preventive signals intended to anticipate, mitigate, and avoid possible financial problems within the institution. Besides the alert and activation levels, BiG has also defined pre-alert levels for each of the recovery indicators. These pre-alert levels constitute an internal warning and have as objective to prompt necessary measures to be taken proactively so that the alert and activation levels are never reached.

4.4.5. FUNDING AND CAPITAL PLAN

The Funding and Capital Plan is a medium-to long-term forecasting exercise carried out annually by the Bank, which relates to the expected future evolution of the main line items of the Bank's income statement, statement of financial position and own funds. It constitutes information that domestic financial institutions periodically submit to Banco de Portugal in the context of its prudential supervisory functions, in accordance with Banco de Portugal Instruction No. 18/2015.

Since 2011, the year in which the requirement of this reporting by financial institutions was established, in the context of Portugal's economic and financial assistance programme, the Funding and Capital Plan has undergone several changes, including in its frequency, format, content, and level of detail. Currently, the Plan is prepared and reported by the Bank annually and contains detailed forecasts of income statement items, statement of financial position items, and own funds over a three-year horizon, including quarterly forecasts for the financial year ongoing at the reporting date.

The Bank's planning process

The Bank's Funding and Capital Plan is prepared on the basis of an internal medium-to long-term financial planning process coordinated by the Board of Directors. This planning process incorporates a set of expectations regarding the management of the Bank's earning assets and sources of funding. As the exercise is forward-looking in nature, the Bank typically assumes normalized market conditions, while nevertheless identifying certain risk factors that may affect the business and, consequently, the projections prepared.

Normally, the Bank does not estimate a specific rate for the growth of its assets. Conversely, the growth of the balance sheet derives from the funds available, market conditions, and existence of a capital base that ensures resilience in higher-stress scenarios.

In parallel, depending on market conditions, the Bank may make adjustments across its business areas, products and distribution channels, in order to increase stable funding and to ensure the preservation of capital and increase revenues. It should be noted that this exercise typically takes place during the first quarter of the year, and so the projections may not coincide with the actual results at the end of the same period.

The Bank's planning: summary of guidelines and projected evolution of selected indicators

The key assumptions considered by the Bank in the Funding and Capital Plan

include sustainable organic growth and a continuous focus on a business model based on low leverage, high levels of capital and comfortable levels of liquidity.

The Plan assumes the continuation of an earning asset base focused on investment-grade bonds and corporate and sovereign debt securities issued by euro area Member States and the United States, as well as limited orientation towards traditional lending.

It is further assumed that BiG's funding structure will continue to be largely comprised of a base of retail deposits, resources from other credit institutions, and the Bank's equity.

The Bank is expected to continue to deploy capital conservatively, maintaining strategically high solvency levels.

T.11

(Euro 000)

				Funding and Capital Plan Mar 26	
	2023	2024	2025	2026E	2027E
Total financial assets	2,550,613	2,681,265	2,797,379	2,982,656	3,126,264
% growth	11.0%	5.1%	4.3%	6.6%	4.8%
Net credit	19,953	20,127	30,683	42,957	53,696
% growth	-42.8%	0.9%	52.5%	40.0%	25.0%

T.12

(Euro 000)

				Funding and Capital Plan Mar 26	
	2023	2024	2025	2026E	2027E
Client deposits	2,024,574	2,208,679	2,275,844	2,439,657	2,547,452
Funding from other credit institutions	131,719	65,741	80,291	86,071	89,874
Total equity	390,667	405,261	425,785	432,682	451,547

T.13

				Funding and Capital Plan Mar 26	
	2023	2024	2025	2026E	2027E
Common Equity Tier 1 (CET1)	31.4%	31.1%	36.6%	32.6%	32.1%

5. CORPORATE GOVERNANCE

5.1. LEGAL STRUCTURE

The organisational structure reflects key aspects of BiG's internal culture, which is focused on ensuring the resilience and integrity of its business model and its ability to withstand any type of crisis, whether financial or otherwise. The Bank seeks to operate in a transparent and flexible manner and favours dynamic and effective risk management, while also enabling the swift identification of business opportunities. The business model is based on the following pillars: comfortable liquidity levels, solid asset quality and a robust capital profile. The Bank's strategy has sought to adapt to the volatile political and economic context and the challenges this entails for the financial sector.

BiG's corporate structure is headed by the Bank. At year-end, the Bank held interests in four subsidiaries:

(i) DIF Broker – *Empresa de Investimento, S.A.*, acquired in 2021;

(ii) ONETIER Partners, SCR, S.A., a venture capital company with investments in FinTech companies and in the management of venture capital funds, namely the management of the Onetier Closed-End Venture Capital Fund, whose units are predominantly held by BiG;

(iii) BiG *Serviços Financeiros, S.A.*, an auxiliary services and financial advisory company; and

(iv) *Banco BiG Moçambique, S.A.*, a banking entity based in Maputo, majority-owned by BiG, which began its operations in the first quarter of 2016.

The Group also has a branch in Spain, which provides wealth management and financial advisory services, in line with the Bank's specialized business model.

Additionally, the Bank holds stakes in the BiG Diversified Macro Fund and ONETIER – FCR.

The Bank's retail business combines internet-based platforms, www.big.pt and www.bancobig.es, mobile (BiG ES and BiG PT), and integrated sales teams located in Portugal and Spain, concentrated in Lisbon, Oporto and Madrid.

Under its business model, the Bank does not operate in offshore territories or through special purpose vehicles (SPV).

Properties occupied by the Bank are either leased or directly owned by the Bank. The Bank's head office building at Av. 24 de Julho in Lisbon is directly owned by the Bank. In its market approach, the

Bank uses the following brands: *BiG* – *Banco de Investimento Global*, *Banco BiG* and *Banco de Inversión Global*.

5.2. CORPORATE BODIES

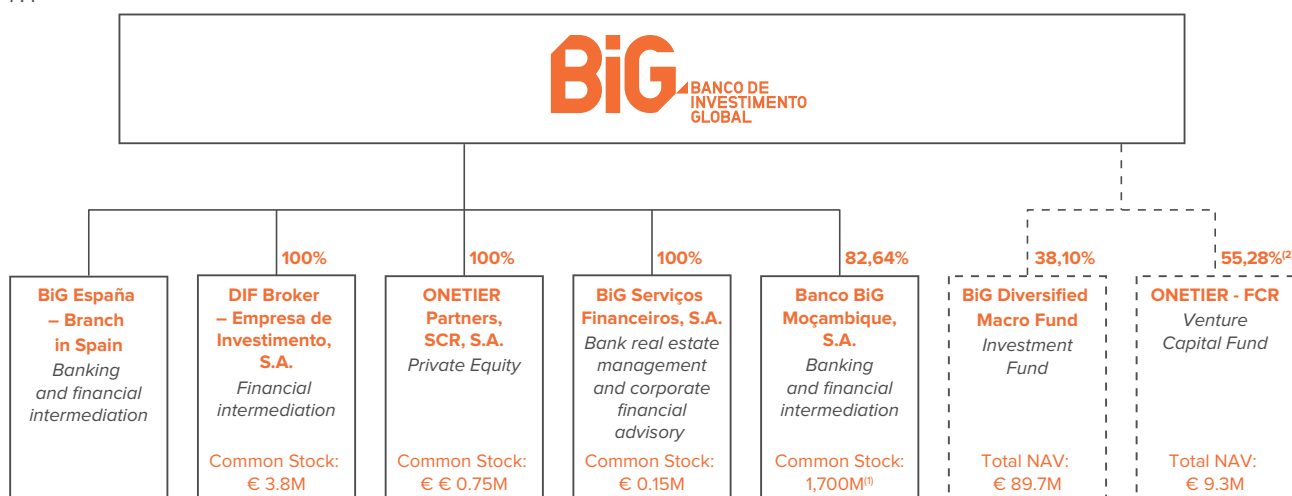
Figure 5 describes BiG's governing bodies.

5.3. INTERNAL CONTROL

The internal control system is defined by a set of strategies, systems, processes, policies and procedures established by the Board of Directors and implemented by the Executive Committee. Functional management responsibilities lie with the members of the Bank's Executive Committee, to whom the general Board of Directors has delegated the day-to-day management of the Bank. The non-executive members of the Board of Directors oversee the management of the business and the support and control areas of the Bank.

As part of its internal control system, the Bank also maintains a number of committees, described in detail in Section 8 – Risk Management and Internal Control of this report. These committees are an integral part of the ongoing management of the Bank's main risks and control systems.

F.4



⁽¹⁾ Corresponding to € 22,6M as of 31/12/2025

⁽²⁾ Includes 5,025% related to the stakes held by BiG Serviços Financeiros, S.A. and ONETIER Partners, SCR, S.A.

Note: The diagram includes only shareholding in BiG equal to or greater than 5%

Subsidiary / Branch Equity stake

F.5

BiG's Corporate Governance	
General Meeting	The Bank's General Meeting convenes at least once a year, enabling shareholders to deliberate on matters assigned to it by law and the BiG Articles of Association. Its responsibilities include the election of the governing bodies, the review of the annual reports and accounts, and the approval of the application of results. It is composed of a Chairman and a Secretary, both elected by the shareholders for four-year terms. The members of the General Meeting Board are independent and are subject to the independence requirements and incompatibility rules applicable to the Supervisory Board.
Advisory Board	Generally composed of around fifteen members, the Advisory Board includes BiG's main shareholders and other individuals whose participation is deemed relevant. The Chairman and members of this body are invited by the Chairman of the Board of Directors, who also has a seat in the Advisory Board. The Advisory Board meets whenever convened by its Chairman to discuss the Bank's strategic guidelines and, when appropriate, to formulate recommendations in this regard. The decisions of the Advisory Board are not binding on the Board of Directors.
Board of Directors	Composed of eight members, the Board of Directors includes three members with supervisory responsibilities and five members with executive functions (the "Executive Committee"), to whom the Board of Directors has delegated responsibilities and day-to-day management of the Bank. The three non-executive/supervisory members include the Chairman of the Board of Directors and two independent members, who participate, respectively, in the following Board Committees: Nomination, Risk and Remuneration Committees. The Chairman of the Executive Committee (the "CEO") is appointed, from among the executive members, to preside over the Executive Committee.
Supervisory Board	The Supervisory Board is the independent supervisory body, composed of three effective members and an alternate member, elected for four-year terms. This body reports directly to the shareholders. The independent CPA is responsible for carrying out periodic audits and also issues an opinion on the statutory audit and legal certification of the accounts.
Compensation Committee	Composed of three independent members elected for four-year terms, this body reports directly to the shareholders. The General Meeting delegates to this committee the responsibility for setting the remuneration of the members of the Board of Directors and the Supervisory Board.

F.6



5.4. INTERNAL AUDIT

The Internal Audit function plays a central role within the Bank, acting as the third line of defence and being responsible for the independent assessment of the adequacy and effectiveness of the institution's organisational culture and its internal control and governance systems.

Internal Audit is responsible for evaluating the adequacy and effectiveness of (i) BiG's risk management processes, (ii) internal control mechanisms, (iii) the governance

system, and (iv) the implementation and proper observance of internal policies and regulations.

Internal audit prepares audit plans using a risk-based approach, taking into account applicable regulatory requirements. The audit universe includes all businesses, activities and geographic areas and considers their inherent risks and associated controls.

The Internal Audit function complies with international standards and performs

its work with independence and objectivity, high standards of conduct and integrity, and in accordance with a quality assurance and improvement programme.

Communication of the results of the evaluation carried out by the Internal Audit function includes opinions, conclusions, recommendations and action plans, as well as procedures to monitor progress in implementing the agreed recommendations and action plans.

5.5. RISK MANAGEMENT POLICIES AND PROCEDURES

The Bank assumes and manages risks in a prudential manner to create value for shareholders. Policies and practices are designed to control these fundamental aspects of the business, ensure a sound operating environment and support the fulfilment of stakeholders' expectations.

Risk management within the organisation involves regular interaction between business units, internal control areas, and internal supervisory bodies, to ensure that general policies and procedures are well designed, disciplined, independent, objective, and quantitative. This process also seeks to guarantee compliance with regulatory standards and the pursuit of sound business practices. Risk management processes associated with global markets, credit operations, processing, technology and general business risks are structured and monitored to safeguard the integrity of the Bank's business model, preserve its stability and support profitability.

The Bank seeks to generate revenues from diversified sources, while promoting a culture of personal accountability and mutual oversight in pursuit of the common interest. The Bank's activity necessarily entails assuming a certain level of exposure to different risks and operating in line with prudent and reasonable guidelines. These guidelines combine basic prudential principles of banking, reflect the experience of the Management and the Bank's business managers, and are complemented by regulatory and legislative measures.

Regular and frequent internal communication on risk management policies and risk appetite includes, but is not limited to, the following aspects: (i) the Bank's compliance with prudential regulatory guidelines, (ii) the capacity to monitor transactions appropriately, (iii) client knowledge and understanding of markets, (iv) the regulatory environment in which the Bank operates, and (v) its risk appetite at any given time, taking into account prevailing market conditions.

5.5.1. RISK APPETITE

Risk appetite is reviewed periodically, as reflected in the Risk Appetite Framework (RAF), which forms an integral part of the Bank's annual internal capital adequacy assessment process. The risk appetite for each risk type is translated into limits and, subsequently, into controls applied to those established limits.

This process begins with the identification of risks, followed by their quantification, control and, where appropriate, internal and external reporting at suitable intervals.

Among other aspects, the definition of risk appetite takes into consideration the fact that the Bank's business relies heavily on the confidence of its employees and stakeholders, and on the reliability of its systems to process operations on a continuous and relatively error-free basis.

5.5.2. RISK MEASUREMENT

The Management and control units use several different processes and techniques to review and analyse the risks to which the Bank's activities are exposed. These include financial, non-financial and other kinds of risks, with a primary focus on market risks, credit risks, operational risk, and reputational risk.

Control processes include a set of stress tests carried out daily and periodically adjusted, involving an assessment of the impact of scenarios across all major asset classes and portfolios.

6. FINANCIAL PERFORMANCE

6.1. MARKET ENVIRONMENT

6.1.1. OVERVIEW

The year 2025 was marked by the completion of the cycle of policy rate cuts in Europe and by the resumption of short-term rate cuts by the U.S. Federal Reserve, starting in September.

The global economy remained resilient, with growth of 3.3% in 2025. As regards inflation, despite an increase to 4.1% in 2025, the disinflation trend is expected to resume gradually in 2026.

The decline in inflation and monetary easing was not sufficient to equalize momentum across regions. The stronger performance of the United States contrasted with the Euro Area's modest recovery, amid trade uncertainty and persistent geopolitical tensions.

The asymmetric impact was also evident in China, where deflationary pressures remained visible throughout 2025 (very low annual inflation and prolonged producer price deflation), weighed on global industry and on Europe's terms of trade.

From a geopolitical perspective, uncertainty persisted with the continuation of the war in Ukraine and episodes of

escalation/stagnation on the ground, with corresponding human losses and economic impacts. At the same time, a phased advancement of a ceasefire between Israel and Hamas was recorded from October 2025 onwards, with intermittent implementation steps and risk of reversal.

The year was also marked by the political transition in the United States, with Donald Trump taking office on 20 January 2025. Throughout the year, the new administration adopted measures focused on deregulation, tax reductions and, with particular impact, higher trade tariffs on several international blocs and countries. These measures generated significant geopolitical instability globally and prompted episodes of heightened volatility and broad movements in financial markets.

In Europe, Germany approved a €500 billion investment plan for defence and infrastructure, while in France the approval of the State Budget after months of negotiations and political instability represented an important step forward in enhancing policy visibility and anchoring expectations of economic stability in an international context characterized by elevated uncertainty.

6.1.2. MACROECONOMIC INDICATORS AND ECONOMIC TRENDS

USA

The U.S. economy recorded a slowdown in growth in 2025, with real GDP expanding by 2.1%, reflecting a cooling labour market, the sharp decline in net immigration since 2024, and the impact of substantially higher tariffs on prices, despite the continued dynamism of investment linked to Artificial Intelligence (AI).

In the labour market, the cooling trend became increasingly evident throughout 2025. Job creation declined markedly and hiring rates eased. Nevertheless, the unemployment rate did not rise significantly, as the abrupt fall in net immigration limited growth in the labour force. Labour demand also lost momentum, as reflected in the normalization of the job vacancy rate.

Inflation remained persistent during 2025, staying above the Federal Reserve's 2% target. The significant increase in tariffs – from 2.5% to 14% – began to be felt, contributing to upward pressure on the price index, both in the headline and in underlying measures excluding energy, food and housing. Even so, wage pressures remained

T.14

Macroeconomic Indicators and Economic Trends – Detail	% Real GDP growth			Inflation		
	2024	2025	2026E	2024	2025	2026E
World	3.2	3.3	3.1	3.2	4.1	3.3
Developed Economies	1.8	1.8	1.9	3.9	3.3	2.9
USA	2.8	2.1	2.5	3	2.7	2.7
Euro Zone	0.7	1.4	1.2	2.4	2.1	2
Germany	-0.2	0.2	1	2.5	2.3	2.1
Spain	3.2	2.8	2.3	2.9	2.7	2.3
Portugal	1.9	1.9	2.2	2.7	2.2	2
Japan	0.1	1.2	0.8	2.7	3.2	1.9
United Kingdom	0.9	1.4	1	2.5	3.4	2.5
Emergent Economies	5	4.6	4.3	6.6	3.1	2.7
Emergent Asia	5.3	5.1	4.8	1.4	0.7	1.2
Latin America	2.2	2.8	2.4	34.5	10.1	6.7
China	5	5	4.6	0.2	0.1	0.7
India	9.2	7.1	7.4	5	2.2	2.1
Russia	4.1	1	0.9	8.4	8.7	5.5
Brazil	3.4	2.3	1.8	4.4	5	4

Source: Bloomberg

contained and inflation expectations remained well anchored.

On the monetary policy front, the Federal Reserve resumed its easing cycle, reducing the policy rate to a range of 3.75%-3.5%. This decision was supported by signs of cooling in the labour market and by the assessment that underlying inflationary pressures remained relatively contained.

Overall, the U.S. economy entered 2026 in a period of below-potential growth, constrained by a combination of labour market cooling, shifts in immigration patterns, the impact of higher tariffs and adjustments in public spending.

Eurozone

Eurozone growth accelerated from 0.7% in 2024 to 1.4% in 2025, supported by a recovery in real incomes. Wages continue to trend upwards while inflation eased, underpinning domestic consumption. Improved financial conditions – driven by ECB rate cuts initiated in mid-2024 and continuing to feed through in 2025 – reduced financing costs and supported investment and durable consumption, contributing to more robust growth compared with the more restrictive monetary environment of 2024.

Higher public investment, particularly in infrastructure and defence, together with the partial normalization of global trade shocks and lower uncertainty relative to 2024, helped relieve pressures on exports and supply chains. In November, Germany approved the 2026 State Budget, which includes a €500 billion fiscal package aimed at investment in defence and infrastructure.

The slowdown in inflation to 2.1%, now closer to the ECB's objective, reflected the normalization of energy prices as well as diminishing pressures from industrial goods. The stabilization of second-round effects – such as fewer compensatory wage increases, adjustments in corporate margins and less frequent price revisions – also supported the downward trajectory of inflation throughout 2025.

With regard to monetary policy, the ECB maintained its downward interest rate path in 2025, reaching 2% at its September meeting. This level reflects the current macroeconomic backdrop, in which inflation is close to target and expectations are well anchored, alongside a resilient labour market.

Finally, it is worth noting the appreciation of the euro against the U.S. dollar throughout 2025, with the exchange rate ending the year at 1.17. This appreciation mirrored the ECB's less erratic policy approach, optimism regarding the economic impact of fiscal stimulus, and greater uncertainty surrounding the U.S. economic outlook.

Portugal

In 2025, the Portuguese economy maintained a moderate pace of growth, with real GDP expanding by 1.9%, supported mainly by the strength of private consumption and investment. Consumption benefited from one-off measures adopted at the end of 2024, such as an extraordinary pension supplement and adjustments to personal income tax (IRS) withholding tables, while the robustness of the labour market – supported by wage increases and IRS cuts – reinforced the resilience of domestic demand. On the investment side, performance remained closely linked to the implementation of the Recovery and Resilience Plan (PRR), the acceleration of which constituted one of the pillars of growth.

Inflation continued the easing trend observed since 2024, with the Consumer Price Index declining to 2.2% in 2025, from 2.7% in the previous year. This movement remained consistent with gradual convergence towards the European Central Bank's medium-term objective, although labour market tightness and sustained demand for labour limited the pace of disinflation. Even so, the inflation backdrop remained relatively benign and consistent with price stability expectations.

In an international environment characterised by elevated uncertainty – from instability in U.S. trade policy to rising geopolitical tensions – the Portuguese

economy demonstrated resilience, with limited effects on activity to date.

6.2. EARNINGS IN 2025

6.2.1. OPERATING INCOME

In 2025, consolidated operating income amounted to € 81.3 million, representing a 4.7% decrease compared with 2024, mainly driven by the reduction in net interest income.

Table 15 summarizes the main components of operating income in 2025 and in previous years.

Net interest income reached € 41.3 million, compared with € 46.7 million in 2024, reflecting changes in the market environment. Throughout the year, the Bank maintained the high quality and liquidity of its assets and actively managed its funding cost, which decreased by 33% (interest expense).

Net fees and commissions arise largely from asset management and brokerage activities for retail and institutional clients. These clients may trade and invest across a range of secure online markets and platforms made available for the trading of warrants, futures, foreign exchange transactions and CFDs (contracts for difference). This category also includes fees from banking services, such as Multibanco revenues, distribution and custody services, and fees related to corporate financial advisory mandates. Total net fees and commissions increased by 10.6% compared with 2024, reflecting higher client activity.

The net interest income and net fees and commissions represented 75.1% of operating income in 2025. This performance is in line with the Bank's strategy of strengthening the most recurrent components of net operating revenues (net interest income and commissions) and reflects the focus on developing the Wealth Management business area over the last few years, a trend that is expected to continue.

T.15

(Euro 000)

Revenues	2025	2024	2023	2022
Interest income	85,875	113,098	81,239	53,657
Interest expense	-44,543	-66,435	-44,303	-25,268
Net interest income	41,332	46,663	36,936	28,388
Dividend income	41	116	100	129
Fee and commissions income	24,617	22,056	19,353	21,837
Fee and commissions expense	-4,901	-4,232	-4,158	-4,328
Gains or losses on financial assets and liabilities held for trading and hedge accounting	9,400	8,099	24,373	2,223
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	11,407	8,481	4,465	500
Exchange differences	-368	3,815	-1,907	7,495
Income from the sale of other assets	0	0	0	1
Other income	-248	326	1,038	195
Operating income	81,282	85,324	80,200	56,440

The remaining component of operating income essentially corresponds to income from trading and investment activities (Treasury and Capital Markets) related to a diversified portfolio of liquid fixed income assets associated with active management of diversified credit concentrations, maturities, and country risks. This portfolio is key to managing the Bank's liquidity and interest rate positions.

These revenues are highly sensitive to market conditions. In a context of spread tightening, trading and investment income amounted to € 20.2 million, compared with € 20.8 million in 2024.

The Bank's operating income over the next few years is expected to continue to derive mainly from the categories described above (net interest income, fees and commissions and treasury and capital markets). The proportions may vary depending on the evolution of market conditions and the Bank's performance, notably with respect to client deposits, assets under custody, and assets under management, while maintaining a focus on discipline and strict adherence to BiG's values and culture, in particular the financial pillars of strength, asset quality, liquidity and efficiency.

6.2.2. OPERATING EXPENSES

In 2025, operating expenses amounted to € 43.0 million, compared with 45.0 million in 2024, representing a 4.6% decrease.

Table 16 summarizes the different components of operating costs.

Operating expenses include staff expenses, other administrative expenses, cash contributions to resolution funds, depreciation and amortization, provisions and impairments. Overall, operating expenses are primarily influenced by compensation levels, changes in headcount, external supply costs and the Management's confidence regarding the Bank's performance levels.

Transformation expenses – i.e. staff expenses, other administrative expenses, cash contributions to resolution funds and deposit guarantee schemes, and depreciation and amortization – together totalled € 44.1 million, representing a 2.2% decrease compared with 2024. Staff expenses decreased by 2.4%, reflecting a reduction in average headcount, as well as cost-containment efforts, particularly with respect to variable remuneration, which tends to reflect the level of activity and income generated by the Bank.

Other administrative expenses include costs related to communications, information services, advertising, licensing,

agreements with stock exchanges and related suppliers, consultants, the banking sector contribution, rents and other expenses associated with the Bank's day-to-day operations. These costs are correlated with inflation, business and headcount dynamics, as well as specific investment initiatives.

Cash contributions relate to costs associated with the Portuguese Resolution Fund, namely those arising from the various bank resolution processes since 2014, as well as costs related to the Single Resolution Fund. Depreciation expenses are mainly due to real estate occupied by the Bank, investments in hardware and other equipment, initial licensing fees with software agreements and rights of use resulting from leases, namely real estate and vehicle leasing contracts. The portion associated with premises includes the head office building and investments in and improvements to the Bank's branch and ATM network. The Bank invests regularly in its IT infrastructure in order to ensure high-quality execution and security in line with the best industry standards, as well as adequate redundancy. BiG invests in third-party IT solutions and equipment to support infrastructure and has dedicated resources to managing the infrastructure with in-house solutions.

Despite the reduction in transformation costs, and due to the decrease in operating income, the cost-to-income ratio

T.16

(Euro 000)

Expenses	2025	2024	2023	2022
Administrative expenses				
Staff expenses	-25,443	-26,074	-24,383	-21,233
Other administrative expenses	-14,853	-15,791	-14,922	-13,591
Cash contributions	-347	-284	-1,072	-1,165
Depreciation and amortization	-3,425	-2,920	-3,271	-3,473
Provisions	43	-11	-61	319
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss				
Financial assets at fair value through other comprehensive income	819	-89	15	-1,242
Assets at amortised cost	269	89	1,310	-1,452
Financial asset available for sale	0	0	0	0
Impairment or reversal of impairment on non-financial assets				
Other	2	87	-35	-1
Operating expenses	-42,936	-44,994	-42,419	-41,839

increased to 54.2% in 2025, compared with 52.8% in the previous year.

As shown in Table 17, operating results and profit before tax amounted to € 38.3 million in 2025, compared with € 40.3 million in 2024.

6.3. RESULTS OF BUSINESS LINES

Management internally reviews the Bank's performance across its main business areas, sales teams and product areas, based on objective criteria and on the Bank's accounting records. Performance is reviewed at multiple levels and for numerous individual profit centres. For presentation purposes, business activities are grouped into two broader segments: Wealth Management and Advisory and Treasury and Capital Markets.

Operating results, on an internal management basis, involve the allocation of revenues and expenses by client segment or business area. Operating expenses for each business area include both direct and indirect costs, which are allocated in accordance with criteria defined by the Management.

6.3.1. WEALTH MANAGEMENT AND ADVISORY

Table 18 contains a summary of the results associated with the Wealth Management and Advisory business area.

The Wealth Management and Advisory segment contributed € 44.4 million to net revenues in 2025, compared with € 46.1 million in 2024. Growth in this segment tends to be slow and sustainable, rather than immediate and disruptive.

Total revenues in this segment were supported by net fees and commissions, which increased in 2025, arising from brokerage services, asset management, financial advisory services, as well as other banking services. Conversely, net interest income associated with the client deposits raised by the business area declined, reflecting the lower interest rate environment.

Given the nature of this business, which is based on accumulation, growth in this segment tends to be gradual and sustainable, rather than immediate and disruptive.

The retail sub-segment of BiG's Wealth Management and Advisory business area combines brokerage and investment platforms with a comprehensive specialized service offering for individual clients. The approach combines "high-touch," or

T.17

(Euro 000)

Results and Taxes	2025	2024	2023	2022
Operating results	38,346	40,331	37,781	14,601
Profit or loss before income tax	38,346	40,331	37,781	14,601
Income tax				
Current income tax	-9,874	-8,810	-8,714	-3,606
Deferred income tax	735	-915	-1,374	-275
Profit or loss for the year before non-controlling interests	29,207	30,607	27,693	10,720
Non-controlling interests	-2,712	-3,568	-3,498	-479
Profit or loss for the year	26,495	27,038	24,195	10,241

T.18

(Euro 000)

Wealth Management and Advisory Services	2025	(%)	2024	(%)	2023	(%)	2022	(%)
Fees and commissions – Core Business	19,683	44%	18,379	40%	15,544	33%	16,242	39%
Net interest margin	11,321	26%	12,901	28%	10,396	22%	9,589	22%
Banking commissions	984	2%	1,385	3%	497	1%	760	3%
Trading / Sales	1,643	4%	1,282	3%	858	2%	1,297	5%
Corporate Finance	1,138	3%	1,366	3%	1,157	2%	1,517	4%
Allocated additional margin	9,595	22%	10,754	23%	19,210	40%	13,541	27%
Operating income	44,364	100%	46,068	100%	47,661	100%	42,944	100%
Operating expenses	-31,662		-31,797		-29,338		-27,712	
Profit or loss before income tax	12,702		14,271		18,322		15,233	
% Operating income / Total segments income	54%		54%		59%		77%	
% Operating expenses / Total segments expenses	76%		83%		77%		72%	

personalized service, with “low-touch,” associated with electronic means of transacting business. Products and services include cash accounts, debit and credit cards, payment services and specific credit solutions, such as margin accounts. The platforms provide access to a broad range of savings and investment products, from general banking products and credit arrangements for the client requiring assistance, to more sophisticated online trading and investment platforms for self-directed clients. These include trading in equities, ETFs, warrants, futures, CFDs, and third-party mutual funds.

BiG engages with clients through multiple channels, including internet, telephone and physical branches, supported by financial advisers. The range of products and distribution methods are designed to efficiently target clients with different investment profiles, risk appetite, transaction needs and profiles.

The Institutional and Corporate Advisory sub-segments of this business feature specialized sales teams and tailored solutions for wholesale clients with specific needs. Product offerings include institutional asset management, brokerage, risk management, sales of tailored investment products, and independent advisory services and capital markets for corporate, banking and institutional clients.

6.3.2. TREASURY AND CAPITAL MARKETS

Table 19 contains a summary of the results associated with the Treasury and Capital Markets business area.

The Treasury and Capital Markets business area seeks to generate revenues while, at the same time, managing the Bank's exposure to interest rates, foreign exchange markets, fixed income, equities and derivative instruments.

This business area focuses on managing the Bank's liquidity and interest rate risk exposure, together with credit and concentration risk controls. Credit exposure includes high-quality corporate, financial and sovereign issuer bonds across a range of maturities. The Bank also trades the main international money market instruments, interest rate futures and futures on major indices, as well as similar financial instruments, primarily in connection with its hedging activities. In managing the various financial assets portfolios, the Treasury and Capital Markets team's activity spans multiple internal areas, serving as a source of expertise, market risk management capabilities and consistent profitability for the organisation.

6.4. BALANCE SHEET AND FUNDING SOURCES

Management's view on risks and the evolution of earning assets takes into consideration, among other aspects, the stability of core capital, mainly through reinvested earnings, the evolution of client deposits, the existence of acquisition opportunities, and the core objectives of ensuring, at all times, prudent levels of liquidity and solvency.

Close attention to the size and composition of the Bank's balance sheet is one of the Management's most important exercises in risk management. Assets and liabilities frequently change due to client activity, market conditions and available business opportunities, but the size and composition of the Bank's balance sheet at any given time reflect a range of factors, including: (i) the nature and availability of stable funding sources, (ii) the level of the Bank's capital or own funds, and (iii) The Management's overall view of opportunities and associated risks.

The process involves regular review of the Bank's risk appetite, planning of available investment opportunities and funding strategies through the ALCO – Asset and Liability Committee, the definition of limits on statement of financial position growth by business line, asset class or concentration, daily monitoring

T.19

(Euro 000)

Treasury & Capital Markets	2025	(%)	2024	(%)	2023	(%)	2022	(%)
Dividend income	41	0%	116	0%	100	0%	129	0%
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	11,407	31%	8,481	22%	4,465	14%	500	5%
Gains or losses on financial assets and liabilities held for trading and hedge accounting	9,400	25%	8,099	21%	24,373	74%	2,223	63%
Exchange differences	-2,011	-5%	2,533	6%	-2,765	-8%	6,198	26%
Results from sale of other assets	0	0%	0	0%	0	0%	1	0%
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss	269	1%	89	0%	1,310	4%	-1,452	-2%
Allocated additional margin	18,562	50%	20,440	52%	5,898	18%	5,259	10%
Fees paid	-621	-2%	-510	-1%	-442	-1%	-509	-2%
Operating income	37,046	100%	39,248	100%	32,939	100%	12,348	100%
Operating expenses	-9,777		-9,183		-9,007		-11,350	
Profit or loss before income tax	27,270		30,065		23,932		998	
% Operating income / Total segments income	44%		50%		41%		23%	
% Operating expenses / Total segments expenses	24%		23%		23%		28%	

of key indicators by Risk Management, and the extensive use of scenario analysis and stress testing as essential tools to maintain financial discipline.

The majority of the Group's earning assets is classified as: (i) financial assets at fair value through other comprehensive income, marked-to-market on a daily basis and used to manage the Group's exposure to movements in interest rates; and (ii) financial assets at amortised cost, including assets in the medium-term financial margin portfolio, constituted in 2022 in the context of defining a new business model aimed at strengthening the contribution of financial margin to the Group's operating income.

The risk framework is designed and managed around a central strategy of maintaining a balance sheet in which liquidity is a critical driver. The Group's processes and procedures promote dynamic management of assets and liabilities and include:

▲ Daily review and, at a minimum, weekly planning of key asset and liability items;

▲ Daily monitoring of key risk measures and use of capital;

▲ Analysis of different scenarios compiled and measured daily;

▲ Annual projections of funding and capital requirements for the following three years;

▲ Annual review of limits or whenever requested.

Some inter-related key concepts of liquidity management, asset quality control and capital adequacy are presented in Sections 8.3, 8.4 and 8.7 of this report.

In general, the changes in the nature of the Group's balance sheet over the years have been gradual. Consistently, no significant changes occurred in 2025.

Table 20 summarizes some of the key indicators of the Group's statement of financial position in 2025 and in previous years.

Total consolidated net assets at the end of 2025 amounted to approximately € 2.9 billion, compared with € 2.8 billion

at the end of 2024. This evolution reflects an increase of approximately 3.8% in total earning assets, which rose to € 2.8 billion.

Deposits with Banks and with other financial institutions are used by the Bank to manage short-term liquidity and to meet minimum reserve requirements with the Central Bank and counterparties.

The item "Financial assets at fair value through other comprehensive income (HTCS)" comprises a mix of sovereign, financial, and senior debt securities. Among the factors that may affect the size of this portfolio are opportunities to generate margin or investment income throughout the year.

The item "Financial assets at amortised cost – Debt securities" relates to the assets included in the *Hold to Collect* portfolios, including the medium-term financial margin portfolio.

The item "Financial assets at amortised cost – Loans and advances – Clients" refers to credit exposures, part of which is composed of current account credits (margin accounts) to retail clients. At

the end of 2025, virtually all credit assets in this class were fully collateralized by real estate and/or securities and are therefore considered to be low risk. Funding of this nature to clients tends to correlate positively with performance in financial markets and, this way, to decline in periods of stress (see Section 8.10 – Credit and Investment Risk).

The decision to hold assets to benefit from margin generation or to divest are discussed on a daily basis and more formally at the level of the Asset and Liability Committee (ALCO), which takes into account market concentrations and the Bank's overall liquidity profile.

From a funding perspective, the Group's main sources of funding, as in previous years, comprised client deposits and shareholders' equity, as well as, to a lesser extent, sale/repurchase agreements at favourable rates with market counterparties, such as EUREX Repo and other banks.

Client deposits are primarily retail in nature and increased to a level close to

€ 2.3 billion, reflecting the growth of the Bank's activity, particularly in the Spanish market.

ALCO provides an assessment of the nature of asset concentrations and the Bank's liquidity position, reflecting the conservative approach to the funding mix described above. Management seeks to ensure that substantial levels of excess liquid treasury positions are maintained to cover normal or hypothetical capital outflows. For further information regarding secured funding and client deposits, see Section 8.8 – Liquidity Risk and Note 44 to the Consolidated Financial Statements.

The Bank's consolidated equity amounted to € 425.8 million as at 31 December 2025, compared with € 405.3 million as at 31 December 2024. The increase recorded mainly reflects the positive results achieved during 2025, as well as the positive variation in "Other accumulated comprehensive income" associated with mark-to-market evolution of assets within the "Hold to Collect and Sell" portfolio.

BiG is regulated by Banco de Portugal and, in accordance with banking regulations, is subject to consolidated capital requirements calculated on a risk-based basis. In general terms, regulatory capital, which is subject to regular reporting, is used as the basis for assessing key aspects of the banking business and involves a number of regular adjustments to the Bank's equity. Capital requirements are presented as capital ratios that compare adjusted capital with risk-weighted assets. The Tier 1 ratio and other solvency ratios regularly reported by the Bank constitute a fundamental part of the regulatory capital process.

In light of the above, Table 25 summarizes some of the principal performance metrics for 2025 and previous years.

The Bank maintained high capital levels, with the CET1 ratio amounting to 36.6% as at 31 December 2025. Reflecting its prudent and conservative financial structure, the return on average equity (ROE) in 2025 stood at 7.0%, compared with 7.7% in 2024.

T.20

(Euro 000)

Key Statement of Financial Position Items	2025	2024	2023	2022
Total assets	2,891,080	2,803,349	2,663,349	2,436,983
Earning assets	2,774,921	2,672,113	2,541,526	2,241,427
Loans / Total assets	1.1%	0.7%	0.7%	1.4%
Funding from Central Banks	0	0	0	25,017
Funding from other credit institutions	80,291	65,741	131,719	323,944
Client deposits	2,275,844	2,208,679	2,024,574	1,611,445

T.21

(Euro 000)

Earning Assets	2025	2024	2023	2022
Deposits with Banks	312,458	278,465	386,842	246,416
Financial assets held for trading	8,560	85,453	73,312	54,722
Non-trading financial assets temporarily at fair value through profit or loss	10,136	8,167	8,689	7,787
Financial assets designated at fair value through profit or loss	69,837	7,604	8,551	2,375
Financial assets at fair value through other comprehensive income	1,300,045	1,216,201	1,069,926	1,013,518
Financial assets at amortised cost				
Debt securities	803,830	962,166	886,193	847,123
Loans and advances - Clients	30,683	20,127	19,953	34,869
Loans and advances - Credit Institutions	239,373	93,930	88,060	34,616
Total	2,774,921	2,672,113	2,541,526	2,241,427

T.22

(Euro 000)

Main Liabilities and Capital Items	2025	2024	2023	2022
Financial liabilities held for trading	86	5,808	3	0
Financial liabilities at fair value through profit and loss	0	0	19,040	20,831
Client deposits	2,275,844	2,208,679	2,024,574	1,611,445
Deposits from Central Banks	0	0	0	25,017
Funding from other credit institutions	80,291	65,741	131,719	323,944
Total equity	425,785	405,261	390,667	350,043

T.23

(Euro 000)

Total equity	2025	2024	2023	2022
Capital	186,947	186,947	186,947	186,947
Share premium	1,362	1,362	1,362	1,362
Treasury stock	-2	-2	-2	-2
Accumulated other comprehensive income	-32,213	-49,086	-56,989	-86,398
Other reserves	247,158	242,071	236,068	232,347
Profit or loss for the year	26,495	27,038	24,195	10,241
Interim dividends	-9,347	-9,347	-6,543	0
Non-controlling interests	5,385	6,278	5,629	5,545
Total equity	425,785	405,261	390,667	350,043
Book value per share (€)	2.28	2.17	2.09	1.87
Total assets / Total equity	6.8x	6.9x	6.8x	7.0x

6.5. RISK FACTORS AFFECTING THE BANKING BUSINESS

The Bank manages a range of risks inherent to the banking business. In addition to the risks summarized above and discussed in greater detail in this Management Report and in the Notes to the Consolidated Financial Statements, economic, political, competitive and regulatory conditions and developments also affect the Bank's business.

Among these, the following risk factors are particularly noteworthy:

- ▲ Political, economic and social impacts arising from international military conflicts, particularly in Ukraine and the Middle East;
- ▲ Impacts on financial markets resulting from various forms of international tension, including tensions between major global powers;
- ▲ Renewed inflationary pressures and potential material changes in monetary policy by the major central banks;

- ▲ Institutional disruptions at the international level due to changes in diplomatic, commercial, financial, and military policies adopted by major blocs, particularly the United States;
- ▲ Political instability and fragmentation in the United States and/or Europe;
- ▲ Europe's divergence from other major economic blocs in terms of economic performance, regulatory burden, and technological, commercial, financial and military economy;
- ▲ Financial markets stress or liquidity pressures resulting from elevated levels of public indebtedness in certain economies (e.g. the United States, France and Italy);
- ▲ Significant corrections or devaluations in asset prices that may trigger knock-on effects across the economic and financial system (e.g. equities of technology or Artificial Intelligence companies, real estate, private credit, among others);
- ▲ A slowdown in economic growth and disinflation;

- ▲ Deterioration of conditions in the real economy, notably as a result of financial difficulties faced by corporates and/or households;
- ▲ Further material changes in monetary policy by major central banks;
- ▲ Rating downgrades of securities or counterparties vulnerable to shocks and a potential increase in credit risk or default risk in specific assets or portfolios;
- ▲ Ongoing uncertainty and complexity in the regulatory and legislative framework applicable to the banking sector, with an impact on the Bank's business model;
- ▲ New regulatory requirements, potentially leading to the need for additional investments, reinforcement of teams and diversion of focus away from the Bank's core activities;
- ▲ A potential tightening of regulatory requirements relating to disclosures and products associated with climate and environmental risks and ESG matters.

T.24

(Euro 000)

Consolidated Regulatory Capital	2025	2024	2023	2022
Total equity	425,785	405,261	390,667	350,043
Interim dividends	9,347	9,347	6,543	0
Profit or loss for the year	-26,495	-27,038	-24,195	-10,241
Intangible assets	-9,620	-10,674	-11,457	-11,373
Loans to employees	-151	-151	-161	-344
Valuation adjustments under prudent valuation requirements	-1,417	-1,358	-1,209	-1,155
Other	-965	-5,771	-2,885	-10,865
Own funds	396,484	369,616	357,303	316,065
Risk-weighted assets (RWA)	1,082,761	1,190,209	1,136,430	1,099,231
CET1 Capital ratio	36.6%	31.1%	31.4%	28.8%
Total capital ratio	36.6%	31.1%	31.4%	28.8%

T.25

Performance Measures	2025	2024	2023	2022
Profitability				
Return on average assets (ROA)	0.9%	1.0%	0.9%	0.4%
Return on average equity (ROE)	7.0%	7.7%	7.5%	2.8%
Operating income / Average total assets	2.9%	3.1%	3.1%	2.2%
Efficiency				
Net interest income / Earning assets	1.5%	1.7%	1.5%	1.3%
Transformation expenses / Operating income	54.2%	52.8%	54.4%	69.9%
Staff expenses / Operating income	31.3%	30.6%	30.4%	37.6%
Solvency				
CET1 Capital ratio	36.6%	31.1%	31.4%	28.8%
Total capital ratio	36.6%	31.1%	31.4%	28.8%

6.6. SUBSEQUENT EVENTS

New military conflict in the Middle East, with a focus on Iran

On 28 February 2026, a new conflict began in the Middle East, triggered by joint attacks by the United States and Israel against Iran, followed by retaliatory actions by Iran against several countries in the region. The episode had immediate effects on financial markets, particularly on oil and natural gas prices and on the valuations of a number of sectors with higher exposure, and has weighed on market sentiment, increasing uncertainty and risk aversion at a global level.

In this context, the risks of renewed inflationary pressures have increased, with implications for benchmark yield curves

and raising the prospect that adjustments to the monetary policies of major central banks may become necessary.

At the end of this report, there remains a high degree of uncertainty regarding the duration of the conflict and its ultimate impact.

Uncertainty regarding ECB monetary policy

In light of geopolitical disruptions in the Middle East, with potential adverse effects on energy prices and, consequently, on the inflation trajectory in the Euro Area, the possibility is being considered that the European Central Bank may adopt a more restrictive monetary policy stance, including an increase in key policy rates. Market analyses have generally pointed

to the plausibility of such a scenario should the energy shock persist, while recent ECB communications continue to emphasise a context of high uncertainty and the maintenance of a strictly data-dependent, meeting-by-meeting approach.

7. ESG RESPONSIBILITY

Since it was founded, BiG has conducted its business in a responsible manner across several areas, assuming a commitment to sustainability matters, particularly environmental, social and governance issues, recognizing their importance for a sustainable and responsible economy.

In fact, despite the high technical and scientific complexity of sustainability topics, and the novelty of measuring environmental and social risks and factors and their impact on financial performance, BiG recognises the growing need to strengthen human capital capabilities and to enhance the technical resources of market participants in order to address the challenges posed by this subject matter.

BiG has made efforts to monitor legal and regulatory developments, to remain compliant with its positioning and with the requirements of supervisory bodies in terms of sustainability.

To this end, in 2023 the Bank established an ESG Working Group, coordinated by a non-executive member of the Board of Directors, and composed of 11 members, including the CEO and the CRO. The Working Group provides support and participates, when necessary, in decisions to be made by the Board of Directors, which is ultimately responsible for defining and approving the sustainability strategy and the management of ESG risk factors, as well as for overseeing their proper implementation.

The objective of this Working Group is to address the challenges arising from the growing regulatory requirements in this area and to promote the progressive integration of ESG factors into the Bank's business management. Given the relevance of the various aspects involved, and taking into account the supervision expectations defined and the Bank's size and business model, the initial plan of activities prioritized the integration of Climate and Environmental Risks ("RCA") into the Bank's risk management framework.

For illustrative purposes, the Working Group has been monitoring the review of the pre- and post-contractual information of the products and services offered by BiG in relation to sustainability, considering

the legislation in force and the Regulators' strategic plans, with the aim of enhancing the quality of the information disclosed to investors and identifying and mitigating risks.

In 2025, the Working Group also monitored the work relating to: (i) the review of the Climate and Environmental Risk Management Policy, (ii) the update of the materiality analysis of RCA factors, as an essential component for proper ESG risk management, and (iii) the review of the "Business Environmental Scan and Strategic Positioning in relation to Climate and Environmental Risks". These instruments are described in greater detail in Section 7.2 – Environmental Responsibility below.

With respect to employee training, following the initiatives developed since 2022, BiG continued its internal capacity-building efforts in the ESG area, promoting a series of training sessions. These sessions included the members of the Board of Directors, the ESG Working Group, Directors of the Compliance and Risk functions, and the first-line business areas, with the aim of deepening knowledge and strengthening skills.

The training focused primarily on environmental aspects, including a detailed analysis of emerging standards and regulations. The topics covered included, in particular, the following:

- ▲ Summary of the 2024 training sessions:
- ▲ 2025 developments:
- ▲ The planet, risks and numbers
- ▲ The Omnibus package
- ▲ The ECB's position on Omnibus
- ▲ Climate risks: supervisors' expectations
- ▲ 2025 developments:
- ▲ CRR3 and CRD6
- ▲ EBA Guidelines
- ▲ SBTi Net Zero Standard for financial institutions

▲ Other relevant publications in 2025

▲ Examples of Bank's public disclosures

BiG intends to continue to carry out a survey, in the light of the principle of proportionality and considering its size and scale of activities, on the assessment of the current situation and the definition of concrete ESG objectives to be considered, to address the constraints that are mainly related to the limited information currently available on the market and the high regulatory complexity associated with this topic.

7.1. IDENTIFICATION OF THE SUSTAINABLE DEVELOPMENT GOALS (SDGS) WITH THE MOST SIGNIFICANT CONTRIBUTION

The Bank has identified the following Sustainable Development Goals (SDGs) as priorities for its sustainability-related activities:



Promotion of the population's financial literacy, contributing to more informed management of personal finances,

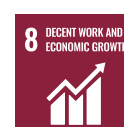
savings and investment. Development of employees' personal and professional skills and training activities aimed at clients, potential clients and its various stakeholders.



Promoting gender equality and non-discrimination between women and men, as a structural factor in the institution's value creation.



Reduction of energy consumption and responsible use of natural resources, contributing to the control of global warming through measures to reduce the carbon footprint.



Promoting productivity, creativity and innovation in business development. Developing employees' skills is an important factor contributing to BiG's innovation.

Below are some initiatives that have been developed and that contribute to the selected objectives:



BiG has positioned itself as a promoter of inclusion and financial literacy, developing and disseminating various initiatives for both clients and general community. Among these actions, events, webinars, and the production of different content distributed through various channels, including social media and the web, are particularly notable.

In 2025, more than 500 webinars were held, with the following initiatives standing out:

▲ **Investor Week:** An event that offered educational sessions with experts from various fields and institutions, as well as special conditions to promote financial literacy and encourage more conscious and responsible investing;

▲ **ETF Sessions:** A collaboration between BiG and VanEck, which explored different investment approaches in ETFs and provided specialized insights in this area;

▲ **Outlook:** An initiative led by BiG's Asset Management team, where perspectives on financial markets and investment opportunities for 2025 were shared;

▲ **Investing – Let's make it simple?:** Created with women in mind who are focused on building a more secure and autonomous future, with the aim of demystifying the idea that investing is only for specialists and of sharing expert knowledge in a clear and accessible way.

These four events had, respectively, more than 4,340, 530, 1,200 and 2,370 participants.

In addition to these initiatives, BiG continued to produce its daily podcasts, *Valor Acrescentado*, a concise summary of the main economic news and the evolution of financial markets.

As part of its collaboration with the Portuguese Banking Association (APB), BiG played an active role in financial literacy initiatives, delivering in 2025 approximately 17 sessions in secondary schools for students from the 7th to the 12th school grades.



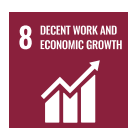
BiG endeavours to be an inclusive bank by promoting a culture of diversity and equal opportunities.



The Bank has invested in improving its energy efficiency to mitigate the risks related to climate change, using renewable energy (including the installation of solar panels at its head office building).

Additionally, for over a decade, it has been committed to the digitalisation of processes and operations to limit the use of paper, having acquired and developed a process workflow system, ensuring the elimination of paper usage in these processes.

Since the 4th quarter of 2022, the Bank has been collecting its clients' ESG preferences as part of its investment consultancy and portfolio management services.



BiG has sought to modernize and streamline the bank's processes and operations, as well as client relations through the bank's digital channels. This positioning aims to achieve more efficient business processes, contributing to increased productivity and economic growth in the countries where the Bank operates.

In addition, since 2016 BiG has been investing in several start-up companies operating in the Fintech and Insurtech segments, thus contributing to growth, innovation and digitalisation in the financial sector.

7.2. ENVIRONMENTAL RESPONSIBILITY

In recent years, the Bank has implemented a significant set of measures with a positive impact on environmental responsibility resulting from its activity, as illustrated in Figure 7.

In addition to initiatives related to the direct impact of its activity in terms of carbon emissions, the Bank has been developing a set of initiatives to gradually integrate RCA into its business strategy and risk management framework.

In 2021, Banco de Portugal sent a letter to Less Significant Institutions, setting supervisory guidelines related to the identification and management of risks associated with climate and environmental changes ("C&A risks – Climate and Environmental"), in four dimensions: (i) strategy and business models, (ii) internal governance policies, (iii) risk management policies, and (iv) relevant and related information disclosure. These expectations are based on the current regulatory framework, which requires that material risks be managed prudently and proportionally.

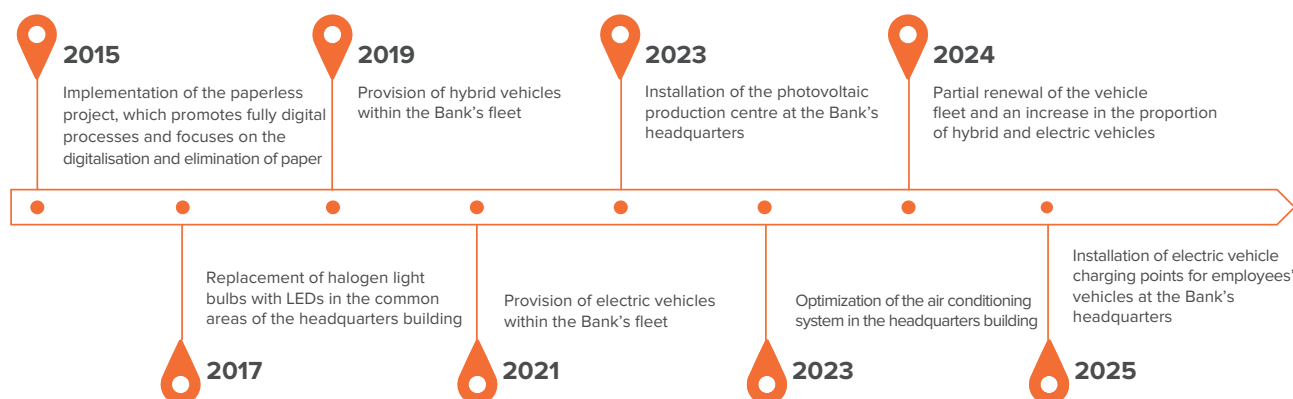
Since 2023, the supervisor has intensified its monitoring on this matter, requesting Less Significant credit institutions to conduct a self-assessment of their degree of compliance with the previously established supervisory expectations.

In this context, during the year 2024, the following instruments were developed and approved by the Management:

▲ **Climate and Environmental Risk Management Policy**, approved in 2024, which defines the guiding principles, structures, processes, and responsibilities associated with managing the climate and environmental risks to which the Bank is exposed.

This Policy was developed in accordance with the current prudential regulation, particularly the guidelines established in the "ECB Guide on Climate-related and Environmental Risks" of November 2020

F.7



and in Banco de Portugal Circular-Letter No. CC/2021/10.

Recognizing the evolving nature of knowledge regarding RCA, as well as the processes and methodologies associated with sustainability practices, the Policy incorporates mechanisms for regular review, ensuring continuous updating in light of developments in this area. Accordingly, in 2025 the Bank introduced the following elements:

- ▲ Reference to the Omnibus legislative package and other more recent regulatory changes with impacts on the management of sustainability, ESG and RCA matters;
- ▲ Incorporation of the new “EBA Guidelines on the management of ESG risks”, applicable from 11 January 2026;
- ▲ Establishment of “ESG risks” as a standalone risk category in the Group’s Risk Taxonomy (in accordance with the 2025 update to Banco de Portugal Instruction No. 18/2020), notwithstanding that they continue to be considered primarily as “factors” influencing other risks;
- ▲ Redefinition of time horizons as short term (up to 3 years), medium term (3 to 10 years) and long term (10 to 25 years);
- ▲ Reference to the new “EBA Guidelines on environmental scenario analysis” (effective from 1 January 2027);
- ▲ Definition of Responsible Investment Principles (sectoral policies).

The established procedures are fully integrated into BiG’s risk management system, specifically aligned with: (i) risk profile identification and self-assessment exercises, incorporating components of risk identification and materiality assessment, (ii) the risk appetite framework and its implementation policies; and (iii) the processes for evaluating internal capital adequacy (“ICAAP”) and liquidity (“ILAAP”), as applicable.

- ▲ The RCA materiality assessment constitutes a structural and priority component of ESG risk management, enabling the identification, quantification and monitoring of the potential impacts of these factors on the Bank’s risk profile. This assessment, initially developed in 2024, was further enhanced in 2025, with methodologies being strengthened, formal materiality thresholds being defined, and more granular quantitative analyses being introduced, together with considerations relating to the recently updated regulatory framework (EBA/GL/2025/01, CRD6/CRR3, CSRD and SFDR revisions). Its results support the integration of RCA into the Bank’s prudential processes, including the RAF, ICAAP, ILAAP, stress testing and strategic planning.

The analysis remains focused on three essential components: (i) the systematic identification of RCA relevant to the institution, (ii) the analysis of the transmission channels through which these risks may affect the Bank, and (iii) a detailed assessment of materiality for each identified risk type and for each specific time horizon.

The materiality assessment provides a fundamental analytical basis for determining which RCA requires greater attention and resource allocation within the institution’s overall risk management strategy.

- ▲ The Business Environment Scan, provided for in the Climate and Environmental Risk Management Policy and initially prepared in 2024, is a document setting out an analysis of the climate and environmental risk context in which the Bank operates, the potentially resulting impacts on the Bank’s business and strategy, and the opportunities that may arise, and also includes a set of metrics and future objectives.

In 2025, this analysis was updated and strengthened and now adopts as its baseline climate scenario the “delayed transition” scenario defined by the NGFS. Similarly to the materiality assessment, the Business Environment Scan now considers the time horizons of short term (up to 3 years), medium term (3 to 10 years) and long term (10 to 25 years), and currently incorporates a more detailed analysis of RCA impact-mitigating measures and RCA objectives, detailing their respective status and relevant time horizons.

7.3. SOCIAL RESPONSIBILITY

In the conduct of its activities, BiG adopts a socially responsible approach, enshrining in its Code of Conduct a set of values and rules of professional deontology, ethics and conduct that

reflect the fundamental guiding principles of its activity.

These guidelines reflect the institutional policy of demand, responsibility and rigor. Accordingly, the Bank's employees are bound to comply with directives that require conduct that is honest, responsible and in keeping with integrity.

In terms of selecting and managing human resources, BiG seeks to promote diversity in terms of gender, ethnicity, culture and nationality, adopting the principle of non-discrimination, basing its decisions solely on the competence and capacity requirements for each employee's duties.

To this end, within the scope of its regular communications to employees regarding the principles set out in the Code of Conduct, BiG has also reinforced the existence of whistleblowing channels, enabling employees to raise concerns regarding situations that may compromise their personal integrity.

Finally, aware of the importance of training and education for the sustainable development of the economy, the Bank actively contributes to this goal by promoting the dissemination of information not only to its employees, but also to the community.

Thus, internally, training courses are provided in accordance with internal regulations, which are considered essential for the diligent and informed performance of employees.

7.4. GOVERNANCE

The Group has endeavoured to adopt a robust governance model, adapted to its size, activity and business strategy in order to be consistent with its duty to act honestly, fairly and professionally and in the best interests of its clients. In this context, the Bank relies on the continuous participation of its control functions, which ensures that an internal structure is in place to monitor regulatory developments and market best practices, thereby contributing to the strengthening of BiG's positioning.

The Bank's internal regulatory management model provides for a regular review of processes to ensure that they are well defined, comprehensive, independent and objective. This model requires an integrated system of policies, procedures and controls to guarantee the integrity of the Bank's business model and boost its stability and profitability. This concern is reflected in the adoption of a set of policies that contribute to the Bank's internal governance system, the effectiveness of which is monitored with the contribution of the control functions. In addition, through continuous training arising from internal control activities, the Bank seeks to promote an internal culture of transparency-based on simple and clear reporting lines-and shared responsibility, in pursuit of the common interest.

The fulfilment of these compliance control processes is guided by a formal structure of policies, which include:

▲ **Code of Conduct and Internal Regulations** – BiG has a Code of Conduct and internal mechanisms that ensure the values and behaviours that govern its organisational culture as an institution and that shape the conduct of its employees.

▲ **Anti-Money Laundering, Counter-Terrorist Financing and Sanctions Risk Prevention and Management Policy (AML/CFT)** – This regulation provides for the creation of mechanisms to control and detect suspicious AML/CFT operations, as well as monitoring compliance with the duties set out in the applicable legislation. In developing these mechanisms, the Bank particularly considers situations that indicate potentially higher risk inherent to products, services, transactions or distribution channels, with the objective of identifying and capturing, in an efficient and holistic manner, the AML/CFT risks to which it is exposed, considering the nature, size and complexity of the Bank's activity and the business areas in which it operates.

▲ **Market Abuse Policy** – This Policy defines the specifications, assumptions and duties underlying the prevention of insider dealing, the illicit transmission of inside information and market manipulation. In order to mitigate the risk of the

institution being involved in market abuse operations and non-compliance with market defence duties, the Bank seeks to promote: (i) effective and continuous control for the purposes of detecting and identifying orders and operations that may constitute insider dealing, market manipulation, or an attempt to abuse insider information or market manipulation, of all orders received and transmitted and all operations executed; and (ii) the transmission of suspicious operation reports to the competent authorities in accordance with the requirements set out in the legislation in force.

▲ **Conflicts of Interest Management Policy** – This Policy aims to ensure that the Bank carries out its activity and business strategy in a manner consistent with its duty to act honestly, fairly and professionally, in the best interests of the client.

▲ **Anti-Corruption and Anti-Bribery Policy** – As a covered entity, BiG adopted and implemented, in 2022, a Corruption and Related Offences Risk Prevention Plan (PPR) that covers its entire organisation and activity, including administrative, management, operational and support areas. The implementation of this PPR is subject to monitoring, pursuant to Article 6(4)(a) of the RGPC. In this context, the Bank has defined a set of continuous improvement actions considered important to ensure a more structured and targeted prevention of the risks of corruption and related offences through the implementation of additional controls, which make it possible to strengthen the internal control system in terms of preventing and combating corruption and related offences.

▲ **Related Party Transactions Policy** – The Bank has been determining the rules to be observed and procedures to be followed whenever transactions with related parties take place, in order to ensure that there are no particular benefits to the detriment of BiG and equal treatment in these transactions, under normal market conditions (arm's length), safeguarding the interests of the Bank and all its stakeholders, in line with best corporate governance practices and framed by the principles of transparency and oversight.

▲ Whistleblowing Policy – BiG has implemented specific, independent, autonomous and appropriate means of receiving, processing and archiving complaints or reports of irregularities (whistleblowing). To this end, it has defined an autonomous internal procedure for reporting irregularities, with a view to ensuring the confidentiality of the whistleblowers' identity.

▲ Policy on the integration of sustainability risks in investment decisions – Through this policy, BiG seeks to establish the principles and the model for the progressive integration of environmental, social and governance sustainability risks ("ESG") into its investment decision-making process within the scope of the provision of investment advisory and Client portfolio management services. This Policy complements the Bank's other internal ESG policies, in particular the Climate and Environmental Risk Management Policy, which sets out the guiding principles, structures, processes and responsibilities associated with the management of climate and environmental risks to which the Bank is exposed.

▲ 8. RISK MANAGEMENT AND INTERNAL CONTROL

8.1. OVERVIEW

Risk-taking and risk control are fundamental elements inherent to the Bank's activity. These include direct financial risks, such as capital, market, liquidity, interest rate and credit risks, as well as non-financial risks, including strategic or business model risk, operational, technological, compliance and reputational risks. Risk controls include: (i) the need for a well-defined internal corporate governance structure, subject to continuous development; (ii) understanding, identification, and acceptance of responsibility by individuals within the organisation; and (iii) ownership of risk assessment, control, and management by the oversight functions within business units.

To identify and manage these risks, which are generally interrelated, the Bank maintains a global and integrated system of internal controls, policies, and procedures of both a quantitative and qualitative nature. These procedures are reviewed, approved and overseen by the Board of Directors, either collectively or by delegation.

The Bank's systems and policies are designed, in general terms, to ensure effective processing, reliable systems, appropriate risk-taking, daily or intra-day measurement of positions, independent reporting and responsible conduct. Policies and procedures on enforcement also seek to ensure compliance with, and adherence to, internal, regulatory, legal and prudential guidelines which are designed to protect the interests of clients and shareholders, while preserving and safeguarding the Bank's reputation.

As part of the aforementioned procedures to measure the main risks inherent to the banking activity, the Management relies on several risk measures, such as Value at Risk (VaR), in several stress test scenarios and exposure limits, together with other methodologies. These methodologies are subject to ongoing review and have been well tested against the paradigm-changing events associated with domestic and global political and economic events, which have

defined the recent years. These events had a significant impact on prevailing market practices, the regulatory environment, the nature of audits and rating assignments, as well as on competition, strategic planning, pricing and market expectations.

The risk management framework, in broad terms, includes (i) the governance structure, (ii) the Bank's policies and procedures, and (iii) the staff directly involved in risk control units, whether standalone or cross-functional across the Bank. This latter group forms the so-called "three lines of defence model", starting with the business units, which own the responsibility for identifying and controlling risks, followed by the control and support functions, which monitor and report on the process from approval to execution, and, lastly, the Internal Audit function, which assesses and advises on proper implementation of the process. For additional information please refer to Note 44 to the Consolidated Financial Statements.

8.2. GOVERNANCE STRUCTURE

Responsibility for monitoring the risks to which the Bank is exposed lies with the Board of Directors, the Executive Committee, the All-Risks Committee, the business units and the various sub-groups that oversee specific risk areas. The All-Risks Committee combines the various individual control functions and functional groups overseeing Risk Management (further detail provided below) and the Bank's Compliance function.

The Board of Directors sits at the apex of the corporate governance structure and delegates the day-to-day management of the Bank to the Executive Committee. The Executive Committee may refer matters back to the Board of Directors, to any of the committees established within it, or act in articulation with the Bank's Supervisory Board. It is the responsibility of the Board as a group, and its members, individually – with both supervisory and executive functions – to provide guidance on strategy and risk appetite, approve policies and maintain an integrated view of risk exposures.

The responsibilities of the Bank's Board of Directors, as a body and through its committees, include:

- ▲ Definition of Strategy
- ▲ Definition of Risk Appetite
- ▲ Implementation of the Risk Management and Internal Control system
- ▲ Financial Performance and Reporting
- ▲ Remuneration of key executives / relation to Performance over a cycle
- ▲ Preparation of the Nominations Process and Succession Planning
- ▲ Strengthening the Bank's Culture and the Tone from the Top

Figure 8 illustrates the Bank's governance structure for risk management.

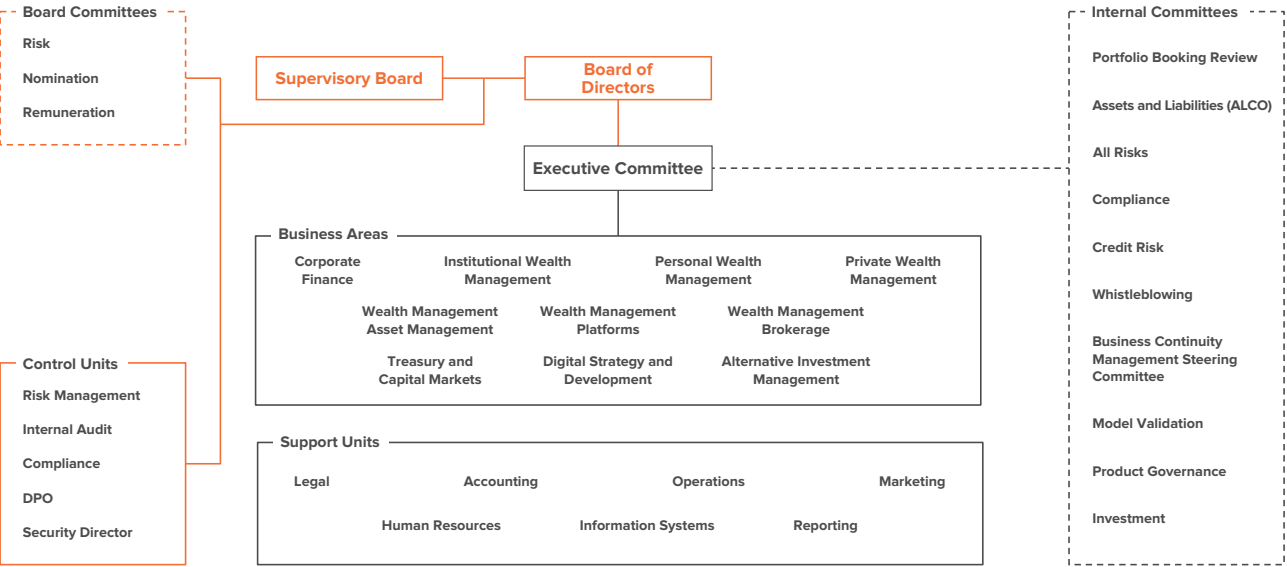
8.3. GENERAL POLICIES AND PROCEDURES

The Board of Directors reviews policies, procedures and any underlying regulatory changes on a regular basis and disseminates them throughout the organisation. The nature of the governance structure for managing risk and the existence of clear policies aim to ensure that processes associated with four key steps in the risk management process – identifying, measuring, controlling, and reporting risk exposures to potential losses – are aligned with banking and regulatory best practices.

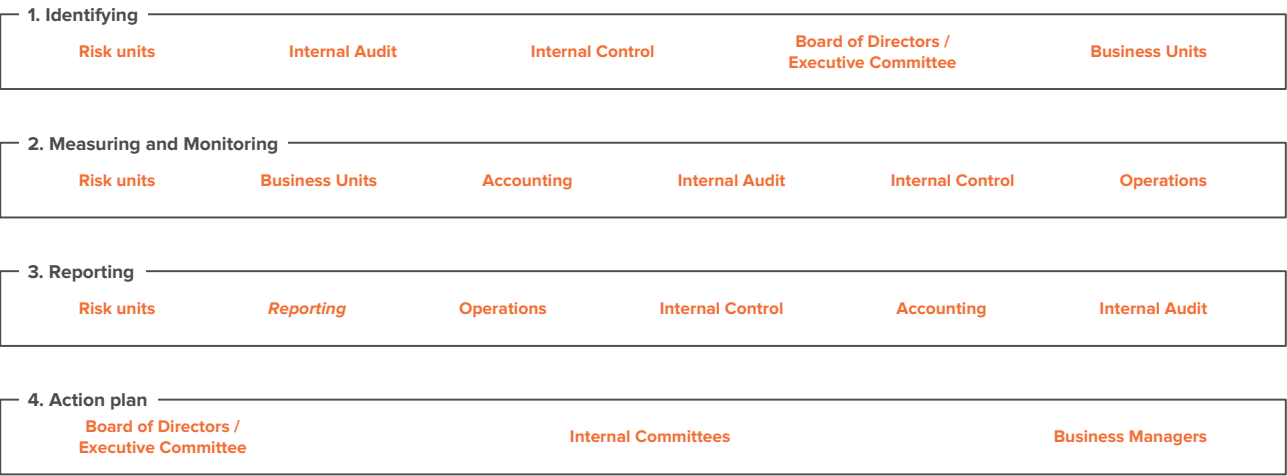
In managing its exposures to various risks, the Bank is guided by the following basic principles:

- ▲ Formal definition of responsibility for risk management within the Bank;
- ▲ Policies and procedures to ensure independent oversight;
- ▲ Regular review of policies, procedures and regulations by the Management;
- ▲ Appropriate risk diversification and formal definition and review of concentration levels;

F.8



F.9



- ▲ Use of adequate systems for independent measurement and reporting;
- ▲ Overlapping systems to measure and control risk;
- ▲ Ongoing training to support risk identification across the various areas.

Key principles in managing exposures include: (i) active management and review of the Bank's positions, (ii) daily market-to-market of a relevant portion on earning assets, (iii) daily or intra-day review of financial exposures and net revenues, (iv) continuous and independent review of credit exposures, controls over limits and accounting processes,

(v) independent reporting and regular dialogue between business teams and independent risk control and support functions, (vi) stress testing, including the application of extreme scenarios; and (vii) close involvement of the Management in the control process and in the assessment of the Bank's risk appetite. In addition, the Management encourages and expects prompt communication and escalation of important trends and potentially significant risks.

8.3.1. MEASURING RISK

In decision-making and risk management, the Management applies its professional experience and business judgment in combination with a set of quantitative tools, supported by the various systems used to monitor and measure exposures. These aspects are discussed in the following sections and include:

- ▲ Stress testing scenarios;
- ▲ Market risk limits based on VaR;
- ▲ Sensitivity analysis, particularly interest rates;

▲ Measurement of exposures based on Basis Point Values (bpvs);

▲ Control of limits by counterparty, group, asset class and portfolio;

▲ Concentration limits;

▲ Qualitative analysis and procedures.

The process involves regular self-assessment exercises, updates to techniques and periodic changes in assumptions, as well as adherence to regulatory and accounting standards. Among other matters, these activities are a daily focus for the Management, the responsible teams and support areas, based on the assumption that no single methodology is sufficient for the overall analysis of exposures. Accordingly, the Management and the risk management teams review these activities through a range of processes and approaches. The Bank seeks to quantify the potential losses associated with all aspects of the business, in order to have a reasonable estimate of potential damage in the event of unexpected occurrences. Such events include not only those observed in the past, based on historical data, but also those deemed unlikely, which may nevertheless be estimated by assuming certain extreme scenarios.

In general:

▲ **Market risk** involves at least a daily review of all the key points mentioned above;

▲ **Liquidity risk and interest rate risk** focus on multiple methodologies, including basis point values and scenario analyses;

▲ **Credit risk** focuses on nominal, market and fractional exposures, concentrations by borrower or corporate group, sector or geography, and stress testing;

▲ **Derivatives exposures** are measured through sensitivity analyses;

▲ **Operational risk** monitors potential risks and losses associated with people, systems, external events, legal matters and compliance risks;

▲ **Reputation risk and Correlation risk** involve some of the more subjective risks to which the Bank may be exposed and usually depend on scenario analyses to arrive at quantitative estimates.

8.3.2. LIMITS AND CONTROLS

The existence of limits across all risk-bearing activities entails a series of controls, which are reviewed frequently and organised by product class, by maturity and by team or individual decision-maker. These limits may be measured through a combination of non-statistical metrics, including BPVs, and statistical measures such as VaR.

The Management and the Risk Management function work closely to ensure continuous update, daily reporting, dialogue and review of model assumptions. Various criteria are adopted to determine appropriate limits associated with trading and investment risk-taking activities, including current and historical market analyses, statistics on volatility and liquidity, fundamental and technical analysis, the level of experience and performance of traders and managers and, as an important factor, the Bank's risk appetite in accordance with market conditions.

Approved limits, specifying authorised exposures by counterparty and concentration by asset class, are reviewed and communicated on a periodic basis to managers, traders and sales staff, and are subject to regular review and updating. All personnel are responsible for adhering to approved limits, which are monitored by independent support functions to ensure that positions are valued and recorded accurately.

8.3.3. REPORTING

On a daily basis, risk management and back-office functions compile and report positions to the Management based on the established statistical and non-statistical measures. Any limit breaches are reported to the Management, which ensures that the necessary measures are taken to restore compliance as quickly

as possible. Formal controls are also complemented by informal systems for monitoring position-taking and limits, including meetings of management teams within the markets areas to review positions and assess trends. For example, reports on daily stress tests serve as a basis for discussion on the appropriateness of exposure levels, or as an alert to review risk concentrations, either through the sale or repositioning of positions, or through hedging of risks.

8.3.4. RISK CONTROL UNITS

Some of the internal risk committees – Asset and Liability Committee, Credit Risk Committee, and All-Risk Committee – include individuals responsible for day-to-day control mechanisms. Each Committee typically includes at least two members of the Executive Committee. Within the limits established by the Board of Directors, these risk groups have authority to take decisions within their respective areas. In addition, the All-Risks Committee meets regularly to ensure appropriate communication and understanding of the interrelationship of risks across the various areas of the Bank.

Exceptional daily events require the approval of at least two Executive Directors. Significant exposures or relevant policy decisions that fall outside these limits require review and approval by the Board of Directors or an opinion from the Risk Committee.

8.4. CAPITAL RISK

Capital risk management ensures that the Bank maintains robust capital funds and operating ratios to support the institution's strategy, business activities, and underlying risks, both under normal operating conditions and in challenging periods.

Capital risk and strategy are closely linked within the Bank's business. Accordingly, the Management's view on leverage, minimum capital ratios and sustained capital growth, mainly through retained earnings, within the context of

competitive, market and regulatory conditions, determine the Bank's strategy and risk appetite. These matters are a key focus of the Bank's Risk Committee and are discussed in detail in the Funding and Capital Plan, submitted annually to Banco de Portugal, as well as within the Internal Capital Adequacy Assessment Process (ICAAP). The management of capital risk is directly connected with the long-standing perspectives upheld by the Management regarding acceptable capital ratios, asset quality and the management of the balance sheet, dividend policy, ROE targets, the nature of own funds versus regulatory capital, and overall risk management.

The analysis and daily controls for each risk reported and discussed provides the Management with a clear picture on capital risk management. The Bank's objective is to maintain capital levels that allow it to:

- ▲ Invest and grow its activity across different cycles and periods of stress;
- ▲ Meet regulatory requirements with a comfortable buffer;
- ▲ Distribute dividends while ensuring a "well-capitalized" operation;
- ▲ Retain flexibility when opportunities arise; and
- ▲ Protect the integrity of the Bank's business model and its reputation.

8.5. STRATEGIC RISK

Strategic Risk is the risk of disruption to the core assumptions of the Bank's strategy. It is a risk that is transversal to the Bank, as it includes risks relating to current or expected results, the integrity of capital and liquidity positions, the Bank's intrinsic value and/or reputation, arising from business decisions or execution failures, and requiring external factors to be considered. As a result, this is one of the most important risks to be considered by the Management, given the current context characterized by severe military conflict and geopolitical

tensions on a global scale, with the uncertainties and opportunities that may arise therefrom.

Strategic risk oversight involves daily review of results, balance sheet strategy and risk appetite, the Annual Plan, the review of new investments and the periodic preparation of the Strategic Plan approved by the Board of Directors.

The process involves:

- ▲ The planning process of each business unit;
- ▲ Review of risk strategies;
- ▲ Trends in revenues, asset composition and quality, and concentrations;
- ▲ Scenario planning;
- ▲ Digital transformation and investment;
- ▲ Review of client needs and expectations;
- ▲ Analysis of the competitive, regulatory and market environment;
- ▲ Building a culture able to respond to unexpected changes in market conditions.

The Bank's overall view of the risks mentioned above derives from the strategic decisions of the Management, and how the results are executed and measured. In this context, the importance of processes to assess risks – as well as opportunities and threats – with potential impact on the business model is highlighted. Such impacts may arise from competitive, technological and regulatory factors or changes in the external environment and may also involve investment decisions in new business opportunities and/or changes to, or exit from, current activities. The process also considers frequent and regular interactions with clients, suppliers, analysts, counterparties, the Advisory Board and the Bank's shareholders.

8.6. REGULATORY RISK

Regulatory Risk, deemed by the Management to be a sub-risk of Strategic Risk, consists of the risk that regulatory or legal changes may materially affect an industry or business. Changes in regulation may reduce an industry's attractiveness and its ability to attract investment, talent, and capital. In the banking sector, expected changes and increasing regulatory requirements may result in higher costs and may affect the competitive landscape of a highly regulated sector, in comparison with other sectors or geographies.

In Portugal, special taxes classified as "solidarity contributions" applied only to the banking industry, and the need to make contributions to two "resolution funds" – one domestic to deal with large shortfalls involving banks recently resolved, and one European, featuring a deposit guarantee system that is not yet fully unified – add fixed costs that affect the ability to conduct business. These reduce profitability, affect the competitiveness of the domestic banking sector relative to comparable entities located in other countries, and require strategic adjustments.

Regulatory risks can be difficult to predict, often requiring the Management to be reactive, rather than proactive. These factors may contribute to challenges in planning, strategy implementation, control and cost management, and in the management of stakeholders' expectations.

8.7. MARKET RISK

Market Risk represents the potential decline in the value of financial instruments as a result of changes in market conditions. Given the possibility of a direct impact on the income statement and/or on fair value reserves, the main risks managed by the Bank in its market activities include:

- ▲ Fixed income risks, resulting from movements in risk-free interest rates affecting financial assets held for trading or over longer holding periods;

▲ Equity price risk, resulting from exposures to changes in underlying prices and volatility;

▲ Currency rate risk, resulting from exposure to changes in spot prices, forward prices and volatility;

▲ Derivatives risk, resulting from the management of exposure to changes in the prices of underlying assets used to hedge client product and positions.

In managing the risks identified above, the Board of Directors exercises its supervision through the Risk Committee. Daily management is delegated to the Executive Committee, ALCO and the Risk Department. ALCO includes members of the Executive Committee, managers of revenue-generating activities and members of the Risk Department.

Underlying the committees are the primary risk control units – Market and Credit Risk – which are responsible for reviewing methodologies for measuring risk and limits for all investment and trading activities involving financial assets. They also monitor broad investment management matters discussed at the level of ALCO, review models and analytics associated with calculating limits within both Bank and client portfolios and are responsible for conducting daily portfolio stress tests. These units also oversee independent monitoring and verify compliance by front-office employees with risk-taking limits. As a result, the Bank seeks to ensure an efficient balance between risks and return, as well as an appropriate level of volatility in operating results.

In its Treasury and Market activities, BiG seeks to generate or to protect revenues while managing its exposure to changes in the value of financial instruments across various markets, products, and portfolios. To manage and report risks, the Management establishes and periodically reviews the procedures and systems designed to ensure levels of control adequate with the Bank's capital and business objectives.

The Market Risk function, in collaboration with the Management, the Compliance department and other operational areas, reviews policies and procedures to ensure that levels of risk assumed by clients, and offered by the Bank, are appropriate in all circumstances. The Bank's Investment Committee monitors trends, allocations and policies regarding the management of client assets, including responsibilities associated with discretionary management mandates.

Both ALCO and the Investment Committee meet regularly and, as they typically include two or more directors, have authority to decide day-to-day matters.

Methodologies

To manage market risk, the Bank uses a set of methodologies to measure and control market-related exposures, which are analysed with information covering country and counterparty risks. Risks are typically managed through a process of diversifying exposures, controlling position sizes, and establishing hedges in related securities or derivatives. Key quantitative tools used to measure, and control exposures efficiently include statistical measures and non-statistical measures, among which:

- ▲ Value at Risk;
- ▲ Stress testing;
- ▲ Calculations of Basis Point Values (BPVs);
- ▲ Sensitivity analysis.

The Bank employs these methodologies alongside other indicators, such as loss reports and daily concentration controls, to ensure the integrity of the risk control process in the event of one or more methodologies failing due to an extraordinary market event.

Value at Risk

VaR analysis, which measures risk assuming normal market conditions, is combined with non-statistical measures, including stress testing, back-testing and

stop-loss advisories, to ensure proper controls over expected returns by risk type under all market conditions. The Bank computes VaR using a 99% confidence level. This means that the Bank would expect to incur losses greater than the predicted VaR estimates only once every 100 trading days or approximately 2.5 times per year. Since VaR is a theoretical approach based on historical returns, the model has limitations and may not always produce accurate predictions of future market risk. Changes in VaR between reporting periods, for example, are generally due to changes in exposure levels, volatility and correlation among financial assets.

Utilization level of trading limits, as indicated below and in line with prior years, on average, was lower than investment limits defined, with most value at risk concentrated in the Bank's *Held to Collect and Sell portfolio (HTCS)*.

Components and concentrations of the portfolio are typically dynamic as the Bank seeks to maximize stable flows of revenue, while maximizing flexibility to recognise gains and to maintain high liquidity levels. The highest VaR levels were associated with the bond portfolio, reflecting concentrations in this asset class.

Further details on these exposures are available in the section of this report dedicated to Risk concentration (Section 8.10.5 – Risk Concentration).

Stress Testing on Trading and Investment Portfolios

The Bank performs stress tests on the positions of each portfolio and considers this approach, together with VaR assessment, to be an essential tool for managing market risks. By using stress tests, the Bank seeks to estimate potential losses associated with a given instrument or portfolio under different scenarios. The Bank applies 16 scenarios to test the different portfolios, assuming certain historical events.

The historical scenarios observed are used as adverse market periods for the performance of stress tests and are

T.26

(Euro)

2025 Trading VaR (vs 2024)	2025				2024			
	December	Average	Maximum	Minimum	December	Average	Maximum	Minimum
Exchange rate risk	36,725	30,099	120,945	6,917	42,441	83,032	177,655	16,733
Bonds	117,009	223,229	508,758	65,394	181,392	346,484	780,762	67,624
Stocks	0	0	0	0	0	02,865	92,064	0
Diversification effect	43%	24%			17%	23%		
	87,202	193,415	490,074	48,108	186,724	331,830	778,910	94,116

T.27

(Euro)

2025 Banking VaR (vs 2024)	2025				2024			
	December	Average	Maximum	Minimum	December	Average	Maximum	Minimum
Bonds	7,144,157	10,921,940	12,819,523	7,104,513	8,273,320	9,707,710	12,014,223	7,541,604
Stocks	0	6,830	44,834	0	39,202	48,772	60,764	38,706
	7,144,157	10,928,771	12,819,523	7,104,513	8,312,522	9,756,482	12,053,425	7,581,707

VaR: Expected Loss within the confidence level indicated; larger losses may be possible but have a lower probability of occurrence.

Back-testing: Process of validating a model by comparing its predictions with actual results.

Confidence level: Probability that actual losses will not exceed the estimated value at risk, the greater the confidence level, the higher the value at risk.

Diversification Effect: Represents the gain, in risk terms, of having a diversified portfolio.

identified below as “C1, C2....C5.” The historical scenarios described in Table 32 are applied to current exposures to estimate potential gains or losses of the main financial assets portfolios as at 31/12/2025. The results are then compiled and reported to the Management by the Bank’s Market Risk area.

8.8. LIQUIDITY RISK

Liquidity risk results from the probability of the occurrence of negative impacts on results or capital, arising from the inability of the institution to have liquid funds to meet its financial obligations as they fall due.

BiG’s liquidity and funding policy is based on the following principles: (i) raise funding of assets prior to their acquisition; (ii) the ability to convert a significant portion of investments to liquidity within a very short timeframe; (iii) maintain a stable client deposit base, and (iv) maintain a reasonable degree of independence from wholesale funding markets and funding from other institutions. These principles define the Bank’s business model, which is non-credit-intensive, highly commission

and service-based, and implies an asset base composed predominantly of liquid assets, as opposed to illiquid lending.

In practice, the Bank’s liquidity management process is both a strategic and a day-to-day matter for the Management. This process encompasses detailed controls of inflows and outflows, pricing and reputational considerations, controls over collateral, considerations on liquid versus less liquid assets, eligibility requirements, the Asset and Liability management process, and recovery plan aspects that reflect the fundamental nature of the business model: liquid, flexible and high-quality assets funded conservatively by stable deposits and capital.

8.9. INTEREST RATE RISK

Interest Rate Risk results from exposure to changes in the slope and curvature of the yield curve, volatility of interest rates, duration and credit spreads.

Interest Rate Risk measures the probability of negative impacts on the Bank’s earnings or capital due to changes in the

absolute level of interest rates, in spreads between two rates or in the shape of the yield curve, among other factors. BiG controls its exposure to adverse events through diversification and hedging techniques.

The Bank uses basis point values (BPVs) as its interest rate risk metric. This risk measure represents the exposure per basis point (0.01%) move in interest rates and enables the calculation of the economic impact of such movements on the asset portfolio, particularly on fixed income assets, which are sensitive to interest rate fluctuations.

The impacts associated with interest rate movements are measured on a regular basis by assuming a variety of scenarios, namely an increase or decrease of 100 basis points (bps) or an increase or decrease of 50 basis points for maturities greater than 1 year.

Table 33 below measures the impact of the aforementioned movements as at 31 December 2025.

Table 34 below shows the impact of a movement of 100 basis points in the

T.28

(Euro 000)

Trading Book																
	Worst Scenarios - Equity					Worst Scenarios - Bonds					Worst Scenarios - FX					Commodity
	C1	C2	C3	C4	C5	C1	C2	C3	C4	C5	C1	C2	C3	C4	C5	C1
Equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FX	3	(161)	(181)	(22)	(40)	47	82	42	(65)	84	(34)	44	(45)	20	240	(96)
Bonds	219	80	97	497	(44)	(1,405)	(214)	239	507	(4)	19	189	(90)	(92)	223	73
Total	221	(81)	(84)	475	(84)	(1,358)	(132)	281	442	80	(15)	233	(136)	(72)	463	(23)

T.29

(Euro 000)

Banking Book																
	Worst Scenarios - Equity					Worst Scenarios - Bonds					Worst Scenarios - FX					Commodity
	C1	C2	C3	C4	C5	C1	C2	C3	C4	C5	C1	C2	C3	C4	C5	C1
Bonds	(10,807)	(5,212)	(5,755)	(16,371)	(1,589)	(8,335)	(15,594)	(21,438)	(12,871)	(9,995)	(3,295)	(10,760)	(10,256)	(5,799)	(10,559)	(9,597)
Equity	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	(10,807)	(5,212)	(5,755)	(16,371)	(1,589)	(8,335)	(15,594)	(21,438)	(12,871)	(9,995)	(3,295)	(10,760)	(10,256)	(5,799)	(10,559)	(9,597)

T.30

(Euro 000)

Entities																
	Worst Scenarios - Equity					Worst Scenarios - Bonds					Worst Scenarios - FX					Commodity
	C1	C2	C3	C4	C5	C1	C2	C3	C4	C5	C1	C2	C3	C4	C5	C1
MZB	0	0	0	0	0	0	0	0	0	(0)	0	0	0	0	(1)	0
DIF	(1)	(0)	(0)	(1)	0	(12)	(3)	(2)	(1)	(1)	(1)	(1)	(1)	(2)	(1)	(1)
BDMF	(333)	60	(910)	(1,443)	(297)	(2)	(453)	(393)	(565)	(905)	(300)	(373)	(227)	(431)	(1,008)	(1,209)
Total	(334)	60	(911)	(1,444)	(297)	(14)	(457)	(395)	(565)	(906)	(301)	(374)	(228)	(433)	(1,010)	(1,210)

T.31

(Euro 000)

Consolidated																
	Worst Scenarios - Equity					Worst Scenarios - Bonds					Worst Scenarios - FX					Commodity
	C1	C2	C3	C4	C5	C1	C2	C3	C4	C5	C1	C2	C3	C4	C5	C1
	(10,919)	(5,234)	(6,750)	(17,340)	(1,970)	(9,708)	(16,183)	(21,552)	(12,994)	(10,820)	(3,612)	(10,901)	(10,619)	(6,303)	(11,105)	(10,830)

Historical scenarios:

T.32

Equity Worst Scenarios		
C1	Greek crisis and, consequently in the Eurozone	26/06/2015
C2	First fears from the spread of COVID-19	26/02/2020
C3	Black Monday of 2020	06/03/2020
C4	COVID-19 declared as global pandemic	11/03/2020
C5	Growing concerns stemming from the possibility of a second wave in rising Covid-19 cases	11/06/2020
Bonds Worst Scenarios		
C1	Portugal downgraded by Moody's	05-07-2011
C2	Greek political crisis	11-05-2012
C3	Germany rejects Eurobonds	22-06-2012
C4	New uncertainties in the Euro zone – Italy	28-05-2018
C5	The ECB confirms an increase in interest rates by 25 basis points	08-06-2022

FX Worst Scenarios		
C1	Renewed worries that Europe's debt crisis could spread	17-08-2011
C2	Libor Manipulation	02-04-2012
C3	Low expectation on US economy	05-06-2013
C4	Global events affect markets around the world	10-02-2016
C5	Brexit referendum	23-06-2016

Commodity Worst Scenario		
C1	The increase in Covid-19 outbreaks reduces demands for crude oil	13/03/2020

interest rate curve on the value of the own funds for the last 3 semesters.

8.10. CREDIT AND INVESTMENT RISK

Credit Risk is defined as the loss the Bank would incur if a borrower, counterparty or issuer of securities or other instruments held by the Bank as investments failed to perform under its contractual obligations.

BiG is exposed to credit risks in most of its activities, primarily through direct exposure to issuers of securities held by the Bank as investment assets. Credit risk arising from dealings with professional counterparties, as well as issuers of listed securities, is assessed in combination with procedures for managing market risks discussed above in Section 8.7 – Market Risk. To a lesser extent, credit risk also includes direct exposure to clients who have contracted loans and credit lines, mainly associated with margin accounts as part of its trading activity.

Credit risk exposures at BiG largely comprise corporate bonds, sovereign bonds, loans, interbank credit exposures, exposures related to securities settlement, receivables under derivatives contracts and money market exposures and, to a lesser extent, commitment related to the issuance of guarantees or other credit facilities. Credit exposures may also arise

involuntarily from operational control failures and from the maintenance of relationships with key suppliers.

Within the analysis and approval process, the Bank assesses these credit risk exposures at several levels: (i) at the level of individual transactions, as well as at the level of maximum exposure to a client or Group, and, separately (ii) at the level of the respective portfolios, in order to measure risk concentration within a given sector, industry or geographic location.

For internal policy reasons, all exposures are assessed and processed for approval, whether they are within or outside the statement of financial position.

8.10.1. PROCESSES

As an inherent factor of banking activity, credit risk is an integral component of BiG's business model and is fundamental to generating income and value for shareholders. Given the importance of developing profitable business while taking risks and using capital prudently, the credit risk management process aims to preserve the independence of the approval process, while allowing an effective integration with the business objectives defined by the Management. The process starts with the Board of Directors, which approves the risk appetite, general policies and guidelines

for credit risk management and ends with oversight through its committees and, by delegation, members of the Executive Committee. The Board of Directors also delegates necessary authority to credit officers and support areas. The Executive Committee performs day-to-day implementation of respective policies and responsibilities, which include:

- ▲ Quantitative and qualitative guidelines for credit review;
- ▲ Quantitative and qualitative guidelines and procedures for control of credit quality matters;
- ▲ Monitoring of clients, group and large exposures;
- ▲ Documentation, management and archiving of documentation;
- ▲ Management and control of risk monitoring systems and procedures;
- ▲ Maintenance of a credit scoring and approval system;
- ▲ Focus on the integrity and independence of the approval process;
- ▲ Adherence to regulatory guidelines;
- ▲ Pricing policy.

8.10.2. NATURE OF CREDIT EXPOSURES

The nature of the credit risks managed by the Bank has not changed materially over recent years and reflects the objectives of the Bank's activity and the underlying business model.

In general terms, the Bank's business strategy reduces credit risk to two broad categories:

- ▲ **Secured credit risk:** Primarily associated with trading and brokerage activities for clients. These credit operations are typically secured by cash or eligible marketable securities. This category also includes investing in issues by banks of residential mortgage-backed securities (RMBS) and covered bonds.

T.33

(Euro)

December 2025			
Parallel increase of 100 bp	Parallel decrease of 100 bp	Increase of 50 bp after 1 year	Decrease of 50 bp after 1 year
-18,106,266	9,569,738	-9,365,665	5,168,871

T.34

Interest Rate Risk - Semi-annual Evolution		
Date	Parallel increase of 100 b.p. in the interest rate curve	% Impact on own funds
dec/24	-11,627,502	-3.1%
jun/25	-12,298,258	-3.2%
dec/25	-18,106,266	-4.6%

▲ **Unsecured credit risk:** Arising from the management of the Bank's main credit risks, such as the investment portfolio in corporate bonds or government issuers of debt, and market trading activities with professional counterparties. Exposures classified as unsecured may involve sovereign debt issuances or debt issued by other entities guaranteed by sovereign guarantors, as well as corporate and other financial entities. Given the size of the Bank's investment portfolio in senior corporate and sovereign debt, this type of credit represents the largest portion of the Bank's risk exposure.

8.10.3. CREDIT PROCEDURES

In accordance with the Bank's Credit Risk Management Policy, the basis for approving credit exposures, whether secured or unsecured, includes the determination of a risk score for the credit exposure, calculated based on primarily objective criteria. The results of the process of financial analysis and risk scoring form the basis for deciding the profitability associated with the risk assumed, including considerations regarding minimum pricing, acceptable structure, tenors and appropriate documentation.

As part of the approval process for any credit exposure, the Bank has defined pre-established approval matrices that combine the results of the credit assessment, maturity, maximum overall exposure levels (including any transaction under consideration) and the pre-approved levels of lending authorities granted to credit officers by the Board of Directors. Other criteria used to determine approval levels include the existence and/or type of collateral underlying the overall exposure.

8.10.4. UNSECURED EXPOSURES

Credit lines or related exposures that are not fully collateralized, or in which the collateral provided is not considered liquid, are subject to an objective and periodic review of historical financial data and conservative projections as the basis for approving any proposal to assume

credit exposure. This process may be supported by information from international rating agencies, particularly in the case of non-domestic issuers and financial institutions. Other criteria used as part of the approval process include qualitative considerations, such as the shareholder base, the quality and reputation of management, the borrower's positioning and performance relative to peers, and other relevant information.

The principal unsecured global exposures are to financial institutions through the interbank market, for example, where the Bank may operate as a lender to other banks, as well as exposures to the financial and corporate sectors and to sovereign debt, represented by listed debt instruments with different maturities.

8.10.5. CREDIT CONCENTRATION RISK

In managing credit concentration risk, the Bank compiles schedules containing information on its largest risk concentrations.

Tables 35 and 36 present exposures by sector and rating as at 31 December 2025.

During 2025, credit exposure remained primarily in investment grade risk assets, reflecting an improvement in asset quality, as reflected in the average rating (A+) and in current and historical levels of overdue and at-risk credit, which have remained at very robust levels. In parallel, we observed a continued and broad-based compression of credit spreads in financial markets and an improvement in the assessment made by external rating agencies S&P and Fitch of the long-term credit quality of the main Portuguese issuers, namely the Portuguese State and the largest banks. In the case of Portuguese sovereign debt, S&P upgraded the rating to A (stable) in August; Moody's maintained the A3 (stable) rating in the current year; Fitch upgraded to A (stable) in September; while DBRS also revised the rating upwards to A (high), while a stable outlook, in January. Internal and external ratings are used by the Bank to measure expected loss levels and to assess positions and their respective evolution. Losses relating to the retail

credit portfolio remained immaterial in the 2025 financial year, in line with previous years, concentrated in small instances of client overdrafts.

8.10.6. STRESS TESTING

The Bank analyses its most relevant exposures in several ways, among which periodic stress testing is noteworthy. The Bank's investment portfolio, consisting of mainly fixed income securities with different maturities, is subject to various stress testing exercises, in order to provide the Management with an assessment of potential losses under a set of hypothetical scenarios.

The simulations presented below in Table 37 and Table 38 are based on the impact that changes in the risk-free component and in credit spread component have on the value of debt instruments, depending on their maturity and duration. Another variable considered

T.35 (Euro)

Exposure by Sector	Amount
Government	1,166,718,050
Financial	341,045,702
Asset backed securities	301,060,487
Utilities	127,101,393
Energy	64,397,122
Basic materials	48,973,879
Consumer, Cyclical	42,849,266
Healthcare	21,379,714
Communications	21,097,045
Technology	17,205,083
Consumer, Non-Cyclical	16,275,310
Industrial	11,223,219
Real Estate	2,003,776
Total	2,181,330,045

T.36 (Euro)

Exposure by Rating	Amount
Aaa	621,905,065
Aa	166,026,185
A	502,477,992
Baa	769,241,968
Ba	47,596,237
Caa	1,079,792
NA	73,002,806
Total	2,181,330,045

T.37 (Euro)

Country (Top 10)	Amount of Loss (scenario 1)
Italy	-17,539,193
Spain	-10,928,384
Supranational	-7,509,778
France	-1,002,359
USA	-3,763,634
Portugal	-913,279
Germany	-908,605
Indonesia	-704,106
Chile	-1,566,150
Peru	-1,815,404
Total	-46,650,893

T.38 (Euro)

Country (Top 10)	Amount of Loss (scenario 2)
Italy	-31,579,572
Spain	-5,656,855
Supranational	-2,846,807
Indonesia	-1,962,735
USA	-1,910,185
Chile	-1,829,337
Peru	-1,715,067
Brazil	-1,207,209
Germany	-986,219
Portugal	-802,086
Total	-50,496,074

is the hedging level of the fixed income portfolio. The purpose of these tests is to determine the extent to which earnings could be affected and capital eroded under an adverse scenario, based on theoretical circumstances.

The results of these tests are used to maintain discipline and to control position-taking or excessive concentrations.

Table 39 presents the results underlying the stress test, assuming a shock to market yields on the securities. These shocks are intended to capture variations associated with the risk-free interest rate depending on the security's currency and variations in the credit spread risk associated with the issuer's sector.

In defining Scenario 1, the interest rate/risk-free component is given by the difference between the maximum value of the risk-free rate observed over the last 5 years and its current value, depending on the currency of the security. The credit risk component incorporated into the

T.39

December 2025 - Stress Test Debt	Scenario 1	Scenario 2
Estimated loss	-53,803,042	-50,035,546
Total capital ratio	31.3%	31.5%

magnitude of the shock is given by the difference between the CDS level recorded on the date of the risk-free maximum and the CDS level at the analysis date.

In defining Scenario 2, the credit risk/credit spread component is given by the difference between the maximum observed value of the CDS benchmark spread of the security and its current value. The interest rate/risk-free component is given by the difference between the risk-free rate recorded on the day of the maximum CDS spread (for each segment) and the risk-free interest rate at the analysis date. The risk-free rate to be considered depends on the currency of the bond.

The results obtained indicate that the theoretical losses would be relevant, but would not affect the Bank's overall solvency, which would remain comfortably above the levels required to continue operations.

8.10.7. RESULTS OF THE EXPECTED CREDIT LOSSES (ECL) MODEL

Expected credit losses (ECL) for the securities portfolio, according to the internal models used, decreased in 2025 compared to the previous year. Following the outcome of the US elections and the announcement of tariffs by Donald Trump in April, a sustained decline in credit spreads was observed through to the end of the year. In parallel, the change in investment policy at the Mozambique unit, a divestment from emerging markets, and the improvement in the average rating of the securities portfolio from "A" to "A+" contributed to reducing exposure to higher credit risk. Accordingly, these developments led to a sustained decrease in the cost of risk over the year, more pronounced in the second half of the year.

8.11. MODEL RISK

Model risk results from the use of mathematical models where there is a level of uncertainty regarding: (i) data deficiencies (both availability and quality), (ii) estimation uncertainty or methodological errors in model design (estimator volatility, simplifications, approximations, incorrect assumptions, incorrect design, etc.), and (iii) model misuse (application of the model outside its intended use, lack of updates and recalibration, etc.).

This risk may arise from the Bank's use of estimates and financial analyses supported by the Bank's daily assessments and the possibility that incorrect formulas or assumptions might lead to inappropriate decisions. The use of any methodologies to estimate the Bank's activity or to value positions, measure risks, calculate regulatory requirements, perform stress tests and estimate potential credit losses may be subject to this type of risk.

The degree of complexity of these methodologies may vary from the simplest to the most complex and requires frequent review by users / owners to ensure integrity.

The Model Validation Committee analyses and tests, on a regular basis, the appropriateness of the models used by the Bank and may recommend changes deemed necessary. The conclusions from the work performed are reported to the Board of Directors.

8.12. OPERATIONAL RISK

Operational risk may arise from inadequate procedures or systems, human risk or external events.

Given the nature of its business, the Bank is exposed to potential losses and/or emerging risks arising from its activities,

with an impact on its operations and reputation. These events may result from human error, systems and operational errors, unexpected interruptions in business processing, or deficient or insufficient execution of certain activities by contracted third-party service providers of significant components of the business model.

Considering the above, the Bank maintains a proactive operational risk management process in order to keep its exposure to this type of risk to a minimum, regularly reviewing its internal control systems to ensure the continued operation of the business under normal, but also abnormal, circumstances.

The systems and procedures implemented by the Bank are designed not only to maximize process efficiency and effectiveness, but also to reduce the risks of fraud – whether internal or external – and of errors or undesirable service disruptions resulting from events associated with technology and systems infrastructure, procedures and telecommunications (see Note 44 to the Consolidated Financial Statements).

Limiting operational risks through the implementation of adequate and sufficiently robust internal procedures is an essential activity for the Bank to provide a comprehensive and competent service to clients and to reduce the risk of regulatory sanctions due to potential non-compliance. Direct responsibility for operational risk management rests with the heads of each business unit and support areas. To monitor the various risks to which the Bank is exposed, there is an autonomous governance structure comprised of several internal oversight groups (the 3 lines of defence), which meet separately and form part of the Bank's All-Risks Committee:

▲ **Operational Risk:** review of the appropriateness of internal procedures, adequacy of human and systems support to conduct business functions and day-to-day risks to which the Bank is exposed, based on self-assessment processes, monitoring of operational errors, and the production of internal and external reports and audits;

▲ **Technological Risk:** supervision of the adequacy and security of the technologi-

cal infrastructure that supports the Bank's internal processing, the related management information and the connection with third-party information providers and service execution providers, among others. It is also tasked with monitoring whether the technological infrastructure is adequate to respond to disaster events, in order to minimize downtime and ensure continuity in the provision of the Bank's services.

The Bank periodically conducts self-assessment exercises to identify risks associated with operations, technology and legal, internal and regulatory compliance requirements. Control processes include, for example, frequent review of relevant operational procedures, compliance with internal guidelines, internal and external audits of operations, systems and business and trading areas, back-up procedures, maintenance of outsourcing arrangements and an appropriate business recovery plan to reduce the effects of any unforeseen interruption to the Bank's activities.

The objective of the governance structure identified above, and of all internal

T.40

Country / Geography	Type of exposure	Expected Credit Loss in euros				
		dec/21	dec/22	dec/23	dec/24	dec/25
Spain	Sovereign	-	95,703	18,752	14,010	16,721
	Corporates	20,407	98,264	46,602	87,357	89,896
	Financials	4,647	28,917	48,361	43,522	47,576
Italy	Sovereign	20,353	796,882	708,583	195,630	90,168
	Corporates	40,272	401,956	197,473	174,281	220,617
	Financials	16,498	86,521	49,833	62,593	66,249
Portugal	Sovereign	-	1,558	185	187	220
	Corporates	184,458	867,223	277,689	401,070	257,337
	Financials	82,615	476,041	149,472	124,147	76,822
Emergent Markets	Sovereign	103,697	585,680	482,022	668,386	374,784
	Corporates	1,365,287	360,518	423,800	331,959	98,799
	Financials	-	6,857	8,074	-	-
Europe&USA	Sovereign	4,772	20,632	55,050	264,703	195,418
	Corporates	63,357	326,240	245,363	302,033	414,564
	Financials	30,014	158,715	258,630	209,336	226,775
Mozambique	Sovereign	74,501	136,081	283,153	385,553	1
	Corporates	-	3,849	-	-	-
	Financials	2,468	505	41,950	76,690	-
ABS	Corporates	1,296	36,567	9,763	5,898	2,765
	Financials	20,391	256,813	91,940	89,039	100,353
		2,035,033	4,745,520	3,396,696	3,436,393	2,279,065

T.41

Operational Risk Events by Type of Event (Basel)	% Number of Events	% Total Amount
Internal fraud	-	-
External fraud	0.52%	-
HR Policies and workplace safety	-	-
Clients, products and business practices	0.52%	-
Damage to tangible assets	-	-
Activity disorders	0.78%	-
Information and communication technologies	63.21%	67.17%
Execution, delivery, and process management	34.97%	32.83%

T.42

Operational Risk Events by Business Line (Basel)	% Number of Events	% Total Amount
Corporate Finance	0.26%	-
Trading and sales	3.37%	0.62%
Payment and settlement	26.42%	67.17%
Commercial banking	-	-
Agency services	-	-
Retail banking	19.95%	13.20%
Retail brokerage	20.21%	16.99%
Asset management	9.59%	1.40%
Others	20.20%	0.62%

T.43

Operational Risk Events by Geography	% Number of Events	% Total Amount
Portugal	87%	98%
Mozambique	4%	2%
Spain	9%	0%

T.44

	% Operating Income
2021	0.01%
2022	1.84%
2023	0.24%
2024	0.03%
2025	0.04%

departments, is to ensure compliance with prudential and regulatory guidelines so that the costs of any errors or failures are kept at levels consistent with the Bank's capital and business strategy.

To support this control, the Bank has internal procedures for regular reporting of operational errors to the Management. Such analyses and reporting allow for problems to be identified at their source and amended accordingly. The data collected is extensive and allows a detailed analysis of actual operational losses incurred by type of event, business

line, impact, and by specific or average amounts.

The impact of events as a function of the Bank's operating income has been low, as can be seen in Table 44.

The key to the Bank's success in controlling operational risks and keeping operating losses to acceptable levels is based on a culture of timely identification of errors and rapid implementation of mitigation measures. The Bank encourages communication to the Management of operational issues, whether potential or

actual, and their proactive resolution by the stakeholders involved.

The Bank uses the *Protecht GRC* tool to manage operational risk, technological risk and internal audit, and policies and procedures.

8.12.1. BUSINESS CONTINUITY AND INFORMATION SECURITY

Ensuring the continuity of the Bank's operations in a disaster scenario requires comprehensive planning and is a key

concern of the Management, which monitors this matter on an ongoing basis.

To this end, the Bank works to ensure that the business can operate under the most demanding circumstances and that procedures, risk management and internal control, information and systems are secure and reliable. These complex matters imply continuous review and improvement as the Bank grows and as market conditions and the regulatory environment change.

The repercussions of cybersecurity-related events have continued to escalate in the market and as expected, culminated in unprecedented events in Portugal, both in terms of sophistication and service disruption. The Bank expects this tendency to persist, promoted by geopolitical tensions, the significant increase in the number of participants in the digital market and advances in Artificial Intelligence (AI). Although to date no incident has materially affected domestic financial institutions, the sector is expected to become an obvious target. Regulatory warnings regarding potential attacks on the European banking community have been increasing, as have regulatory concerns reflected in heightened assessments, reporting and mandatory cybersecurity requirements.

The Bank works jointly with specialized providers and with the CSIRT (Computer Security Incident Response Team) community to ensure continuous information sharing on cybersecurity trends, an important support in focusing investment on relevant systems and services. A key concern relates to patterns of human behaviour, which tend to play a central role in cyberattacks. Key measures to minimize the Bank's exposure to behavioural risks include user awareness initiatives, centralized management of corporate devices and security endpoints, clear system update policies and investment in identity protection.

"Security by default" has become a cross-cutting concept and a common best practice across key areas, including employee onboarding, access to information, project management, software development, client relationships and

KYC. To contribute to full transparency regarding these risks across the organisation, the Bank is subject to independent audits and assessments carried out by specialized internal and external entities and implements actions to address any shortcomings.

The high level of digitalisation in the market and the global demand for remote working arrangements also represent relevant challenges in talent retention, remote access security procedures and the Bank's cloud resources. On the other hand, these challenges also increase the Bank's overall resilience and provide the Management with a reasonable level of confidence regarding business continuity. The consolidation of security and operational resilience projects and business protection procedures, together with continued investment in research and monitoring, remained the main objectives for 2025. As an example, the stringent control measures introduced by the DORA Regulation (Digital Operational Resilience Act) for financial institutions can be mentioned, in which the Bank is actively engaged.

BiG continues to operate with non-core data in the cloud, providing the Bank with an unparalleled level of security for corporate documents and emails and enabling full compliance with the provisions of the GDPR (General Data Protection Regulation).

The Bank expects to continue managing, directly, the main components of its infrastructure, while simultaneously using Kyndryl's technology and services to ensure the continuity and security of its systems. This partnership includes support for Business Continuity, which is integrated into the Bank's overall Business Continuity Plan, leveraging best practices and Kyndryl's data centers in Europe to support the recovery of the Bank's infrastructure and systems in the event of an abrupt disruption of operations.

8.13. COMPLIANCE RISK

BiG's internal control system is based on an organisational culture oriented towards

strict compliance with legislation and the various standards applicable to banking activity. This system integrates a set of policies and procedures related to contractual obligations, conduct and relationships with clients. Taken together, these mechanisms aim to mitigate the risk of the Bank incurring losses arising from sanctions, litigation, limitations to its activity, and/or loss of reputation as a result of a contractual breach or a negative perception of the Bank's public image.

Compliance is both a key function within the Bank and a fundamental component of internal culture. Each business line is therefore responsible for managing compliance risks. In this context, the Bank selects employees not only based on their experience, competence and technical capabilities, but also on their ethical values, transparency and responsible behaviour-elements which collectively constitute competitive differentiating factors in the Bank's relationship with clients.

Compliance has the necessary autonomy to act independently from the Bank's business areas, ensuring adequate monitoring and maintenance of the internal control systems.

Compliance risk management is not exclusively the responsibility of the Compliance function, but there are also responsibilities allocated to the departments that constitute the first and second lines of defence.

In broad terms, BiG's Compliance function is responsible for:

- ▲ Ensuring respect for applicable legal and regulatory requirements, including approved terms and standards of internal codes of conduct;
- ▲ Promoting an environment of control and transparency within the organisational structure that is appropriate to the complexity of the services provided and to the size of the institution;
- ▲ Monitoring the adequacy and efficiency of controls associated with banking risks;

▲ Protecting the Bank's reputation;

▲ Ensuring and maintaining contacts and interactions with supervisory authorities.

Specifically with regard to anti-money laundering and counter-terrorist financing, the Compliance function is responsible for controlling and detecting suspicious transactions and for monitoring the execution of duties in accordance with applicable legislation regarding the opening of Bank accounts and client due diligence (Know Your Customer). It is also responsible for mechanisms to prevent and combat market abuse, namely through transaction and event monitoring, ensuring the existence of robust market integrity controls. In both areas, this function is responsible for centralizing reporting and interaction with judicial authorities and supervisory entities in the investigation and analysis of suspicious processes and transactions.

The Compliance function also coordinates the execution, monitoring and review of BiG's Plan for the Prevention of Risks of Corruption and Related Offences. This plan establishes the methodological approach for managing and mitigating risks of this nature, the appropriate and transversal understanding of nature and magnitude of corruption and related offences risks inherent to the Bank's activities and, at the same time, ensuring alignment in the treatment of existing and emerging risks, based on the specificities of BiG's business model.

The Compliance function is also responsible for analysing and monitoring the regulatory framework applicable to products and services, promoting proactive management of regulatory change, assessing and validating compliance risks associated with those products and services, and identifying and actively preventing conflicts of interest based on information provided by relevant stakeholders.

8.14. CONDUCT RISK

Conduct Risk has become increasingly important in the financial services

industry, mainly due to its potential reputational impact and the negative repercussions it may have on the trust of clients and other stakeholders. Conduct risk is closely linked to compliance-related issues and is therefore of paramount importance to the Bank's Management and other stakeholders.

As noted above, BiG seeks to foster a culture of transparency and rigor, with clear communication lines, regular training initiatives and a client-oriented approach. The Bank's Management is responsible for conveying clear guidance throughout the organisation so that each employee, in their day-to-day activity, acts in accordance with high professional ethics and in a socially responsible manner. The Bank's Code of Conduct establishes principles, values and rules of an ethical and deontological nature followed by the institution in pursuing its activities and in its relationship with clients, being a fundamental instrument for guiding and disciplining employee conduct.

At the level of governance and the internal control system, the Bank has been strengthening mechanisms that enable the involvement and accountability of the Management and the heads of the Bank's key directorates in decision-making processes regarding new products and services, while also ensuring the ability of internal control functions to act independently in assessing the related risks and processes. These include: (i) identifying and assessing conduct risk vulnerabilities across the organisation, (ii) monitoring key conduct risk metrics, (iii) training and preparing employees regarding their responsibilities in preventing conduct risks, and (iv) disseminating conduct best practices in the interaction and involvement of corporate bodies and control functions in the Bank's regular activities.

8.15. ESG RISK

The Bank recognises that ESG factors may have material financial and non-financial impacts, and that these impacts can

be transmitted through traditional risk categories.

In line with this perspective, ESG factors are treated primarily as drivers influencing traditional risks, which is the approach adopted by the majority of systemically relevant financial institutions and is also consistent with supervisory guidance.

In this context, BiG does not consider ESG risks as an autonomous, standalone risk category for management purposes, but rather as factors that can affect other risk categories (a "cross-cutting" perspective), in particular credit risk through the financial performance and solvency of the issuers comprising its securities portfolio, as well as other relevant counterparties.

In addition to the impacts identified in credit risk, the Bank also acknowledges potential effects in other risk categories, namely market risk, operational risk, liquidity and funding risk, interest rate risk, credit spread risk and reputational risk. The analysis of these dimensions was significantly enhanced compared to the prior year, with new approaches and methodological refinements introduced that allow for more complete and consistent conclusions on this cross-cutting perspective.

Considering that the supervisory expectations defined at this stage focus mainly on Climate and Environmental Risks ("RCA"), the Bank developed a materiality analysis focused on these risk factors covering two fundamental aspects:

Physical risk: direct financial impact of climate change resulting from extreme weather events and gradual climate change, as well as impacts arising from environmental degradation, including water, air, and soil pollution, pressure on water resources, loss of biodiversity or deforestation. The Bank subdivides this factor into two types:

▲ **Acute risks:** specific extreme weather events, such as droughts, floods, storms (hurricanes, typhoons, cyclones), wildfires or heatwaves;

▲ **Chronic risks:** events resulting from progressive climate or environmental changes, such as increases in average temperatures or sea level, changes in precipitation patterns, higher frequency of abrupt weather variations, pressure on water resources, destruction of natural habitats, loss of biodiversity, changes in land use or resource scarcity.

Transition risk: financial impacts that, directly or indirectly, result from the adjustment process that economic agents must undergo in order to transition to a low-carbon (“decarbonized”) and more environmentally sustainable economy. As examples commonly used to describe transition risk drivers, the Bank refers to the following types:

- ▲ Changes in climate and environmental policies and regulation;
- ▲ Technological developments that may render current technologies obsolete;
- ▲ Changes in market or investor sentiment, with increasing incorporation of climate-risk considerations into decision-making;
- ▲ Shifts in client/consumer preferences patterns towards more sustainable products.

In line with the conclusions in the ECB Guide on climate-related and environmental risks (November 2020), although most of these risks materialize over a medium to long-term horizon, the Bank considers several time horizons in its analyses and, additionally, identifies the point in time when it expects their impacts to be most significant. Accordingly, in climate and environmental analyses, the Bank considers: short term up to 3 years, medium term between 3 and 10 years, and long term between 10 and 25 years, reflecting not only the differentiated nature of physical and transition risks, but also the need to align the assessment with the EBA Guidelines, the scenarios of the Network for Greening the Financial System (NGFS) and the institution's strategic and prudential planning cycles.

Despite the distinct and relatively stochastic nature of these risks' impacts on financial activity, and the fact that they may materialize over a long time horizon, their prolonged and potentially irreversible effects have led society to demand firm and decisive action from economic agents. The earlier these concerns are addressed, the sooner the risks can be identified and managed and, consequently, the less severe their impacts are likely to be. In addition, as this is a relatively recent source of risk for financial institutions, and because historical data are limited and there are still relatively few robust studies supporting a consistent and uniform treatment of these risks, banks have faced greater challenges in developing models and management frameworks for RCA. Nevertheless, financial institutions have been working to absorb and incorporate, on an ongoing basis, the advances that science and research continue to deliver in these areas.

Given this realization, as well as public awareness and greater pressure from clients and Non-Governmental Organisations (NGOs), which have played a fundamental role in shaping market opinions calling for effective action by the various market actors, organisations such as the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD), and the Sustainability Accounting Standards Board (SASB) have developed guidance and frameworks that have helped companies report information to the market and improve their practices related to the management of RCA and, more generally, other ESG risks. Additionally, European legislation has been defined with the aim of providing greater transparency to the market in public information disclosure.

Based on the analysis performed, the Bank considers that the materiality of RCA may be more relevant in credit risk, particularly in terms of transition risks, as can be seen in Figure 10.

As general conclusions of this materiality analysis, the following aspects are highlighted:

The materiality of exposure to physical risks within credit risk remains mitigated by the geographical diversification of the portfolios and by the predominant weight of sovereign and large multinational issuers, which generally have greater capacity to adapt and respond to physical and regulatory events. In 2025, this conclusion was reinforced by more granular analyses by portfolio (HTC, HTCS and Trading), average maturities and sectoral/geographical distribution, enabling the quantification of the percentage of assets exposed to physical risks by asset class and confirming their reduced relevance in the short and medium term.

Regarding transition risks, the Bank considers that the preparedness and access to financing of listed and/or large companies mitigates materiality in the short and medium term. Nonetheless, in 2025 formal materiality thresholds were introduced, showing that the effects of climate policies, carbon pricing and technological adjustments tend to concentrate in the long term, particularly in the energy and transport sectors. Accordingly, transition risk remains the main potential materiality variable for credit risk over the longest horizon.

For market risk purposes, the materiality of RCA factors remains low due to the residual size of the trading portfolio and the types of instruments involved (hedging positions, bonds and other liquid assets). In 2025, the Bank sought to enhance the assessment by distinguishing impacts between the banking book and the trading book, by time horizons and by more sensitive sectors, without changing the aggregate conclusions of low materiality.

In operational risk and in liquidity and funding risk, no additional material impacts arising from RCA were identified. The 2025 analysis deepens the geographical assessment of owned assets and leased premises (including Spain and Mozambique) and introduces, for the first time, a simulation of the capacity to mobilize funding from the ECB with additional haircut penalties for assets more exposed to physical or transition risks, concluding that funding capacity remains robust even

under more adverse scenarios. In addition, relevant physical impacts continue to be covered by the Business Continuity Plan, and stress testing/ILAAP already capture liquidity shocks associated with climate events.

In 2025, specific analyses were added for interest rate risk in the banking book and for credit spread risk, incorporating assumptions from NGFS scenarios (including the short-term horizon up to 2030) to reflect potential effects of inflation, monetary policy and sectoral volatility. Despite the greater level of detail (including BPV and sensitivities), materiality remains low to moderate, not exceeding the defined thresholds, and with mitigants associated with the active management of hedges and maturities.

The reputational dimension was also deepened, with exposure to controversies in the securities portfolios remaining limited. An assessment of off-balance sheet values (investment funds) under SFDR (Articles 6/8/9) was added, including ESG Score metrics and controversial activities metrics. The results point to low levels of involvement in controversial activities and a high penetration of Article 8/9 funds in client portfolios, mitigating greenwashing risk and reinforcing the conclusion of low materiality.

To support these conclusions, the Bank strengthened its monitoring framework with formal materiality thresholds, ESG/E score indicators by portfolio, identification of sectors more exposed to physical and transition risks, analysis of carbon intensity and the weight of sustainable instruments, geographical and sectoral concentration indicators, as well as explicit linkage to ICAAP, ILAAP, RAF and stress testing. This methodological and prudential reinforcement enhances temporal comparability and the institution's responsiveness, ensuring iterative monitoring proportional to the nature, scale and complexity of the activity.

In aggregate terms, the 2025 exercise therefore represents a qualitative step change relative to the prior year, with a higher level of depth, granularity and quantification, fully aligned with supervisory guidance (EBA/GL/2025/01) and the CRD6/CRR3 regulatory framework. Although the overall assessment of low or moderate materiality remains for most risk categories, the conclusions now rest on a substantially more robust and forward-looking methodological basis, including the incorporation of NGFS short-term scenarios and dedicated liquidity resilience tests.

F.10

Climate & Environmental Risks						
	Physical Risks			Transition Risks		
	Short term	Medium term	Long term	Short term	Medium term	Long term
Credit Risk	Low	Low	Moderate	Low	Low	Moderate
Market Risk	Low	Low	Low	Low	Low	Moderate
Operational Risk	Low	Low	Low	Low	Low	Low
Liquidity and Funding Risk	Low	Low	Low	Low	Low	Low
Banking Book Interest Rate Risk	Low	Low	Low	Low	Low	Low
Credit Spread Risk in the Banking Book	Low	Low	Low	Low	Low	Moderate
Reputational Risk	Low	Low	Low	Low	Low	Low

Low Moderate Material Critic

▲ 9. APPLICATION OF BIG'S RESULTS

In the financial year ended 31 December 2025, Banco de Investimento Global, S.A. recorded consolidated net income attributable to the shareholders of the parent company of € 26,494,508.94 (twenty-six million, four hundred and ninety-four thousand, five hundred and eight euros and ninety-four euro cents), and individual net income of € 25,692,410.90 (twenty-five million, six hundred and ninety-two thousand, four hundred and ten euros and ninety euro cents). Pursuant to Article 97 (1) of the General Regime for Credit Institutions and Financial Companies, the Bank must allocate 10% of the net income reported in the individual accounts to the legal reserve.

In December 2025, the Bank distributed interim dividends totaling € 9,347,239.50 (nine million, three hundred and forty-seven thousand, two hundred and thirty-nine euros and fifty euro cents), corresponding to € 0.05 (five euro cents) per share. The Board of Directors proposes that, also in respect of the 2025 financial year, an additional dividend of € 0.07 (seven euro cents) per share be distributed, to be paid on each of the 186,947,388 ordinary shares existing on 31 December 2025. Total dividends on ordinary shares correspond to a distribution of 87.32% of the Bank's individual net income for the year.

Accordingly, pursuant to Article 30 (1) of the By-Laws, the Board of Directors proposes the following application of the individual results for the year:

Legal Reserve € 2,569,241.09

Dividends € 22,433,374.80

Free Reserve € 689,795.01

It is further proposed the approval of an allocation to employees of the Bank of a maximum amount of €1,200,000 (one million two hundred thousand euros), as participation in BiG's profits (balance sheet allowance already reflected in the individual net income, in accordance with the accounting rules in force), under terms to be defined by the Board of Directors.

Lisbon, 30 March 2026

The Board of Directors

Carlos Adolfo Coelho Figueiredo Rodrigues
Chairman

José Galamba de Oliveira
Director

Maria Teresa Corrêa de Barros Cardoso
de Menezes
Director

Mário João Abreu Galhardo Bolota
Executive Director / CEO

Ana Rita Gil Simões
Executive Director

João Miguel Barrier Henrique
Executive Director

Vitor Manuel Carvalho Luis
Executive Director

Sara Agar Carbonell Suarez-Ibaseta
Executive Director



STATUTORY AUDITORS' REPORT

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Free Translation from a report originally issued in Portuguese language. In case of doubt the Portuguese version will always prevail)

Opinion

We have audited the accompanying consolidated financial statements of **Banco de Investimento Global, S.A.** (the Group), which comprise the consolidated statement of financial position as at 31 December 2025 (showing a total of Euro 2,891,079,971 and total equity of Euro 425,784,568, including a net profit attributable to shareholders of the parent company of Euro 26,494,509) and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of **Banco de Investimento Global, S.A.** as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) and further technical and ethical standards and guidelines as issued by *Ordem dos Revisores Oficiais de Contas* (the Portuguese Institute of Statutory Auditors). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the consolidated financial statements" section below. We are independent of the entities comprising the Group in accordance with the law and comply with the other ethical requirements set forth in the Code of Ethics of the Portuguese Institute of Statutory Auditors (*Ordem dos Revisores Oficiais de Contas*).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Fair value of financial instruments not quoted in an active market

Measurement and disclosures related to the fair value of financial instruments not quoted in an active market presented in Notes 2.3, 2.4, 2.5, 2.9, 3.2, 19, 20, 21, 22, 27 and 43 to the Group's consolidated financial statements.

The Risk

As at 31 December 2025, the balance sheet balances of financial assets at levels 2 and 3 of the fair value hierarchy, and the balance sheet balances of financial liabilities at levels 2 and 3 of the fair value hierarchy amount to Euro 204,295,390 and Euro 5,607,801, respectively.

As at 31 December 2025, financial instruments not quoted on an active market comprise (i) debt and equity instruments (including fund units), classified in the financial statements under financial assets at fair value through profit or loss or financial assets at fair value through other comprehensive income, and, (ii) derivatives classified as held for trading or for hedging

For financial instruments classified in levels 2 and 3 of the fair value hierarchy, the Group determines fair value using estimates, namely through (i) prices from independent counterparties, which depend on the assumptions used (ii) prices charged in similar and recent market transactions; and (iii) discounted cash flow models, which usually involve a high degree of judgement by the Bank in defining the assumptions and inputs to be used.

In this connection, given the uncertainty, complexity and judgement involved in defining the assumptions and measurement techniques used and the impacts they may have on determining the fair value of financial instruments not quoted in an active market, this was a relevant matter for the purposes of our audit.

Our response to the risk

Our audit procedures included, amongst others, those that we described below:

- We assessed the design and implementation of the relevant controls carried out by the Group to identify, quantify and monitor market risk, as well as key controls underlying fair value calculation methodologies;
 - We assessed the Group's governance and internal control process, in particular the controls implemented over the review and approval of the main assumptions and judgements used in defining and monitoring the results of the valuation models used;
 - We analysed the methodological documents for valuing these financial instruments, prepared by the Group, and assessed their adherence to the principles of IFRS 9 and IFRS 13;
 - We analysed, on a sample basis, the combined application of the tests to the contractual flow features of the financial assets and the Group's business models, using the supporting documentation provided;
 - For financial instruments whose measurement has consisted substantially of unobservable market inputs, we have assessed whether (i) the models developed by the Group, (ii) the inputs and (iii) the
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assumptions used are reasonable, by comparing the observable inputs with market information collected from external and independent sources, whenever available;

- For financial instruments whose measurement consisted substantially of unobservable market inputs, we recalculated the fair value of these financial instruments, considering the models and inputs previously analysed; and
- We assessed the adequacy of the respective disclosures to the consolidated financial statements, in accordance with the applicable accounting framework.

Impairment losses on securitised loans

Measurement and disclosures related to the impairment losses recorded for the securitised loan portfolio presented in Notes 2.4, 3.1, 22, 23 and 44 to the Group's consolidated financial statements.

The Risk

As at 31 December 2025, the gross value of securitised loans amounts to Euro 2,129,453,926 (of which Euro 1,347,869,686 classified as financial assets at fair value through other comprehensive income and Euro 780,792,210 classified as financial assets at amortised cost, as described in Notes 22 and 23 to the consolidated financial statements. The corresponding expected credit losses recognised on that date amount to Euro 2,279,066.

For the purposes of determining impairment, financial assets are classified in different stages (1, 2 or 3), depending on the changes in their credit risk since the date they were granted. This classification is influenced by a number of subjective factors which, if incorrectly applied, can have significant impacts. For this reason, determining the stage is a relevant process as it

Our response to the risk

Our audit procedures included, amongst others, those that we described below:

- We assessed the design and implementation of the main controls put in place by the Group regarding the approval, recording and monitoring of securitised credit risk, as well as the Group's main controls underlying the timely identification, recording and correct measurement of expected credit losses;
 - We assessed the Group's governance and internal control process, in particular the controls implemented over the review and approval of the main assumptions, judgements and future economic prospects used in the models for measuring impairment losses;
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influences the associated Expected Credit Loss (ECL) levels.

For these exposures, the Group has developed analysis models for calculating expected credit losses, in accordance with the requirements of IFRS 9, which are based on (i) specific portfolio information, namely the acquisition date and price, (ii) historical information on defaults and recoveries provided by external suppliers and (iii) further information from the market, such as the issuer's underlying credit spreads, obtained through the credit default swaps transaction or the issuer's respective yield curves.

In this context, given the uncertainty, complexity and judgement involved in defining the assumptions, methodologies and information provided by external suppliers used by the Group in analysing and quantifying the expected credit losses on securitised loans, and the impact they may have on the estimation of recovery flows and the timing of their receipt, and consequently on the amount of expected credit losses, this is a key audit matter for the purposes of our audit.

- We analysed the methodological documents prepared by the Group and assessed their adherence to the requirements of the IFRS;
- We assessed whether the assumptions considered by the Bank in the impairment models meet the requirements of IFRS 9, namely: (i) we reviewed the methodological documentation underlying the model used; (ii) we analysed and tested the segmentation of the portfolio; (iii) we analysed the Group's definition of default and the criteria applied in the staging classification, on a sample basis; (iv) we assessed and tested the main risk parameters; (v) we critically analysed the main assumptions and sources of information used in the future recoveries incorporated in the calculation of the LGD (Loss Given Default); and (vi) we recalculated the Expected Credit Losses; and
- We assessed the adequacy of the respective disclosures to the financial statements, in accordance with the applicable accounting framework.

Responsibilities of management and the supervisory body for the consolidated financial statements

Management is responsible for:

- the preparation of consolidated financial statements that give a true and fair view of the Group's consolidated financial position, financial performance, and cash flows in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union;
- the preparation of the consolidated management report in accordance with applicable laws and regulations;
- designing and maintaining an appropriate internal control system to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error;



- adopting accounting policies and criteria appropriate in the circumstances; and
- assessing the Group's ability to continue as a going concern, and disclosing, as applicable, the matters that may cast significant doubt about the Group's ability to continue as a going concern.

The supervisory body is responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISA, we make professional judgements and maintain professional scepticism during the audit and also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Group's internal control;
- assess the adequacy of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern assumption and, based on the audit evidence obtained, whether there is any material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our report to the related disclosures included in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease operations;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the



Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion;

- communicate with those charged with governance, including the supervisory body, regarding, among other matters, the planned scope and timing of the audit, and significant audit findings including any significant deficiencies in internal control that we identify during our audit;
- determine, from the matters communicated with those charged with governance, including the supervisory body, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes their public disclosure; and,
- provide the supervisory body with a statement that we have complied with the relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Our responsibility also includes the verification that the information contained in the consolidated management report is consistent with the consolidated financial statements, as well as the verification that the non-financial information was presented.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the consolidated management report

Pursuant to Article 451(3)(e) of the Portuguese Companies' Code, it is our opinion that the consolidated management report was prepared in accordance with the applicable legal and regulatory requirements and the information contained therein is consistent with the audited consolidated financial statements and, having regard to our knowledge and assessment of the Group, we have not identified any material misstatements.

On the additional matters provided in article 10 of the Regulation (EU) 537/2014

Pursuant to article 10 of the Regulation (EU) 537/2014 of the European Parliament and of the Council, of 16 April 2014, and in addition to the key audit matters mentioned above, we also report the following:

- We were first appointed as auditors of Banco de Investimento Global, S.A. (parent company of the Group) for the first time at the general shareholders' meeting held on 16 May 2024, for a term of office from 2024 to 2027.
- Management has confirmed to us that they are not aware of any fraud or suspicion of fraud having occurred that has a material effect on the consolidated financial statements. In planning and executing our audit in accordance with ISA we maintained professional scepticism, and we designed audit procedures to respond to the possibility of material misstatement in the consolidated financial statements due to fraud. As a result of our work, we have not identified any material misstatement of the consolidated financial statements due to fraud.



- We confirm that the audit opinion we issue is consistent with the additional report that we prepared and delivered to the supervisory body of the Group on 24 March 2026.
- We declare that we have not provided any prohibited services as described under Article 5 of Regulation (EU) 537/2014 of the European Parliament and of the Council, of 16 April 2014, and we have remained independent of the Group in conducting the audit.

31 March 2026

KPMG & Associados
Sociedade de Revisores Oficiais de Contas, S.A.
(ROC no. 189 and registered at CMVM with no. 20161489)
Represented by
Miguel Pinto Douradinha Afonso
(ROC no. 1454 and registered at CMVM with the no. 20161064)

***Report and Opinion of the Supervisory Board of
Banco de Investimento Global, S.A. on the Group's consolidated financial
statements for the fiscal year ended 31 December 2025***

To the Shareholders,

Pursuant to Articles 508-D and 420 (1) (g) of the Portuguese Commercial Companies Code, approved by Decree-Law no. 262/86 of 2 September, and Article 24 (1) and (2) of the Articles of Association of Banco de Investimento Global, S.A. (hereinafter referred to as “BiG” or the “Bank”), each in their respective current versions, it is the Supervisory Board’s competence to examine the consolidated financial statements of the BiG Group, which includes its subsidiaries (the “Group”), as presented to it by the Bank’s Board of Directors with respect to the fiscal year ended 31 December 2025.

Accordingly, during the course of 2025, we actively monitored the Group’s activities, management and results, with the frequency and extent we deemed appropriate. The Supervisory Board received all the necessary information for the proper performance of its duties at BiG, pursuant to Article 6 (1) and (2) of Banco de Portugal Notice no. 3/2020 of 15 July 2020, as amended by Banco de Portugal Notice no. 2/2025 of 20 March 2025, in the version in force at the relevant time (“Notice no. 3/2020”). We verified the adequacy of the accounting records, the accuracy of the related supporting documentation for the consolidated financial statements, and the adequacy of the valuation criteria adopted by BiG to ensure the proper measurement of the Group’s assets and results.

We also assessed the effectiveness of the internal control, risk management and internal audit systems, both at the Group level and specifically with regard to the anti-money laundering and counter-terrorism financing framework, namely the relevant internal controls to the Group’s activities. The Supervisory Board issued a report on the adequacy and effectiveness of the Group’s internal control system. Additionally, we reviewed and followed the Audit Plan, also from a Group-wide perspective.

We monitored the work carried out by KPMG & Associados – Sociedade de Revisores Oficiais de Contas, S.A. (“KPMG”), as the external statutory auditor of the Group. KPMG audited, throughout the year and at the year end of 2025, the consolidated financial statements prepared by the Board of Directors in accordance with the applicable legal and statutory requirements, and we reviewed the attached Statutory Auditors’ Report, with which we concur. In our review of the consolidated financial statements for 2025, we also took into special consideration the report addressed to the Supervisory Body prepared by KPMG.

The Group’s Statutory Auditors’ Report presents an unqualified opinion, and we concur with its content. Within the scope of our mandate, we have verified that:

- i) the Group’s Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss by Nature, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and the related notes allow for an adequate understanding of the Group’s financial position, results, comprehensive income, changes in equity and cash flows;
- ii) the accounting policies and valuation criteria adopted by the Group are appropriate;
- iii) the Group’s consolidated management report is sufficiently informative as to the evolution of the business and the position of the Group and the subsidiaries included in the consolidation, highlighting the most significant aspects.

On the basis of the foregoing, considering the information obtained from the Bank’s Board of Directors and the conclusions set out in the Statutory Auditors’ Report, by unanimous decision, we issue a favourable opinion on the following topics, concerning the fiscal year ended 31 December 2025:

- i) Approval of the Group’s consolidated management report; and
- ii) Approval of the Group’s consolidated financial statements.

Lastly, we would like to express our gratitude to the Bank’s Board of Directors and to all the Group’s employees with whom we had contact for their valuable cooperation.

Lisbon, 31 March 2026

The President of the Supervisory Board
Maria Aline Bastos Moreira Veloso de Almeida

Member
Pedro Rogério Lopes Barata do Ouro Lameira

Member
Jorge Manuel Jacob Miguel Tainha



CONSOLIDATED FINANCIAL STATEMENTS

For the years ended 31 December 2025 and 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the years ended 31 december 2025 and 2024
(Amounts in Euros)

	Notes	2025	2024
Interest income	4	85,875,173	113,098,289
Interest expense	4	(44,542,964)	(66,435,319)
Net interest income		41,332,209	46,662,970
Dividend income	5	41,223	115,718
Fee and commission income	6	24,617,182	22,055,940
Fee and commission expenses	6	(4,901,126)	(4,231,577)
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	7	11,406,819	8,481,412
Gains or losses on financial assets and liabilities held for trading and hedge accounting	8	9,400,328	8,099,072
Exchange differences	9	(367,792)	3,815,313
Gains or losses on derecognition of non-financial assets	10	180	-
Other operating results	11	(247,507)	325,631
Operating income		81,281,516	85,324,479
Administrative expenses			
Staff expenses	12	(25,443,051)	(26,073,661)
Other administrative expenses	14	(14,853,016)	(15,791,063)
Cash contributions to resolution funds and deposit guarantee schemes	15	(347,017)	(284,469)
Depreciation and amortization	28 and 29	(3,424,728)	(2,919,955)
Provisions or reversal of provisions	35	42,759	(11,215)
Impairment or reversal of impairment on financial assets not measured at fair value through profit or loss			
Financial assets at fair value through other comprehensive income	22	818,563	(89,066)
Financial assets at amortised cost	23,24,25 and 26	268,790	89,182
Impairment or reversal of impairment of non-financial assets			
Other	31	1,740	86,736
Operating expenses		(42,935,960)	(44,993,511)
Profit or loss before income tax		38,345,556	40,330,968
Income taxes			
Current income tax	38	(9,873,820)	(8,809,685)
Deferred income tax	38	735,062	(914,737)
Profit or loss for the year before non-controlling interests		29,206,798	30,606,546
Non-controlling interests		(2,712,289)	(3,568,369)
Profit or loss for the year		26,494,509	27,038,177
Basic earnings per share	16	0.14	0.14
Diluted earnings per share	16	0.14	0.14

The explanatory Notes attached form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the years ended 31 december 2025 and 2024
(Amounts in Euros)

	Notes	2025			2024		
		Total	Attributable to the Bank's shareholders	Non-controlling interest	Total	Attributable to the Bank's shareholders	Non-controlling interest
Profit or loss for the year		29,206,798	26,494,509	2,712,289	30,606,546	27,038,177	3,568,369
Items that may be reclassified to profit or loss							
Debt instruments at fair value through other comprehensive income							
Gains and losses for the period	40	6,162,509	6,287,193	(124,684)	28,091,341	28,012,287	79,054
Reclassification of gains and losses	40	22,264,794	22,264,794	-	(17,206,412)	(17,206,412)	-
Deferred tax	40	(9,291,979)	(9,331,878)	39,899	(4,460,786)	(4,394,149)	(66,637)
Exchange differences		(4,287,626)	(3,537,250)	(750,376)	2,236,315	1,829,561	406,754
Items that may not be reclassified to profit or loss							
Equity instruments at fair value through other comprehensive income							
Gains and losses for the period	40	262,851	262,851	-	43,784	43,370	414
Deferred tax	40	80,170	80,170	-	12,627	12,627	-
Changes in Other comprehensive income for the year		15,190,719	16,025,880	(835,161)	8,716,869	8,297,284	419,585
Total comprehensive income for the year		44,397,517	42,520,389	1,877,128	39,323,415	35,335,461	3,987,954

The explanatory Notes attached form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the years ended 31 december 2025 and 2024
(Amounts in Euros)

	Notes	2025	2024
Assets			
Cash, cash equivalents at Central Banks and other demand deposits			
Cash and cash equivalents at Central Banks	17	197,052,799	164,103,353
Other demand deposits	18	115,404,795	114,361,177
Financial assets at fair value through profit and loss			
Financial assets held for trading	19	8,559,777	85,452,937
Non-trading financial assets mandatorily at fair value through profit or loss	20	10,135,672	8,167,353
Financial assets at fair value through profit or loss	21	69,837,243	7,603,775
Financial assets at fair value through other comprehensive income	22	1,300,045,288	1,216,201,195
Financial assets at amortised cost			
Debt securities	23	803,829,525	962,165,671
Loans and advances - Clients	24	30,683,389	20,126,750
Loans and advances - Central Banks	25	33,243,829	30,346,826
Loans and advances - Credit Institutions	26	206,129,016	63,583,466
Derivatives - Hedge accounting	27	22,457,211	9,152,470
Tangible assets	28	20,667,149	21,366,989
Intangible assets	29	9,620,211	10,673,948
Tax assets			
Current tax assets	30	1,368,395	-
Deferred tax assets	38	10,830,398	19,567,549
Other assets	31	51,215,274	70,475,706
Total Assets		2,891,079,971	2,803,349,165
Liabilities			
Financial liabilities held for trading	19	86,279	5,807,687
Financial liabilities at amortised cost			
Client deposits	33	2,275,843,633	2,208,678,567
Funding from other credit institutions	32	80,291,394	65,740,646
Other liabilities represented by securities	34	-	11,784,130
Derivatives - Hedge accounting	27	5,521,522	25,808,339
Provisions	35	476,657	523,521
Tax liabilities			
Current tax liabilities	30	-	815,470
Deferred tax liabilities	38	616,844	822,588
Other liabilities	39	102,459,074	78,107,614
Total Liabilities		2,465,295,403	2,398,088,562
Capital			
Capital	40	186,947,388	186,947,388
Share premium	40	1,362,305	1,362,309
Accumulated other comprehensive income	40	(32,213,467)	(49,085,910)
Other reserves	40	247,158,461	242,070,599
Treasury shares	40	(2,326)	(2,326)
Profit or loss for the year	40	26,494,509	27,038,177
Interim dividends	40	(9,347,240)	(9,347,240)
Non-controlling interests	40	5,384,938	6,277,606
Total Equity		425,784,568	405,260,603
Total equity and Total liabilities		2,891,079,971	2,803,349,165

The explanatory Notes attached form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the years ended 31 december 2025 and 2024
(Amounts in Euros)

	Notes	Capital	Share premium	Accumulated other comprehensive income	Legal reserve	Other reserves and Retained Earnings	Treasury shares	Profit or loss for the year	Interim dividends	Non-controlling interests	Total Equity
Balances on 31 December 2023	40	186 947 388	1 362 307	(56 989 043)	56 035 770	180 032 135	(2 326)	24 195 067	(6 543 068)	5 628 664	390 666 894
Comprehensive income											
Other comprehensive income		-	-	6,465,753	-	1,970	-	-	-	12,831	6,480,554
Exchange differences		-	2	1,437,380	249,213	142,966	-	-	-	406,754	2,236,315
Profit or loss for the year		-	-	-	-	-	-	27,038,177	-	3,568,369	30,606,546
Total comprehensive income recognised in the year		-	2	7,903,133	249,213	144,936	-	27,038,177	-	3,987,954	39,323,415
Distribution of the results of the year 2023											
Transfer to reserves		-	-	-	3,427,595	2,072,993	- (5,500,588)	-	-	-	-
Distribution of dividends		-	-	-	-	-	- (18,694,479)	6,543,068	(481,807)	(12,633,218)	(12,633,218)
Non-controlling interests in Liabilities		-	-	-	-	-	-	-	-	(2,857,205)	(2,857,205)
Reserves		-	-	-	-	-	-	- (9,347,240)	-	-	(9,347,240)
Interim dividends		-	-	-	-	107,957	-	-	-	-	107,957
Balances on 31 December 2024	40	186,947,388	1,362,309	(49,085,910)	59,712,578	182,358,021	(2,326)	27,038,177	(9,347,240)	6,277,606	405,260,603
Comprehensive income											
Other comprehensive income		-	-	19,563,130	-	-	-	-	-	(84,785)	19,478,345
Exchange differences		-	(4)	(2,690,687)	(588,646)	(257,913)	-	-	-	(750,376)	(4,287,626)
Profit or loss for the year		-	-	-	-	-	-	26,494,509	-	2,712,289	29,206,798
Total comprehensive income recognised in the year		-	(4)	16,872,443	(588,646)	(257,913)	-	26,494,509	-	1,877,128	44,397,517
Distribution of the result of the year 2024											
Transfer to reserves		-	-	-	3,671,111	2,595,318	- (6,266,428)	-	-	-	1
Distribution of dividends		-	-	-	-	-	- (20,771,749)	9,347,240	(497,814)	(11,922,323)	(11,922,323)
Non-controlling interests in Liabilities		-	-	-	-	-	-	-	-	(2,271,742)	(2,271,742)
Other movements		-	-	-	-	-	-	- (9,347,240)	-	-	(9,347,240)
Interim dividends		-	-	-	-	(332,008)	-	-	-	(240)	(332,248)
Balances on 31 December 2025		186,947,388	1,362,305	(32,213,467)	62,795,043	184,363,418	(2,326)	26,494,509	(9,347,240)	5,384,938	425,784,568

The explanatory Notes attached form part of these consolidated financial statements.

▲ CONSOLIDATED CASH FLOW STATEMENT

For the years ended 31 december 2025 and 2024
(Amounts in Euros)

	Notes	2025	2024
Cash flows from operating activities			
Interest and income received		83,442,749	110,818,388
Interest and expenses paid		(47,793,233)	(66,851,287)
Fees and commissions		19,077,824	17,351,124
Contributions to the pension fund		(556,919)	(496,483)
Cash payments to employees and suppliers		(41,169,034)	(38,888,729)
Other expenses and income paid/received		1,025,990	2,714,586
		14,027,377	24,647,599
Variation in operating assets and liabilities:			
Financial assets and liabilities held for trading		25,142,454	1,152,761
Non-trading financial assets mandatorily at fair value through profit or loss		(486,396)	(765,252)
Financial assets and liabilities at fair value through profit or loss		16,525,630	(17,487,175)
Financial assets at amortised cost		146,424,701	(76,022,541)
Applications in credit institutions		(140,649,900)	(12,202,974)
Client deposits		72,169,787	202,837,442
Funding from other credit institutions		16,022,340	(66,194,122)
Derivatives for risk management		(34,940,540)	6,342,655
Other operating assets and liabilities		32,767,762	(12,433,545)
Net cash flows from operating activities, before income taxes		147,003,215	49,874,848
Income taxes paid / received		(11,995,164)	(9,337,406)
		135,008,051	40,537,442
Cash flows from investing activities			
Acquisition/reduction of investments in subsidiaries		(207,358)	(728,796)
Dividends received		39,602	116,685
Financial assets at fair value through other comprehensive income		(45,497,285)	(125,865,114)
Purchase of property, plant and equipment		(2,191,645)	(4,465,948)
		(47,856,686)	(130,943,173)
Cash flows from financing activities			
Subscriptions / redemptions of participation units		(11,195,147)	13,493,116
Dividends paid on ordinary shares		(18,311,264)	(22,084,749)
Increase/ (decrease) in other liability accounts		619,808	427,346
Issue of commercial paper		(9,457,120)	(2,607,971)
Net cash flows from financing activities		(38,343,723)	(10,772,258)
Cash and cash equivalents at the beginning of the period		308,811,356	404,586,749
Net change in cash and cash equivalents		48,807,642	(101,177,989)
Effect of exchange rate changes on cash and cash equivalents		(11,917,575)	5,402,596
Cash and cash equivalents at the end of the period		345,701,423	308,811,356
Cash and cash equivalents at the beginning of the period include:			
Cash and cash equivalents at Central Banks		164,103,353	284,570,445
Balances with other credit institutions		114,361,177	102,271,531
Placements with Central Banks with a maturity of less than 3 months		30,346,826	17,744,773
Total		308,811,356	404,586,749
Cash and cash equivalents at the end of the period includes:			
Cash and cash equivalents at Central Banks	17	197,052,799	164,103,353
Balances with other credit institutions	18	115,404,795	114,361,177
Placements with Central Banks with a maturity of less than 3 months	25	33,243,829	30,346,826
Total		345,701,423	308,811,356

The explanatory Notes attached form part of these consolidated financial statements.

▲ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended 31 December 2025 and 2024

INTRODUCTORY NOTE

Banco de Investimento Global, S.A. (the Bank or BiG) was incorporated by public deed on 10 December 1998 and began its banking activity on 1 March 1999. The Bank is licensed to perform all transactions and provide all services allowed in the banking sector, with no legal restriction.

Onetier Partners, Sociedade de Capital de Risco, S.A., wholly owned by Banco de Investimento Global, S.A., was constituted on 20 April 2004 and has as its main goal the making of temporary investments in companies with high growth and value creation potential. Since 2016, the company's investment policy has focused on acquiring equity interests or granting convertible debt to early-stage start-up companies, preferably operating in the Fintech, Insurtech and Cybersecurity segments.

BiG Serviços Financeiros, S.A., wholly owned by the Bank, was founded on 11 September 2008, with registered office in Lisbon, and has as its main purpose the provision of financial advisory services, as well as the ownership or management of real estate assets.

BiG Moçambique was founded on 8 October 2014, based in Maputo, and has as its main purpose the performance of all operations and the provision of all services permitted to banks in Mozambique, with no legal restriction. Banco de Investimento Global, SA holds a 82.64% equity interest in BiG Mozambique.

On 7 September 2021 the Bank acquired 100% of the capital of DIF Broker – Empresa de Investimento, S.A., an investment firm established in 1999, whose corporate purpose is the provision of investment services and ancillary services for which it is authorized, in accordance with its Articles of Association.

BiG Diversified Macro Fund, an open-ended collective investment undertaking, set up on 25 April 2018, based in Dublin, Ireland, and regulated under the European Alternative Investment Fund Managers Directive (AIFMD), is held by the Bank in 50.8% of its units of participation and is consolidated using the full consolidation method.

Onetier – Fundo Capital de Risco is a venture capital fund managed by Onetier Partners, Sociedade de Capital de Risco, S.A. constituted in December 2021.

NOTE 1

BASIS OF PRESENTATION AND COMPARABILITY OF INFORMATION

Pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council, of 19 July 2002, as transposed into Portuguese law, the consolidated financial statements of Banco de Investimento Global, S.A. (BiG or the Group) are prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union.

IFRS include the accounting standards issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC), as well as by the respective preceding bodies.

The consolidated financial statements and accompanying notes presented herein were approved by the Board of Directors of Banco de Investimento Global, S.A. on 24 March 2026. The consolidated financial statements herein relate to 31 December 2025 and will be submitted for the approval of the General Meeting, which has the authority to amend them. However, the Board of Directors believes that they will be approved without significant changes.

The consolidated financial statements presented herein relate to the financial year ended 31 December 2025 and were prepared in accordance with IFRS as adopted by the European Union as at 31 December 2025. The accounting policies used by the Group in the preparation of the financial statements as at 31 December 2025 are consistent with those used with reference to 31 December 2024.

The consolidated financial statements are stated in Euros. These were prepared on a going concern basis, under the accrual accounting principle and the historical cost convention, except for assets and liabilities measured at fair value, namely derivative financial instruments, financial assets and liabilities held for trading, non-trading financial assets mandatorily at fair value through profit or loss, financial assets at fair value through other comprehensive income, and bonds for which the interest rate risk is hedged by derivatives, to the extent of the hedged component.

The preparation of consolidated financial statements in accordance with IFRS requires the Group to make judgements and estimates and to use assumptions that affect the application of accounting policies and amounts of income, expenses, assets and liabilities reported. Changes in such assumptions, or differences between these assumptions and actual outcomes, may have an impact on the current estimates and judgements. The areas involving a higher degree of judgement or complexity, or those using significant assumptions and estimates in the preparation of the consolidated financial statements, are disclosed in Note 3.

Accounting policies were applied consistently to all the entities within the Group and are consistent with those used in the preparation of the financial statements for the previous period.

NOTE 2

MAIN MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of the consolidated financial statements are described below.

2.1. Basis of consolidation

Consolidation principles and accounting for subsidiaries

The Group applies IFRS 3 (revised) for the accounting recognition of business combinations. The consolidated financial statements presented herein reflect the assets, liabilities, income and expenses of the Bank and its subsidiaries (the Group).

Investments in subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it has power over the entity's relevant activities, or has rights, to variable returns from its involvement with the entity, and has the ability to use its power over the relevant activities to affect these returns (de facto control).

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which the Group obtains control until the date on which such control ceases.

Goodwill

Business combinations are accounted for using the acquisition method. The acquisition cost corresponds to the fair value, determined at the acquisition date, of the assets transferred and liabilities incurred or assumed. On a transaction-by-transaction basis (for each business combination), the Group elects to measure any non-controlling interest in the acquiree either at fair value or at the proportionate share of the non-controlling interest in the acquiree's identifiable net assets. Acquisition-related costs directly attributable to the acquisition of a subsidiary are recognized in profit or loss.

The Group performs a set of procedures to assess whether a transaction constitutes an asset acquisition or a business combination. Accordingly, it determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs. An acquired process is considered substantive if it is critical to the ability to create outputs. An acquired process is considered substantive if it is critical to the ability to continue producing outputs and the acquired inputs include an organized workforce with the necessary skills, knowledge or experience to perform that process; or if it significantly contributes to the ability to continue producing outputs and is considered unique or scarce, or cannot be replaced without significant cost, effort or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation according to the contractual terms, economic circumstances and relevant conditions at the date of acquisition. This includes the separation of embedded derivatives in host contracts by the acquiree.

The fair value of future contingent consideration payments is recognised as a liability at the acquisition date. Any subsequent changes to the amount initially recognized are recorded as an adjustment to goodwill, but only if they occur within the measurement period (12 months after the acquisition date) and relate to facts and circumstances that existed at the acquisition date. Otherwise, they are recognized in profit or loss, unless such contingent consideration is classified as equity, in which case it is not remeasured and any impact is recognized in equity only upon settlement.

Positive goodwill resulting from acquisitions is recognised as an asset and recorded at acquisition cost; it is not amortised. Goodwill arising from the acquisition of participations in subsidiary companies is defined as the difference between the acquisition cost and the fair value of the acquiree's assets and liabilities (including contingent liabilities), measured either in full or on a proportionate basis, depending on the option selected. If the goodwill determined is negative, it is recognized directly in profit or loss in the period in which the business combination occurs.

Goodwill is not adjusted as a result of the final determination of the amount of contingent consideration paid; such impact is recognized in profit or loss or in equity, as applicable.

In accordance with IFRS 3 – Business Combinations, if the initial accounting for a business combination is incomplete by the end of the first reporting period in which the combination occurs, the business combination is recognized using provisional amounts. These provisional amounts may be adjusted during the measurement period, which shall not exceed one year from the acquisition date.

During this period, the Group retrospectively adjusts the amounts provisionally recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and that, had they been known, would have affected the measurement of the amounts recognised at that date. During this period, the Group also recognizes additional assets and liabilities if new information is obtained about facts and circumstances that existed at the acquisition date and that, had they been known, would have resulted in the recognition of these assets and liabilities at that date.

At least annually, the Group performs impairment tests on the goodwill recognized in the statement of financial position, according to the requirements of IAS 36 – Impairment of Assets. For this purpose, goodwill is allocated to cash-generating units, and the recoverable amount is determined based on estimates of future cash flows, discounted using discount rates considered appropriate by the Group. Impairment losses relating to goodwill are recognized in profit or loss for the year and may not be reversed.

Acquisition and dilution of non-controlling interests

The acquisition of non-controlling interests that does not result in a change of control over a subsidiary is accounted for as an equity transaction with owners; accordingly, no additional goodwill is recognised as a result of such transaction. The difference between the acquisition cost and the fair value of the non-controlling interests acquired is recognised directly in reserves. Similarly, gains or losses arising from disposals of controlling interests that do not result in a loss of control over a subsidiary are always recognised directly in reserves.

Loss of control

Gains or losses arising from the dilution or sale of a portion of an interest in a subsidiary, resulting in a loss of control, are recognised by the Group in profit or loss.

Investments in foreign subsidiaries

The financial statements of the Group's foreign subsidiaries and associates are prepared in their functional currency, defined as the currency of the economy in which they operate or the currency in which the subsidiaries generate their income or finance their activities. Upon consolidation, the assets and liabilities, including goodwill, of foreign subsidiaries are translated into Euros at the official exchange rate in force at the reporting date. For investments denominated in foreign currency that are consolidated using the full consolidation or equity methods, exchange differences arising between (i) the euro translation of the statement of financial position at the beginning of the year and (ii) the euro translation at the exchange rate in force at the reporting date to which the consolidated financial statements relate, are recognized in reserves – foreign exchange differences.

Fair value changes arising from instruments designated and quantifying as hedges of foreign currency investments are recognized in equity, under reserves and retained earnings. Where the hedge is not fully effective, the resulting difference is recognized in profit or loss for the year.

Exchange differences arising from translating the profit for the period into Euros, between the exchange rates used in statement of profit or loss and the exchange rates in force at the reporting date, are recognized under reserves and retained earnings – foreign exchange differences arising from the consolidation of Group companies. Upon disposal of equity interests in foreign subsidiaries where control is lost, the exchange differences relating to the equity interest and the related hedging transaction previously recognized in reserves are classified to profit or loss as an integral part of the gain or loss on disposal.

Transactions eliminated on consolidation

Balances and transactions between Group companies, as well as unrealized gains and losses arising from such transactions, are eliminated in the preparation of the consolidated financial statements. Unrealized gains and losses arising on transactions with associates and jointly controlled entities are eliminated in the proportion to the Group's interest in those entities.

2.2. Accrual Accounting

The Group applies the accrual accounting principle to the majority of the items in the financial statements. Accordingly, expenses and income are recognized as they are incurred or earned, regardless of the timing of their payment or receipt.

2.3. Transactions in foreign currency

The Group's accounts are presented in Euros.

Foreign currency transactions are translated into the functional currency at the exchange rate in force on the transaction date. Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rate in force at the reporting date. Non-monetary assets and liabilities denominated in foreign currency and measured at fair value are translated into the functional currency at the exchange rate in force on the date the fair value was determined; the resulting exchange differences are recognized in profit or loss, except for those relating to financial assets measured at fair value through other comprehensive income, for which the exchange differences are recognized in equity.

2.4. Derivative financial instruments and hedge accounting

Classification and measurement

The Group classifies derivatives held for risk management as: (i) hedging derivatives; and (ii) derivatives entered into with the objective of providing an economic hedge of certain assets and liabilities held for trading, but which have not been designated as hedging instruments. All other derivatives are classified as trading derivatives.

Derivative financial instruments are recognised on the trade date at their fair value. Subsequently, the fair value of these instruments is remeasured on a daily basis, and the gains or losses arising from such revaluation are recognized directly in profit or loss for the year under "Gains or losses on financial assets and liabilities at fair value through profit or loss and hedge accounting", except for gains or losses from the revaluation of foreign exchange derivatives, which are recognized under "Exchange differences".

With regard to hedge relationships, these may be of two types, with accounting varying according to their nature, namely:

- ▲ *Fair value hedging* consists in the hedging of exposure to changes in the fair value of a recognised asset or liability. Any gain or loss on the hedging instrument and the offsetting gain or loss on the hedge item are recognized in profit or loss for the year.
- ▲ *Cash flow hedge* consists in the hedging of exposure to the variability in cash flows that is attributable i) to a particular risk of a recognised asset or liability, or ii) to a transaction considered highly probable and that might affect profits or losses. Changes in gains and losses in the hedging instrument are recognized in equity.

If a hedging instrument matures or is terminated beforehand, the gains or losses recognised in the valuation of the hedged risk as value adjustments of the hedged items are amortised over its remaining life.

If the hedged asset or liability is sold or settled, all amounts recognised in the valuation of the hedged risk are recognised in profit or loss for the year, and the derivative financial instrument is reclassified to the trading portfolio.

If a hedge ceases to be effective, it is discontinued, and the gains or losses recognised as value adjustments to the hedged items are amortised through profit or loss over their remaining term.

In the case of exchange rate risk hedges on monetary items, hedge accounting is not applied, and the gain or loss associated with the derivative is recognised in profit or loss, as are the foreign exchange differences on the monetary items.

Classification criteria

With effect from 1 January 2018, the Group has applied the hedge accounting requirements of IFRS 9, as it considers this option to be more closely aligned with its risk management, particularly with respect to interest rate risk.

Derivative financial instruments used for hedging may be classified in the accounts as hedges, provided that they cumulatively meet the following conditions:

- ▲ An economic relationship must exist between the hedged item and the hedging instrument;
- ▲ The credit risk of the counterparty to the hedged item or the hedging instrument must not dominate the value changes resulting from that economic relationship; and
- ▲ The hedging ratio of the hedge accounting relationship, understood as the portion of the hedged item covered by the hedging instrument, must be the same as the hedge ratio used for management purposes.

Upon establishing a hedge relationship, the Group prepares documentation formalizing all relevant information regarding the different hedge relationships, identifying the hedging instruments and the hedged item, the nature of the risk being hedged and how the Group assesses whether the hedge relationship meets hedge effectiveness requirements.

These assumptions are monitored to ensure hedge effectiveness.

Fair value hedge

In a fair value hedging operation of an asset or liability, the carrying amount of that asset or liability, determined in accordance with the relevant accounting policy, is adjusted to reflect changes in its fair value attributable to the hedge risk.

Changes in the fair value of hedging derivatives are recognised in profit or loss, together with the changes in fair value of the hedged assets or liabilities attributable to the hedged risk, under "Gains or losses on financial assets and liabilities at fair value through profit or loss".

In a fair value hedge of an asset classified in the portfolio of financial assets at fair value through other comprehensive income, changes in the fair value of the hedged item are recognized in equity, and the hedged portion of the fair value change is reclassified from equity to profit or loss.

If the hedge no longer meets the qualifying criteria for hedge accounting, the derivative financial instrument is transferred to the trading portfolio, and hedge accounting is discontinued prospectively. Regarding the hedging asset or liability, the adjustment to the carrying value of the hedged instrument is amortised in profit or loss over the remaining period of useful life of the hedged item.

2.5. Other financial assets

Classification and measurement

Upon initial recognition of a financial instrument, its classification depends on:

- ▲ the type of financial instrument, i.e. debt or equity;
- ▲ the Group's business model; and
- ▲ the contractual cash flow characteristics of the financial asset.

Based on the elements above, the financial instrument is classified into one of the following categories:

- ▲ financial assets at amortised cost;
- ▲ financial assets at fair value through other comprehensive income; or
- ▲ financial assets at fair value through profit or loss.

Assessment of the business model

The Group analysed the business model in order to determine how its assets are managed and how information is made available and analysed by management, for the purposes of determining the classification and measurement of its financial instruments. Annually, the Group guarantees that its business model remains aligned with the manner in which the Group's financial instruments are managed.

The business model assessment is performed considering management's objective on a portfolio basis and takes into account, among other factors, the following:

- ▲ The policies and objectives established for the portfolio and practical operability of these policies, including how the management strategy focuses on collecting contractual interest, maintaining a certain interest rate profile, matching the duration of the financial assets to the duration of the liabilities funding those assets, or realizing cash flows through the sale of the assets;
- ▲ How the portfolio's performance is evaluated and reported to the Group's governing bodies;
- ▲ The assessment of the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- ▲ Based on the business model and the analysis performed, the Group classifies its debt instruments into one of the three categories set out below:
 - ▲ financial assets at amortised cost, when the Group's objective is to collect contractual cash flows;
 - ▲ financial assets at fair value through other comprehensive income, when the Group's objective is (i) to collect the contractual cash flows and (ii) to sell the assets when a favourable opportunity arises in order to realise cash flows;
 - ▲ financial assets at fair value through profit or loss, when the instruments do not meet the criteria to be recognised at amortised cost or at fair value through other comprehensive income, or when they are held for trading purposes and the realisation of gains in the short term.

Financial assets at amortised cost**Classification**

A debt financial asset is classified in the category of financial assets at amortised cost if it meets both of the following conditions:

- ▲ The financial asset is managed in a business model whose primary objective is to collect its contractual cash flows; and
- ▲ The contractual cash flows occur on specified dates and are solely payments of principal and interest on the principal amount outstanding (SPPI – Solely Payments of Principal and Interest). For the purposes of this assessment, the Group uses the following definitions: (i) principal is defined as the fair value of the financial asset at initial recognition, and (ii) interest is defined as consideration for the time value of money, for the credit risk associated with the principal amount outstanding and for other risks and costs associated with the activity (e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows of financial instruments consists solely of principal and interest, the Group considered the contractual terms at the time of the acquisition / initial recognition of the respective financial instruments.

To ensure that the financial debt instruments meet the SPPI requirements, the Group performed a comprehensive analysis, considering, among other factors, the following:

- ▲ Contingent events that may modify the periodicity or amount of cash flows;
- ▲ Characteristics that result in leverage;
- ▲ Prepayment and maturity extension clauses;
- ▲ Clauses that could limit the Group's right to claim the cash flows in relation to specific assets (e.g. contracts with clauses that prevent access to assets in the event of default – non-recourse assets); and
- ▲ Characteristics that could modify the compensation by the time value of the money.

Initial recognition and subsequent measurement

Financial assets measured under this heading, namely placements with credit institutions and central banks, loans and advances to clients and debt securities, are recognised on the trade date, i.e., the date on which the Group undertakes to pay the respective amounts or acquire the respective securities.

Financial assets at amortised cost are initially recognised at their fair value plus transaction expenses and are subsequently measured at amortised cost. In addition, from initial recognition they are subject to the recognition of impairment losses, namely expected credit losses (see Notes 23 and 24), which are recognised against "Impairment losses or reversals of impairment losses on financial assets at amortised cost" (statement of profit or loss).

Interest on financial assets at amortised cost is recognised under "Interest income", based on the effective interest rate method. Gains or losses arising upon derecognition are recognised under "Gains or losses on derecognition of financial assets and liabilities at amortised cost".

Financial assets at fair value through other comprehensive income

Classification

A debt financial asset is classified in the category of "Financial assets at fair value through other comprehensive income" if it meets both the following conditions:

- ▲ The financial asset is held within a business model whose objective is to collect its contractual cash flows and, where appropriate, to realise the asset through the sale of that financial asset;
- ▲ The contractual cash flows occur on specific dates and are solely payments of principal and interest on the principal amount outstanding (SPPI).

With regard to equity instruments classified under this heading (other than equity instruments whose classification as equity instruments from the issuer's perspective is made only under the exceptions contemplated in paragraphs 16A to 16D of IAS 32), upon initial recognition the Group may make an irrevocable election to classify them in this category.

This option is exercised on a case-by-case basis, investment-by-investment.

Initial recognition and subsequent measurement

Debt instruments measured at fair value through other comprehensive income are initially recognised at fair value plus transaction expenses and are subsequently measured at fair value. Changes in the fair value of these financial assets are recorded in "Accumulated other comprehensive income" and, upon disposal, the cumulative gains or losses recognised in "Other comprehensive income" are reclassified to a specific line in profit or loss designated as "Gains or losses on derecognition of financial assets at fair value through other comprehensive income".

Debt instruments at fair value through other comprehensive income are also subject, from initial recognition to the calculation of impairment losses, more specifically expected credit losses. Estimated impairment losses are recognised in profit or loss under "Impairment losses or reversals of impairment losses on financial assets at fair value through other comprehensive income", with a corresponding entry in "Accumulated other comprehensive income", without reducing the carrying amount of the financial asset in the statement of financial position.

Interest, premiums or discounts on financial assets at fair value through other comprehensive income are recognised under "Interest income" using the effective interest rate method.

Equity instruments measured at fair value through other comprehensive income are initially recognised at fair value plus transaction costs and are subsequently measured at fair value. Changes in the fair value of these financial assets are recorded in accumulated other comprehensive income. Only dividends, where they represent a return on the invested capital, are recognised in profit or loss when the right to receive payment is established.

Impairment losses and reversals of impairment losses on equity instruments at fair value through other comprehensive income are not recognised separately from other fair value changes; the related fair value movements are transferred to retained earnings upon derecognition.

Financial assets at fair value through profit or loss

A financial asset is classified in the category of financial assets at fair value through profit or loss (FVTPL) if the business model defined by the Group for its management or the contractual cash flows characteristics do not meet the conditions described above for measurement at amortised cost or at fair value through other comprehensive income (FVOCI), or if it is held for trading purposes.

Furthermore, at initial recognition, the Group may irrevocably designate a financial asset that meets the criteria to be measured at amortised cost or at FVOCI as at fair value through profit or loss, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities, or recognising the related gains and losses, on different bases.

The Group designates financial assets at fair value through profit or loss under the following headings:

- ▲ Financial assets held for trading;
- ▲ Non-trading financial assets mandatorily at fair value through profit or loss;
- ▲ Financial assets at fair value through profit or loss.

Initial recognition and subsequent measurement

Given that transactions carried out by the Group in the normal course of business are conducted on market terms, financial assets at fair value through profit or loss are initially recognised at fair value, with transaction-related expenses or income recognised in profit or loss at initial recognition. Subsequent changes in the fair value of these financial assets are recognised in profit or loss.

Interest accrual is recognised under “Interest income” using the effective interest rate method applicable to each transaction, as is the accrual of interest on trading derivatives classified in this category. Dividends are recognised in profit or loss when the right to receive payment is established.

Trading derivatives with a positive fair value are included under “Financial assets held for trading”, while trading derivatives with a negative fair value are included under “Financial liabilities held for trading”.

Reclassification between categories of financial assets

Financial assets are reclassified to other categories only if the business model used for their management changes. In such case, all affected financial assets are reclassified.

Reclassification is applied prospectively from the reclassification date, and no previously recognised gains, losses (including those related with impairment) or interest are restated. Reclassification of investments in equity instruments is not permitted, nor is the reclassification of financial instruments at fair value through profit or loss (fair value option).

Impairment

At each reporting date, the Group assesses whether (i) there is objective evidence of impairment; or (ii) there has been a significant increase in credit risk, for its financial debt instruments, in accordance with IFRS 9. The expected credit losses (ECL) calculated are recorded in profit or loss under “Impairment or reversal of impairment losses on financial assets not measured at fair value through profit or loss – Financial assets at fair value through other comprehensive income”, “Impairment or reversals of impairment losses on financial assets not measured at fair value through profit or loss – Financial assets at amortised cost” and “Impairment or reversal of impairment of non-financial assets”, and are subsequently reversed in profit or loss if, in a subsequent period, the amount of the estimated loss decreases.

For the purposes of the impairment calculation processes included in this procedure, the Group segments its credit portfolio by transactions, namely into securitised and non-securitised credit.

The Group determines expected credit losses for each operation depending on the deterioration of the credit risk verified since initial recognition. For this purpose, exposures are classified into one of the following three stages:

- ▲ **Stage 1:** financial assets are classified in Stage 1 when there has been no significant increase in credit risk since initial recognition. For these assets, a 12-month expected credit loss is recognised in profit or loss, reflecting default events that may occur within 12 months after the reporting date;
- ▲ **Stage 2:** incorporates financial assets for which a significant increase in credit risk has occurred since initial recognition, even if this has not materialised in actual losses and only indications exist. For these financial assets, lifetime expected credit losses are recognised. However, interest continues to be calculated on the gross carrying amount of the asset; or

- ▲ *Stage 3:* financial assets classified in this stage show objective evidence of impairment at the reporting date, as a result of one or more events that have occurred and that result in a loss. In this case, lifetime expected credit losses are recognised in profit or loss over the expected remaining life of the financial assets. Interest is calculated on the net carrying amount of the assets.

Key drivers in the calculation of expected credit losses

The measurement of expected credit losses is the result of the product between the probability of default (PD) of the financial instrument, the loss given default (LGD) and the exposure at default (EAD).

With respect to non-securitised credit, the Group uses the quarterly default rates disclosed by the EBA as the basis for calculating the probability of default. As regards loss given default, this is applied based on the risk profile and type of the underlying credit exposure. The respective PDs are adjusted based on a set of information and macroeconomic scenarios in order to incorporate forward-looking information.

For securitised credit, PDs and LGDs are inferred using market information obtained from external providers, namely Bloomberg and Moody's.

The main difference between impairment losses measured for financial assets classified in Stages 1 and 2 relates to the respective time horizon used in calculating PD. Expected losses for financial assets in Stage 1 are calculated using a 12-month PD, while the expected losses in Stage 2 use a lifetime PD.

The expected credit loss calculation for financial assets in Stages 1, 2 and 3 always incorporates both point-in-time and forward-looking information.

Significant increase in credit risk and definition of default

Financial assets migrate from Stage 1 to Stage 2 when credit risk increases significantly compared to the credit risk at initial recognition. A significant increase in credit risk is determined through the analysis of internal quantitative and/or qualitative indicators used by the Group.

The Group regularly assesses its portfolios in order to estimate 12-month expected credit losses and to evaluate whether there has been a significant increase in credit risk and, if confirmed, to estimate expected losses over the life of the financial instruments.

To determine whether there has been a significant increase in credit risk, with regard to securitised credit, the Group implemented a set of variables to be analysed, namely:

- ▲ Adverse rating migration compared to the acquisition date;
- ▲ Adverse price movement compared to amortised cost;
- ▲ Issuer debt restructured due to financial difficulties;
- ▲ Delays in principal and/or interest payments between 30 and 90 days;
- ▲ Inability to measure credit risk at origination and/or acquisition.

The assessment of default and the subsequent classification of financial assets in the securitised credit portfolio in Stage 3 are also regularly assessed by BiG, with the following indicators being considered:

- ▲ Further adverse rating migration;
- ▲ Continuous decline in the fair value of the financial asset over a 12-month period, or a significant decline in the fair value of the financial asset (exceeding 30%), not justified by any disruptive event (e.g., war, pandemic) and inconsistent with the overall market trend. In such cases, the interest rate risk effect should be excluded, and the occurrence of downgrade should be analysed for the purposes of review by the Credit Risk Committee;
- ▲ Delays in principal and/or interest payments exceeding 90 days;
- ▲ Securities with a rating equal to or below CCC+ (non-POCI);
- ▲ Loss of the attribution of a rating;
- ▲ Disappearance of an active market for the financial asset under analysis due to financial difficulties;
- ▲ Bankruptcy/insolvency of the issuer;
- ▲ Debt of the issuer restructured due to financial difficulties.

With respect to non-securitised credit, the Group's credit portfolio mainly comprises loans and advances granted to clients and employees. The Group regularly assesses its non-securitised credit portfolio in order to estimate 12-month expected credit losses and to assess whether there has been a significant increase in credit risk and, if confirmed, to estimate lifetime expected credit losses.

To determine if there was a significant increase in the credit risk in the non-securitized portfolio, the Group implemented several variables to be analysed. These variables, in turn, determine the classification of credit exposures for staging purposes.

The criteria used by the Group for the analysis and classification of non-securitized credit exposures in Stage 2 are as follows:

- ▲ Delays in principal and/or interest payments between 31 and 90 days;
- ▲ Past-due credit or write-offs reported in the CRC-Central Credit Responsibilities Database of Banco de Portugal;
- ▲ Risk indications registered in the "Customer Account Observations";
- ▲ Liens or account blocking registered in customer accounts;
- ▲ Inclusion of the customer in the LUR – List of Risk Users (cheques);
- ▲ Inclusion of the customer on the internal watchlist;
- ▲ Significant restructuring of a credit facility due to the borrower's financial difficulties.

The assessment of default and the subsequent classification of financial assets in the non-securitised credit portfolio in Stage 3 are also regularly assessed by the Group, with the following indicators being considered:

- ▲ Delays in principal and/or interest payments between 31 and 90 days;
- ▲ Past-due credit or write-offs reported in the CRC – Central Credit Responsibilities Database of Banco de Portugal;
- ▲ Risk indicators registered in the "Customer Account Observations";
- ▲ Liens or account blocking registered in customer accounts;
- ▲ Inclusion of the customer in the LUR – List of Risk Users (cheques);
- ▲ Inclusion of the customer on the internal watchlist;
- ▲ Significant restructuring of a credit facility due to the borrower's financial difficulties.

Credit Write-Off Policy

The write-off of financial instruments occurs when a financial instrument is deemed definitively uncollectable (e.g. by a court decision) or when the Group decides to forgive the debt or cede its rights over the credit exposure to a third party, as referred to above. Exposures are only proposed for write-off when all the steps of the procedure have been taken and there are no realistic expectations of recovering the full amount outstanding.

Financial instruments written off are recorded in off-balance-sheet accounts at the time they are derecognised from the statement of financial position. Records in off-balance-sheet accounts remain in place until the definitive extinguishment of the obligations of each credit operation, either through settlement or through the formal cessation of the right to receive payment under the applicable legal and contractual terms (for example: debt forgiveness, court sentence or definitive cession of past due loans), without prejudice to maintaining all off-ledger records relating to customer with credit operations recognised on the statement of financial position.

Financial instruments written off and recorded in off-balance-sheet captions are maintained at the amount to which the institution is entitled, within the legal and contractual terms applicable, regardless of collective expectations.

Accounting records in off-balance-sheet captions relating to financial instruments written off are adequately supported to enable the systematic reconciliation of their aggregate components with movements arising from credit write-offs.

Impairment reversal policy

At each reporting date, the Group assesses whether there are indications that an expected credit loss previously recognised in respect of an asset may have changed, using mechanisms (triggers and alerts) that confirm the potential reversal of the significant increase in the credit risk previously estimated.

Changes in the Group's expectations are reflected in the classification of the exposures into one of the three staging categories: Stage 1, Stage 2 or Stage 3.

Each stage category entails different calculation assumptions in respect of the expected impairment loss estimated at each reporting period.

Any change in the expected impairment loss of an asset is recognised immediately in profit or loss for the year.

2.6. Financial liabilities

An instrument is classified as a financial liability when there is a contractual obligation to settle it by delivering cash or another financial asset, regardless of its legal form.

Financial liabilities at fair value through profit or loss are measured at fair value. The fair value of quoted liabilities is their listed price (ask price). Gains or losses arising from their valuation are recorded under "Gains or losses on financial assets and liabilities at fair value through profit or loss and hedge accounting". In the absence of a quoted price, BiG estimates fair value using assessment methodologies considering assumptions based on market information.

With regard to financial liabilities at fair value through profit or loss (Fair Value Option), the Group may irrevocably designate a financial liability at fair value through profit or loss at initial recognition if at least one of the following conditions is met: the financial liability is managed, assessed and reported internally at fair value; or the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Given that transactions carried out by the Group in the normal course of business are conducted on market terms, financial liabilities at fair value through profit or loss are initially recognised at fair value, with transaction-related expenses or income recognised in profit or loss at initial recognition.

Other financial liabilities include, among others, amounts due to credit institutions and customers, as well as other liabilities.

These liabilities are measured at amortised cost, with interest recognised in the statement of profit or loss under "Interest expense".

A financial liability is derecognised when the underlying commitment expires or is cancelled.

2.7. Equity instruments

Equity instruments classified as financial liabilities

Equity instruments classified as financial liabilities include redeemable non-voting preference shares whose characteristics lend this instrument a hybrid nature, as they share key characteristics of debt instruments.

Under IAS 32, these instruments are classified as financial liabilities, under "Equity instruments classified as financial liabilities". In the case of the Group, these instruments are presented under "Redeemable share capital payable on demand".

The returns on this instrument consists of: (i) any dividends payable, which are recorded in the statement of profit or loss under "Interest expense"; and (ii) a redemption premium, if the difference between the carrying amount per ordinary share in the last annual statement of financial position prior to the redemption date and the last annual statement of financial position prior to the issue date is positive (> 0). This premium is recognised as an expense under "Interest expense", with the corresponding entry in the statement of financial position. During the lifetime of the shares, the estimated redemption premium is recognised and accounted for incrementally, in accordance with the calculation formula mentioned in Note 36.

Other equity instruments

An instrument is classified as an equity instrument when there is no contractual obligation to settle it by delivering cash or another financial asset, regardless of its legal form, evidencing a residual interest in the assets of an entity after deduction of all liabilities.

Costs directly attributable to the issue of equity instruments are recognised against equity as a deduction from the proceeds of the issue. Amounts paid and received on the purchase and sale of equity instruments are recognised in equity, net of transaction costs.

Distributions in respect of equity instruments are deducted from equity as dividends when the right to receive payment is declared.

Treasury shares

Treasury shares are recognised in equity at acquisition cost and are not subject to revaluation. Gains and losses realised on the sale of treasury shares are recognised directly in equity and do not affect profit or loss for the year.

2.8. Compensation of financial instruments

Financial assets and liabilities are presented in the statement of financial position on a net basis when there is a currently enforceable legal right to compensate the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. The currently enforceable legal right must not be contingent on future events and must be enforceable in the normal course of the Group's business as well as in the event of default, bankruptcy or insolvency of the Group or counterparty.

2.9. Sale (purchase) transactions with repurchase (resale) agreement

Securities sold under repurchase agreement (repos) for a fixed price, or for a price equal to the sale price plus a return inherent to the term of the transaction, are not derecognised from the statement of financial position. The corresponding liability is recognised under "Funding from other credit institutions" or "Client deposits", as appropriate. The difference between the sale price and the repurchase price is treated as interest and is deferred during the life of the agreement through the effective interest rate method and recorded under "Interest expense".

Securities purchased under resale agreements (reverse repos) for a fixed price, or for a price equal to the purchase price plus a return inherent to the term of the transaction, are not recognised in the statement of financial position; the purchase amount is recognised as "Loans and advances – Credit Institutions" or "Loans and advances – Clients", as appropriate. The difference between the purchase price and the resale price is treated as interest and is deferred over the term of the agreement using the effective interest rate method and recognised under "Interest income".

2.10. Fair value

In order to determine the fair value of its financial instruments, and based on accounting standard IFRS 13, the Group maximises the use of, and prioritises, inputs from markets considered to be liquid (Level 1) or, alternatively, less liquid market inputs (Level 2) and, where these are not available, it uses unobservable inputs (Level 3).

Where the price is not directly observable in the market, the Group determines fair value using valuation models/techniques that are widely used by market participants in the market in which the financial instrument is traded. As noted above, where available, the Group tries to maximise the use of Level 1 inputs from liquid markets when applying these models.

The fair value hierarchy assigned to the various financial instruments is not static and may vary depending on specific market situations, namely liquidity and volatility, as well as change in the sources used for their valuation, among other factors. Accordingly, the fair value hierarchy attributed to financial instruments is reviewed at each reporting date.

2.11. Tangible assets

The Group's tangible assets are valued at acquisition cost, less the respective accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets.

Subsequent costs with tangible assets are recognised only if it is probable that future economic benefits will flow to the Group. Routine/recurring maintenance and repair costs are recognised as a cost, in accordance with the accrual accounting principle.

Land is not depreciated. Depreciation of other tangible assets is calculated using the straight-line method, at depreciation rates that reflect the expected useful lives of the assets, as follows:

	Years
Works on rented buildings	5
Furniture and material	8 and 10
Machines and tools	5 and 7
Computer equipment	3 to 4
Interior installations	4 to 8
Transport material	4
Safety equipment	8
Buildings for own use	50

Assets with an acquisition cost of less than 1,000 Euros are fully depreciated upon acquisition.

Whenever there is an indication that assets may be impaired, the Group estimates its recoverable amount, and an impairment loss is recognised whenever the net carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or

loss for the year and are reversed in subsequent reporting periods when the reasons that led to their initial recognition cease to exist. For this purpose, the new depreciated amount shall not exceed the amount that would have been recognised had no impairment losses been recorded, taking into account the depreciation that would have been recognised.

The recoverable amount is determined as the higher of the fair value deducted of the sale costs and its value in use, this being calculated based on the present value of the estimated future cash flows that are expected to be obtained from the continued use of the asset and from its disposal at the end of its useful life.

Gains and losses obtained on the sale of these assets are recognised under “Gains or losses on non-current assets” and are determined as the difference between the proceeds and the carrying amount of the asset.

The useful life and residual values are reviewed at each reporting date.

2.12. Intangible assets

BiG records in intangible assets the costs associated with software acquired from third parties and amortizes them on a straight-line basis over an estimated useful life of three years. BiG does not capitalize internally generated costs relating to software development. As part of the DIF Broker acquisition process, the Group identified an intangible asset that is amortised on a straight-line basis over an estimated useful life of 10 years.

2.13. IFRS 16 Leasing

IFRS 16 defines a lease as a contract, or part of a contract, that conveys the right to use an underlying asset for a period of time in exchange for consideration.

At contract inception, the Group assesses whether a contract is, or contains, a lease, i.e., whether the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. This assessment requires management judgement as to whether (i) the contract identifies a specific asset, (ii) the entity obtains substantially all the economic benefits from the use of that asset, and if (iii) the entity has the right to direct the use of the asset.

For contracts that are, or contain, a lease, the standard requires entities to account for each lease component within the contract as a lease, separately from any non-lease components, unless the entity applies the practical expedient permitted by the standard. The Group has not adopted this practical experiment and therefore separates lease and non-lease components for each class of leased asset.

Group as lessee

The Group applies a unique approach of recognition and measurement for all leases, except for short-term leases and leases of low-value assets.

On the start date of the lease, the Group recognises an asset which corresponds to the right to use the underlying asset during the lease term and a related liability for lease payments (the lease liability). The lease term is the non-cancellable period of the lease and is determined taking into account (i) termination and renewal options of the lessor and the lessee, and (ii) underlying economic incentives, when applicable. For contracts entered into, the Group assesses the minimum cancellable terms associated with each contract.

IFRS 16 states that on the start date of the contract, the lessee measures the lease liability at the present value of the lease payments that are not paid at that date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

Right-of-use assets

The Group recognises a right-of-use asset on the start date of the lease, when the underlying asset is available for use.

Right-of-use assets are recorded at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of the lease liability, where applicable. The cost of right-of-use assets includes the amount of the lease liability recognised, any initial direct costs incurred, and lease payments made at or before the initial date of the lease, less any incentives received from the lessor.

Right-of-use assets recognised by the Group are depreciated on a straight-line basis over the shorter of the estimated useful life of the underlying asset and the lease term. Periodically, the Group performs impairment tests on its right-of-use assets, reducing their carrying amount where impairment losses are identified.

Right-of-use assets are presented in Note 28 – Tangible assets and are subject to impairment according to the Group's policy, as described in that note.

Lease liability

On the start date of the lease, the Group recognises lease liabilities measured at the present value of future payments to be made over the lease term. Lease payments include fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable payments based on an index or rate, and the amounts expected to be payable under residual value guarantees.

Lease payments also include the exercise price of a purchase option, if the Group is reasonably certain to exercise that option, and payments of termination penalties if the Group is reasonably certain to terminate the lease.

In calculating the present value of lease payments, where the interest rate implicit in the lease cannot be readily determined, the Group uses its incremental borrowing rate on the starting date of the lease.

After initial recognition, the lease liability is measured at amortised cost using the effective interest rate method and is remeasured whenever any of the following variables change:

- (i) Changes in variable lease payments that depend on an index or a rate (only for the period concerned);
- (ii) Changes in the assessment of whether to exercise a purchase option, or to extend or terminate the lease of the underlying asset;
- (iii) Changes in the asset's residual value;
- (iv) Changes in the lease term. Where there is a change in the lease term or a change in the assessment of the exercise of a purchase option, extension or termination (items (ii) and (iv)), a revised discount rate is determined for measuring the lease liability.

When the lease liability is revalued, the resulting difference is registered as an adjustment to the right-of-use asset or is registered in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Variable lease payments that do not depend on an index or rate are recognised as an expense in the period in which the event that triggers the payment occurs.

The lease liability is presented in Note 39 – Other liabilities.

Practical expedient

As contemplated in IFRS 16, the Group adopted the following practical expedients:

- ▲ Non-recognition of the lease liability and the corresponding right-of-use assets for leases with a lease term of 12 months or less – short-term leases;
- ▲ Non-recognition of the lease liability and the corresponding right-of-use assets for leases for which the underlying asset, when new, has a value of less than 5,000 Euros – low-value leases.

Group as lessor

The Group classifies leases as financing leases when the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. All other lease arrangements are classified as operating leases.

Operating lease payments are recognised as rental income on a straight-line basis over the lease term and are included within revenue in the statement of profit or loss, given their operating nature.

From the lessor's perspective, finance leases are recognised in the statement of financial position as loans and advances, measured at an amount equal to the net investment in the leased assets. Interest included in rentals charged to clients is recognised as interest income. Capital repayments, also included in rentals, are deducted from the balance of loans and advances to clients. The recognition of interest reflects a constant periodic rate of return on the remaining net investment in the leases, together with any unguaranteed residual value in favour of the Group.

2.14. Contingent assets and liabilities

Contingent liabilities and contingent assets are not recognised in the financial statements. They are accounted for under IAS 37 and are disclosed whenever the possibility of an outflow or inflow of resources embodying economic benefits is not remote.

2.15. Employee benefits

All employees with a contractual relationship with Banco de Investimento Global are registered with the Social Security system. Accordingly, the Group's pension obligations consist of the payment of a supplementary benefit intended to complement any benefit payable under the Social Security system.

The Group has historically provided retirement benefits to its employees through two pension plans: a defined contribution plan and a defined benefit plan, the latter implemented following resolutions passed at the General Meetings of 8 April 2005 and 5 April 2006.

Since that date, each member of the Board of Directors or employee of the Bank could choose from between the two existing plans, the plan from which they wished to benefit for retirement purposes.

Management analysed the impact of having two plans which, although different in nature (defined benefit versus defined contribution), were established on an equal basis for the majority of employees. In this context, it was observed that, since the establishment of the defined benefit plan in 2006 and after the initial enrolments, there were no further enrolments in that plan. It was also noted that there is a market trend towards converting defined benefit plans into defined contribution plans, in particular due to the greater predictability, limitation and lower volatility of the associated obligations.

Accordingly, the General Meeting held on 8 May 2014 approved the termination of the defined benefit plan, after which the Bank maintained only a defined contribution plan applicable to all members of the management bodies and all employees of the Bank.

Participants in the defined benefit pension plan were integrated into the defined contribution pension plan, with the Bank assuming the commitment to maintain a record of any differences that may arise in relation to future obligations.

Under the defined benefit pension plan, there were no pensions in payment or vested rights that could prevent its termination. These changes were duly authorized by the Insurance and Pension Funds Supervisory Authority.

Pension plan

Up to 2014, the Bank provided retirement benefits to its employees through two pension plans: a defined contribution plan and a defined benefit plan.

In 2015, the defined benefit plan was terminated, and the Bank maintained only a defined contribution plan.

Pension obligations are calculated annually at the reporting date by independent actuaries, using the Projected Unit Credit Method. The discount rate applied is determined by reference to market rates on high-quality corporate bonds, denominated in the currency in which the benefits will be paid, with maturities consistent with the expected timing of the plan's obligations.

At each reporting date, the Bank assesses the recoverability of any surplus of plan assets over retirement benefit obligations, based on the expectation of a reduction in future required contributions.

Variable remuneration for Employees and Corporate Offices

Variable remuneration attributed to employees and to the corporate offices is recognised in profit or loss in the period to which it relates and is recorded when the Group has a contractual obligation to pay such benefits, or when there is a past practice that gives rise to a constructive obligation.

2.16. Provisions

Provisions are recognised when: (i) the Group has a present obligation, legal or constructive, as a result of a past event (ii) it is probable that an outflow of resources will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation. In the cases where the effect of the discount is material, the provision corresponds to the present value of the expected future payments, discounted at a rate that reflects the risk specific to this obligation.

Provisions are derecognised through their use in settling the obligations for which they were originally recognised, or when the obligations no longer exist.

2.17. Income taxes

The Bank and its subsidiaries based in Portugal are subject to the regime established in the Portuguese Corporate Income Tax Code (IRC). Furthermore, deferred tax resulting from the temporary differences between the accounting bases and the fiscal bases of assets and liabilities is recorded, whenever the criteria established in IAS 12 – Income taxes are met.

Income taxes comprise current and deferred taxes. Income taxes are recognised in the statement of profit or loss, except when they related to items recognised directly in equity, in which case they are recognised in equity. Income taxes recognised in equity arising from the remeasurement of financial assets measured at fair value through other comprehensive income are subsequently recognised in profit or loss when the related gains and losses that gave rise to them are recognised in profit or loss.

Current tax is the amount expected to be paid based on taxable income, determined in accordance with the tax rules in force, using the tax rate enacted or substantively enacted in the Group's jurisdiction at the reporting date.

Deferred taxes are calculated in accordance with tax rules enacted or substantively enacted and using the tax rates applicable at the reporting date in each jurisdiction, which are expected to apply when the temporary differences reverse.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax liabilities are recognised for all taxable temporary differences, with the exception of goodwill not deductible for tax purposes and differences resulting from the initial recognition of assets and liabilities that affect neither accounting nor taxable profit.

2.18. Recognition of fee and commission income

Income arising from fees and commission is recognised in accordance with the following criteria:

- ▲ When earned as services are rendered, it is recognised in profit or loss in the period to which it relates;
- ▲ When it forms an integral part of the effective interest rate of a financial instrument, fee and commission income is recognised in profit or loss using the effective interest rate method.

2.19. Interest recognition

Interest relating to interest from non-derivative financial instruments is recognised in "Interest income" and "Interest expense" using the effective interest rate method. Interest on other financial assets and liabilities is also included in these captions, respectively, except for trading derivatives.

The effective interest rate is the rate that exactly discounts estimated future payments or receipts over the expected life of the financial instrument, or, when appropriate, over a shorter period, to the instrument's net carrying amount (present carrying value) of the financial asset or financial liability. For fixed interest rate instruments, the effective interest rate is determined at initial recognition and is not subsequently revised.

For the calculation of the effective interest rate, the future cash flow is estimated considering all contractual terms of the financial instrument (for example, prepayment options), but not considering expected future credit losses. The calculation includes commissions that are an integral part of the effective interest rate, transaction costs and all premiums and discounts directly related with the transaction.

For financial assets, or groups of similar financial assets, for which impairment losses have been recognised, interest income recorded in profit or loss is determined using the interest rate applied in measuring the impairment loss.

With regard to derivative financial instruments, with the exception of those classified as derivatives for risk management purposes (Note 2.3), the interest component inherent in fair value movements is not separated and is classified under "Gains or losses on financial assets and liabilities at fair value through profit or loss and hedge accounting". The interest component inherent in fair value movements of derivatives for risk management purposes is recognised within "Interest income" and "Interest expense".

2.20. Earnings per share

Basic earnings per share attributable to the Bank's shareholders are calculated by dividing the profit for the year attributable to the Bank's shareholders by the weighted average number of ordinary shares outstanding.

For the purposes of calculating diluted earnings per share, the weighted average number of ordinary shares outstanding is adjusted to reflect the effect of all potentially dilutive ordinary shares, such as those resulting from convertible debt and from options over treasury shares granted to employees. The effect of dilution produces a reduction in earnings per share, based on the assumption that convertible instruments are converted or that the options granted are exercised.

2.21. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include balances recorded in the statement of financial position with a maturity of less than three months from the acquisition/contracting date, with an immaterial risk of changes in fair value, including cash and balances with central banks and other credit institutions.

2.22. Guarantees provided

Liabilities arising from guarantees issued and irrevocable commitments are recorded in off-balance sheet accounts at the amount at risk. Interest, fees and other income associated with these guarantees and commitments are recognised in profit or loss over the period of the respective guarantees and commitments. Transactions relating to guarantees issued are also subject to impairment in accordance with the Group's expected credit loss model – as described in Note 3 – and taking into account the applicable credit conversion factors (CCFs).

Performance Guarantees

Performance guarantees are contracts that compensate one party if the other party fails to fulfil a contractual, commercial or legal obligation.

When the performance guarantee provides the Bank with contractual rights of indemnification to recover any payments made to the beneficiary of the guarantee from the applicant, and such rights are secured by collateral, the guarantee is treated as a loan commitment granted to the applicant, provided that the Group concludes that there is no event with commercial substance that could cause the Bank to incur a loss resulting from the guarantee arrangement.

The Group analysed the guarantee contracts issued and, as at 31 December 2024, there were no performance contracts classified as insurance contracts under IFRS 17.

2.23. Subsequent events

The Group analyses events that occur after the reporting date, i.e. favourable and/or unfavourable events that occur between the reporting date and the date on which the consolidated financial statements are authorised for issue. In this context, two types of events may be identified:

- (i) those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- (ii) those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

Events occurring after the reporting date that are not considered adjustable events, are disclosed in the notes to the consolidated financial statements, if material.

2.24. Dividends recognition

Income from equity instruments (dividends) is recognised under dividend income when the right to receive payment is established.

2.25. Segment reporting

Considering that the Group does not have equity or debt securities that are publicly traded, in accordance with paragraph 2 of IFRS 8, the Group does not present information relating to its operating segments.

2.26. Issue premium

The issue premium is the difference between the subscription price of the share and its nominal value. The accounting record is measured in the equity caption.

2.27. Statement of cash flows and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include the amounts recorded in the statement of financial position with maturity of less than three months from the contracting date and an insignificant risk of changes in fair value, including cash and balances with Central Banks and other credit institutions.

The concepts used in the presentation of the statement of cash flows are as follows:

- ▲ Cash flows: cash and cash equivalents include cash and balances with other credit institutions;
- ▲ Operating activities: the direct method is used to present cash flows from operating activities, reflecting the cash flows of activities typical of credit institutions, as well as other activities that do not qualify as investing or financing. Cash flows relating to financial assets at fair value through profit or loss and those at amortised cost are allocated to operating activities;
- ▲ Investing activities: the acquisition, sale or other disposal of long-term assets, such as investments in subsidiaries and associated companies, the acquisition of tangible and intangible assets and other strategic investments not included in operating activities. Cash flows from financial assets at fair value through other comprehensive income are allocated to investing activities;
- ▲ Financing activities: activities that result in changes in the Group's medium- and long-term financing operations that are not part of the operating activities, such as capital increases, dividend distributions or payments relating to lease contracts under IFRS 16.

▲ NOTE 3

MAIN ESTIMATES AND JUDGEMENTS USED IN THE PREPARATION OF THE FINANCIAL STATEMENTS

Estimates and judgements that have an impact on the Group's consolidated financial statements are continuously reviewed and represent, at each reporting date, the Management's best estimate, taking into account historical performance, accumulated experience and expectations concerning future events that are believed to be reasonable under the circumstances.

Due to the inherent nature of estimates, the actual outcomes of situations that were subject to estimation may, for financial reporting purposes, differ from estimated amounts.

The main accounting estimates and judgements used by the Group in the application of accounting principles are presented in this note in order to enhance the understanding of how their application affects the Group's reported results and related disclosures.

3.1. Impairment of financial assets

IFRS 9 states that the concept of impairment based on expected losses is applied to all financial assets, except financial assets at fair value through profit or loss and equity instruments at fair value through other comprehensive income.

In recognising expected credit losses on financial instruments, several judgements are applied, namely:

Significant increase in credit risk and definition of default

The transition of financial assets from stage 1 to stage 2 occurs when their credit risk increases significantly compared to the credit risk at initial recognition. A significant increase in credit risk is determined through the analysis of quantitative and/or qualitative internal indicators used by the Group in the credit risk management, thus requiring greater articulation of the accounting requisites with the credit risk management policies established by the Group.

The existence of a significant increase in credit risk is assessed for each financial asset, considering a set of quantitative and qualitative indicators. Transitions of financial assets from stage 2 to stage 3 occur when such assets are considered to be in default, meaning there is objective evidence that the asset is credit-impaired.

Nature of the main judgements, estimates and assumptions used in the determination of ECL

Debt securities

The Group uses a broad set of market data in estimating ECL for this type of assets.

I – Staging

To determine the staging, besides the regulatory indicators related with arrears (delays in payments < 30 days, 30-90 days, > 90 days), and other more qualitative alerts and triggers, the Group assesses whether a significant increase in credit risk has occurred based on two criteria/alerts:

- ▲ rating variation
- ▲ price variation

a) Price variation

With respect to price variation, a set of external data is used, namely generic market curves by rating. In this context, the Group constructed Price Matrices where the thresholds are defined above which the Group considers that a significant increase in credit risk may have occurred. These matrices are constructed based on yield curves by rating sourced from Bloomberg.

b) Rating variation

The assignment of a rating is based on the application of the following rules, both at the origination date and at the reference date:

- (i) where ratings from three agencies are available, the Group selects the better of the two worst ratings;
- (ii) where ratings from two agencies are available, the Group selects the lower rating;
- (iii) where only one rating is available, the Group adopts that rating.

Given that the assets in portfolio are acquired at different times, the acquisition date considered to determine the rating on origination is calculated by the weighting of the amount acquired and the respective acquisition date.

The Rating Matrix, constructed using observable data from Moody's, determines the number of notches by which a security's rating may change without implying the assumption of a presumed significant increase in credit risk. This matrix depends on the rating and the number of years the Group has held the position.

To determine whether a significant increase in credit risk has occurred, the Group uses, among other criteria, factors related to changes in security prices and changes in ratings since origination. Depending on certain thresholds being reached, the staging assessment model adopted suggests that the possibility of a significant increase in credit risk, which is discussed and eventually confirmed during the monthly Credit Risk Committee meeting.

Triggers and alerts for significant increase in credit risk

Staging Criterion – Transfer to stage 2	
TRIGGERS <i>(automatic)</i>	i. Past due payments of principal and/or interest between 31 and 90 days; ii. Debt of the issuer restructured due to financial difficulties; iii. Inability to measure credit risk at the time of origination and/or acquisition.
OTHER ALERTS <i>(subject to review and analysis by the Credit Risk Committee)</i>	i. Negative evolution of the rating compared to the acquisition date (in accordance with the Rating Matrix, which defines the maximum number of notches expected to occur for each rating/holding period that would trigger this alert); ii. Negative price evolution compared to amortised cost and its comparison with the threshold permitted under the Price Matrix (as defined in the Price Matrix, which sets the maximum expected price variation for each rating/residual maturity).

Staging Criterion – Transfer to stage 3

TRIGGERS
(automatic)

- i. Past due payments of principal and/or interest equal to or greater than 91 days;
- ii. Securities with a rating equal or below CCC+ (non-POCI – Purchased or Originated Credit-Impaired);
- iii. Loss of a rating, whereby BiG is unable to infer the credit risk associated with the asset;
- iv. Disappearance of an active market for the instrument under review due to the issuer's financial difficulties;
- v. Bankruptcy/insolvency of the issuer;
- vi. Debt of the issuer restructured due to financial difficulties.

OTHER ALERTS
(subject to review and analysis
by the Credit Risk Committee)

- i. Negative evolution of the rating (2 additional notches beyond those already recorded during the migration to Stage 2);
- ii. Continuous decline in the fair value of the financial asset over a 12-month period or a significant decline in the fair value of the financial asset (over 30%), not justified by any disruptive event (e.g., war, pandemic) and not aligned with the overall market trend. In such cases, the interest rate risk effect should be removed, and the occurrence of a downgrade should be analysed by the Credit Risk Committee;
- iii. Securities with a rating equal to or below CCC+ (non-POCI);
- iv. Loss of a rating, whereby the Group is unable to infer the credit risk associated with the asset;
- v. Disappearance of an active market for the bond under analysis due to financial difficulties;
- vi. Bankruptcy/insolvency of the issuer.

II – ECL calculation

To estimate the ECL, the parameters PD, LGD and EAD are used.

- ▲ PD-Probability of Default is determined differently, according to the market information available:
 - ▲ Sovereign securities: PD may be inferred based on the issuer's own CDS/yield curve, while also considering the characteristics of the security (e.g. tenor, currency, subordination, among others);
 - ▲ Non-sovereign securities: PD is estimated based on generic market curves derived from comparable issuers by rating.
- ▲ LGD-Loss Given Default used to calculate expected credit losses is based on studies carried out by Moody's, based on historical defaults by type of financial asset and collateral (sovereign, collateralized/non-collateralized bonds, senior/subordinated bonds).
- ▲ EAD – Exposure at Default is calculated daily based on the amortised cost of the financial instrument at the reporting date. This amortised cost is accrued until the instrument's maturity based on the contractual future cash flows, discounted using the effective interest rate method.

As the parameters used are based on market information, the Group considers that the IFRS 9 *point-in-time* and *forward-looking* assumptions are met. The *through-the-cycle* assumption is ensured through the use of historical information spanning at least one economic cycle.

Where applicable, economic cycles of seven years are assumed for convergence towards historical information in the estimation of these parameters.

Non-secured credit

Considering the simplicity and dimension of the portfolio, as well as the absence of statistically significant default history, the Group supplements its internal data with EBA – Credit Risk Parameters data relating to Portugal for the determination of its risk parameters.

I – Staging

Besides the mandatory criteria defined in IFRS 9, relating to the length of the arrears (delays in payments < 30 days, 30-90 days, > 90 days), the Group also applies a set of qualitative alerts and triggers to determine whether a significant increase in credit risk has occurred, namely:

- ▲ Credit overdue or written-off as an asset in the CRC – Central Credit Register of Banco de Portugal;
- ▲ Risk indicators recorded in Client's Account Notes;
- ▲ Garnishments or banking blocks recorded in Client's Accounts;
- ▲ Inclusion of the client in the LUR – Lista de Utilizadores de Risco (cheques);

- ▲ Inclusion of the client on the internal watchlist;
- ▲ Significant restructuring of a credit operation due to the debtor's financial difficulties;
- ▲ Bankruptcy/insolvency of the client;
- ▲ Settlement of debt through assets given in lieu of payment (dation in payment);
- ▲ Credit classified as non-performing (noninterest bearing);
- ▲ Early termination of the contract due to default and subsequent initiation of legal proceedings;
- ▲ Sale of a credit operation with a significant financial loss (greater than 5% of the outstanding nominal amount at the sale date, for reasons exclusively connected to the credit risk quality of the debtor).

II – ECL calculation

The parameters PD, LGD and EAD are used to estimate the ECL.

- ▲ Given that this type of credit portfolio consists of retail operations, the Group estimates PD – Probability of Default based on the default rates published in the quarterly EBA Risk Dashboard studies for the segments Retail – Secured on real estate property (Mortgage loans) and Retail – Other Retail (Other non-mortgages loans). These PDs are internally adjusted to incorporate forward-looking information.
- ▲ To estimate LGD – Loss Given Default, the Group uses internal data for the Auto Loans, Mortgage Loans and Margin Account portfolios. For the remaining products, the LGD published in the aforementioned EBA study for the segment Retail – Other Retail (Other Non-mortgage loans) is used.

EAD – Exposure at Default is determined by the Bank based on the repayment schedule associated with each credit transaction and represents the expected exposure at the time of default by the client and/or of the exposure. The Group derives EAD values from the counterparty's current exposure and foreseeable changes to its current value, in accordance with contractual conditions, including amortizations and prepayments. For guarantees and commitments granted, EAD considers the total amount guaranteed by the Group, under the assumption that the full amount may be utilised (i.e. it is applied a 100% CCF – Credit Conversion Factor).

Triggers and alerts for significant increase in credit risk

Staging Criterion – Transfer to stage 2	
TRIGGERS (automatic)	i. Past due payments of principal and/or interest between 31 and 90 days.
OTHER ALERTS (subject to review and analysis by the Credit Risk Committee)	i. Credit risk indicators recorded in the CRC – Central Credit Register of Banco de Portugal; ii. Credit risk indicators recorded in Client's Account Notes; iii. Garnishments or banking blocks recorded in Clients' Accounts; iv. Inclusion of the client in the LUR – Lista de Utilizadores de Risco (cheques); v. Inclusion of the client on the internal watchlist; vi. Significant restructuring of a credit operation due to the debtor's financial difficulties.
Staging Criterion – Transfer to stage 3	
TRIGGERS (automatic)	i. Past due payments of principal and/or interest equal to or greater than 91 days.
OTHER ALERTS (subject to review and analysis by the Credit Risk Committee)	i. Client subject to insolvency proceedings, a PER - Special Recovery Plan, or any other equivalent protection framework; ii. Classification of the credit operation as non-performing (non-interest-bearing); iii. Early termination of the contract due to default and subsequent initiation of legal recovery proceedings; iv. Sale by the Group of a credit operation with a significant financial loss (>5% of the outstanding nominal amount at the sale date), for reasons exclusively connected to the debtor's credit risk quality; v. Contagion from other exposures of the debtor (where such exposures are significant relative to the total outstanding amount). For "Non-Retail" exposures, contagion is mandatory. For "Retail" exposures, contagion is not mandatory, with an indicative threshold of 20% being applied. vii. Significant restructuring of a credit operation due to the debtor's financial difficulties.

Cure Period

The “cure period” is defined as the period during which the Group gathers evidence of the obligator’s satisfactory payment behaviour, following the identification of any indicator or evidence of increased risk.

Upon completion of the “cure period”, the Group concludes that the customer/counterparty no longer exhibits or demonstrates the levels of risk that had led the Group to increase its risk assessment.

The “cure period” impacts the staging classification and the related “migration” between stages.

All staging migrations are performed automatically, with no requirement to meet a minimum “cure period”, except for transfers from Stage 3 to Stage 2, which must comply with specific criteria:

Staging change	Curing period
1 -> 2	Automatic
1 -> 3	Automatic
2 -> 3	Automatic
2 -> 1	Automatic
3 -> 2	Non restructured credit: 3 months
3 -> 2	Restructured credit: 12 months

As with the securitised loan portfolio, the Group assumes, in its calculations, an economic cycle of seven years, comprising four historical years and three forward-looking, with the latter extrapolated on the basis of macroeconomic estimates expected to influence future developments.

3.2. Fair value of financial instruments

Fair value is based on quoted market prices, when available. In their absence, fair value is determined using recent transaction prices for similar instruments conducted under market conditions, or on the basis of valuation methodologies, including discounted cash flow techniques, incorporating market conditions, the time value of money, the yield curve and volatility factors. These methodologies may require the use of assumptions and/or judgement in estimating fair value.

Consequently, the use of different methodologies and/or different assumptions and judgments in the application of a given model could result in financial results different from those reported.

3.3. Income taxes

Determining the total amount of income taxes requires certain interpretations and estimates. There are diverse transactions and calculations for which the determination of the final amount of tax payable is uncertain in the ordinary course of business.

Alternative interpretations and estimates could result in a different level of current and deferred income taxes recognised for the period.

For the Bank and its subsidiaries located in Portugal, the Tax Authority can review the tax positions for a period of four years, except in cases where reportable tax losses are used, in which case the period of expiry is the year of this right. Consequently, adjustments may potentially be made to taxable income, mainly arising from differences in the interpretation of tax legislations. Nevertheless, the Management of the Bank is confident that there will be no material adjustments to the income taxes recorded in the consolidated financial statements.

3.4. Leases

In accordance with IFRS 16, the lease liability is measured as the present value of the sum of future lease payments to be incurred under the lease contract. To discount lease payments, the Group shall use the contract’s implicit interest rate, considering that all information required to determine it is available. If the interest rate implicit in the lease cannot be readily determined, an incremental interest rate shall be used, which requires the entity to develop a robust methodology supported by both internal and external information to derive such rate.

I. Implicit interest rate: the discount rate that matches the present value of the lease payments (including the residual value) to the fair value of the underlying asset plus any initial direct costs. The main challenge in determining this rate, in most cases, lies in the limited information available to the lessee related to the residual value of the underlying asset and / or the amount of initial direct costs incurred by the lessor.

II. Incremental interest rate: the rate that a third-party would charge the Group for financing the acquisition of an asset comparable to the underlying asset of the lease, under similar conditions, namely in terms of maturity and collateral. To determine the incremental interest rate, the Group developed a risk-free yield curve, to which it was added its credit risk fully adjusted by the existence of collateral.

It should be noted, however, that at the transition date, incremental interest rates were applied to determine the lease liability for all the operations under the norm. Except for that period, lease payments are discounted using the interest rate implicit in the lease, where such rate is determinable.

III. Lease contract maturity: with respect to the lease term considered in measuring the lease liability, its determination shall take into account the non-cancellable period of the lease, as well as any periods covered by options to extend and/or to terminate the lease early, where there is reasonable certainty that these options will be exercised. In situations where extensions and/or termination options exist, Management is required to assess the likelihood of their exercise – concept of “reasonably certain” – relative to the future decision.

To support its assessment, the Group relied on internal and market data that may require the application of professional judgment, including, but not limited to:

- ▲ The importance of the asset to the Group’s activity and the absence of suitable alternatives;
- ▲ Significant economic benefits for the Group from exercising the option to extend / terminate the contract, or to purchase the underlying asset;
- ▲ Any costs associated with early termination of the contract, relocation costs and/or costs related to the return of the asset;
- ▲ A comparison of the contractual terms and conditions with prevailing market conditions; and other data considered relevant.

3.5. Redemption premium

As described in accounting policy 2.7, throughout the life of the redeemable preference shares, the Group estimates the amount of the redemption premium to be paid on the redemption date. This amount is recognised and accounted for on an incremental basis in accordance with the calculation formula mentioned in Note 36. In particular, the calculation considers the variation in adjusted net equity, net of the dividends the Group expects to distribute. In addition, the component of the redemption premium arising from the difference between the initial reference equity (31 December 2018) and equity at the allocation date (31 December 2019) is recognised in the profit or loss for the year.

3.6. Goodwill impairment

The recoverable amount of goodwill recorded in the Group’s assets is analysed on an annual basis in the preparation of the financial statements, with reference to year-end, or whenever there are indicators of impairment. For this purpose, the carrying amount of the Group entity to which the respective goodwill is recognised in assets, is compared with its recoverable amount. A goodwill impairment loss is recognised when the recoverable amount of the entity being tested is lower than its statement of financial position amount. In the absence of an available market value, the recoverable amount is determined using discounted value techniques, applying a discount rate that considers the risk associated with the unit being tested. The determination of the future cash flows to be discounted and the discount rate to be applied involves judgement.

3.7. Provisions

Provisions are recognised when:

- ▲ The Group has a present obligation (legal or arising from past practices or published policies that imply the recognition of certain liabilities);
- ▲ it is probable that an outflow of resources will be required to settle the obligation;
- ▲ a reliable estimate can be made of the amount of the obligation.

The measurement of provisions takes into account the principles set out in IAS 37, namely the best estimate of the expected cost, the most likely outcome of ongoing actions, and the risks and uncertainties inherent in the process. Provisions are derecognised through utilization when the events for which they were established occur or reversed when they are no longer required.

NOTE 4

NET INTEREST INCOME

The amount of this caption is made up as follows:

	2025	2024
Interest income		
Interest on cash and deposits	3,966,397	9,694,936
Interest on financial assets at amortised cost		
Interest on applications in other credit institutions	9,884,636	5,135,679
Interest on loans and advances to customers	987,005	1,042,558
Interest on debt securities	18,507,889	26,798,373
Interest on financial assets held for trading		
Derivatives	-	97,156
Debt securities	2,032,936	4,117,636
Interest on financial assets at fair value through other comprehensive income	49,527,975	54,520,409
Interest on hedging derivatives	252,407	9,657,353
Other interest income	715,928	2,034,189
	85,875,173	113,098,289
Interest expense		
Interest from financial assets held for trading		
Debt securities	-	148,242
Interest on financial liabilities measured at amortised cost		
Interest on funding from central banks	-	1,491
Interest on funding from other credit institutions	2,815,531	2,490,364
Interest on client deposits	37,050,447	52,202,032
Interest on other liabilities represented by securities	346,408	1,920,129
Interest on debt securities	117,904	9,072,317
Interest on hedging derivatives	4,135,221	506,165
Other interest expense	77,453	94,579
	44,542,964	66,435,319
	41,332,209	46,662,970

The line items "Interest on debt securities" include the depreciation of the premium/discount arising from the difference between the nominal value of the bonds acquired and their acquisition cost. The depreciation of the discount and the premium is calculated using the effective interest rate method and is recorded in net interest margin throughout the life of the bond.

The change in the amounts of the interest income line items reflects the decline in interest rates during the first half of 2025, followed by a stabilization at average levels below those observed in 2024.

The change in the amounts of the interest expense line items reflects the decrease in interest on client deposits, in the context of falling interest rates in the first half of 2025, notwithstanding the increase in total client deposits over the year.

NOTE 5

DIVIDEND INCOME

As at 31 December 2025, this line item, amounting to 41,223 Euros comprises dividends from financial assets at fair value through other comprehensive income (31 December 2024: 115,718 Euros).

NOTE 6 NET FEE AND COMMISSION INCOME

The amount of this line item is made up as follows:

	2025	2024
Fee and commission income		
For transactions on behalf of third parties	10,029,260	9,252,009
For services rendered	9,013,529	7,658,452
For commission sharing	4,343,895	3,437,780
For financial advisory services	1,052,099	1,033,248
For commitments to third parties	33,239	33,088
For guarantees provided	3,690	3,659
Other fee and commission income	141,470	637,704
	24,617,182	22,055,940
Fee and commission expenses		
For transactions performed by third parties	2,320,459	1,494,172
For banking services from third parties	1,953,949	1,822,709
For transactions on financial instruments	461,076	575,132
Other fee and commission expenses	165,642	339,563
	4,901,126	4,231,577
	19,716,056	17,824,363

Net fee and commission income includes, among other items, fee and commissions charged and received relating to the different services provided by the Group, namely brokerage and custody services, among others.

NOTE 7 GAINS OR LOSSES ON DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES NOT MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

The amount of this line item is made up as follows:

	2025			2024		
	Gains	Losses	Total	Gains	Losses	Total
Bonds and other fixed return securities						
From national public issuers	-	2,518	(2,518)	-	7,260	(7,260)
From foreign public issuers	33,647,143	24,225,469	9,421,674	11,051,791	4,670,164	6,381,627
From other national issuers	567,863	91,018	476,845	835,079	259,097	575,982
From other foreign issuers	2,737,861	1,227,043	1,510,818	7,823,778	6,292,715	1,531,063
	36,952,867	25,546,048	11,406,819	19,710,648	11,229,236	8,481,412

NOTE 8

GAINS OR LOSSES ON FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING AND HEDGE ACCOUNTING

The amount of this line item is made up as follows:

	2025			2024		
	Ganhos	Perdas	Total	Ganhos	Perdas	Total
Assets and liabilities held for trading						
Bonds and other fixed return securities						
From national public issuers	213,150	(322,034)	(108,884)	475,277	(150,744)	324,533
From foreign public issuers	317,521	(404,467)	(86,946)	1,096,543	(252,085)	844,458
From other national issuers	122,297	(12,233)	110,064	365,920	(55,951)	309,969
From other foreign issuers	94,239	(30,314)	63,925	745,953	(182,874)	563,079
Shares of foreign issuers	14,413	(14,435)	(22)	2,342	(10,094)	(7,752)
Units of participation issued by national issuers	72,586	-	72,586	-	-	-
Derivative financial instruments						
Contracts on exchange rates	2,631,883	(1,818,434)	813,449	2,604,077	(7,393,597)	(4,789,520)
Contracts on interest rates	8,848,565	(5,568,471)	3,280,094	12,500,729	(8,555,066)	3,945,663
Contracts on shares / indices	-	-	-	76,500	(3,100)	73,400
Other	3,760,389	(358,501)	3,401,888	6,747,604	(454,233)	6,293,371
Results of hedging accounting						
Hedging derivatives	61,592,846	(8,714,378)	52,878,468	26,809,889	(3,422,520)	23,387,369
Hedged items	4,481,483	(57,619,629)	(53,138,146)	13,859,634	(36,035,329)	(22,175,695)
Other hedging instruments*	-	-	-	163,997	-	163,997
Non-trading financial assets mandatorily at fair value through profit or loss						
Shares of national issuers	1,152,528	(327,780)	824,748	425,199	(785,979)	(360,780)
Shares of foreign issuers	1,391,574	(761,985)	629,589	133,418	(1,087,837)	(954,419)
Financial assets at fair value through other comprehensive income						
From foreign public issuers	837,081	(620,529)	216,552	815,373	(348,323)	467,050
From other foreign issuers	317,350	(12,733)	304,617	30,445	(16,096)	14,349
Shares of foreign issuers	373,584	(235,238)	138,346	333	(333)	-
	86,221,489	(76,821,161)	9,400,328	66,853,233	(58,754,161)	8,099,072

* The caption Other hedging instruments relates to the hedging of interest rate risk that is based on German sovereign bonds.

NOTE 9 EXCHANGE DIFFERENCES

This line item includes the results arising from the foreign exchange revaluation of monetary assets and liabilities expressed in foreign currencies, in accordance with the accounting policy described in Note 2.2.

As at 31 December 2025, this line item comprises losses amounting to 367,792 Euros (31 December 2024: gains of 3,815,313 Euros), of which 5,376,028 Euros relates to gains on forward foreign exchange revaluation and 5,743,820 Euros to losses arising from spot foreign exchange revaluation (31 December 2024: 7,083,313 Euros relating to losses on forward foreign exchange revaluation and 10,898,627 relating to gains on spot foreign exchange revaluation).

Foreign exchange exposures, gains and losses by currency for the years ended 2025 and 2024, respectively, are presented in the table below:

	2025			2024		
Currency	Position	Exchange	Revaluation	Position	Exchange	Revaluation
AUD	583,041	2	(7,564)	262,274	2	6,768
BRL	(13)	6	2,462	-	6	(14,555)
CAD	(1,834,418)	2	(21,820)	1,295,306	1	(10,671)
CHF	(5,194,085)	1	51,845	5,843,109	1	(29,758)
CNH	(1,799,729)	8	-	244,204	1	-
DKK	(1,496,537)	7	15,893	900,533	7	9,441
EUR*	285,504	1	76,363	(1,305,187)	67	(4,494)
GBP	(3,240,989)	1	13,910	5,944,751	1	336,656
HKD	(1,098)	9	(41)	1,097	8	(19)
INR	-	106	22,292	-	89	(23,536)
JPY	(272,423,735)	184	(3,668)	82,808,899	163	205
KRW	(4,225,039,828)	1,697	-	180	0	-
MXN	(23,682)	21	(13)	23,691	22	(139)
MZN	(996,982,307)	75	(83,512)	754,829,312	66	(54,171)
NOK	(4,344,297)	12	(26,238)	1,761,159	12	(4,511)
PLN	(9,037)	4	38	17,699	4	1,701
SEK	(1,569,631)	11	7,752	1,393,795	11	(9,491)
SGD	(243,679)	2	-	344,051	1	-
TRY	(437)	50	(150)	437	37	(733)
USD	(32,739,625)	1	(5,780,597)	57,749,760	1	10,696,009
ZAR	(36,628)	19	2	(2,736)	20	(74)
			(5,733,046)			10,898,628

* the position in euros refers to business in Mozambique.

The Group adopts a fully hedged economic strategy in respect of the foreign exchange exposure of its foreign currency portfolio, which is comprised exclusively of USD-denominated debt securities. For this purpose, the Group makes use of derivative instruments (foreign exchange futures and forwards), and foreign currency repurchase (repo) transactions. Changes in the fair value of these instruments are recognised under "Gains or losses on financial assets and liabilities at fair value through profit or loss and hedge accounting" (see Note 8).

▲ NOTE 10 PROFIT/LOSS ON DISPOSAL OF OTHER ASSETS

The amount of this line item is made up as follows:

	2025	2024
Non-financial operations	180	-
	180	-

▲ NOTE 11 OTHER OPERATING RESULTS

The amount of this line item is made up as follows:

	2025	2024
Other operating income		
Provision of diverse services	141,925	125,546
Other	579,323	1,289,875
	721,248	1,415,421
Other operating expenses		
Subscriptions and donations	250,111	250,066
Other	718,644	839,724
	968,755	1,089,790
Other operating results	(247,507)	325,631

The caption "Other operating income – Other" as at 31 December 2024, includes an amount of 186,154 Euros related to the derecognition of a liability corresponding to the variable component of the purchase price of DIF Broker.

▲ NOTE 12 ADMINISTRATIVE EXPENSES – STAFF EXPENSES

The amount of this line item is made up as follows:

	2025	2024
Remunerations	19,105,570	19,186,814
Costs with retirement pensions of defined contributions	609,942	525,902
Mandatory social charges	3,997,431	3,911,406
Other staff expenses	1,730,108	2,449,539
	25,443,051	26,073,661

As at 31 December 2025, the caption "Remunerations" includes expenses related to remuneration and other benefits granted to the members of the management and supervisory bodies, in the amount of 4,323,073 Euros (31 December 2024: 4,186,985 Euros).

The caption "Other staff expenses" includes health insurance, life assurance, among other items. This caption also includes the recognition of the differential between the interest rate applied to loans granted to employees and the prevailing market interest rate.

Expenses with remuneration and other benefits attributed to key management staff with senior management functions may be analysed as follows:

	2025	2024
Short-term employee benefits	6,374,325	6,086,349
Post-employment benefits	277,721	174,971
Other long-term benefits	19,449	17,602
	6,671,495	6,278,922

By professional category, the number of employees as at 31 December 2025 and 2024 is analysed as follows:

	2025	2024
Specific functions	281	276
Middle management functions	48	44
Senior management functions	69	71
Administrative functions	6	8
Auxiliary functions	5	5
	409	404

▲ NOTE 13 EMPLOYEE BENEFITS

The Bank provides retirement benefits to its employees through a defined contribution pension plan.

In 2025, the base contribution to the Pension Fund is 2% and the additional contribution (incentive), matching employees' voluntary contributions, corresponds to a maximum of 3% of the monthly base salary. The base contribution to the Pension Fund in Spain is 1% of the annual gross salary (subject to a minimum amount as defined in the applicable Collective Labour Agreement) during the first three years from the date the employee joins the fund, or 2% of the annual gross salary (subject to a minimum amount as defined in the applicable Collective Labour Agreement) after that period. Additionally, the pension plan regulations of the Spanish branch provide for an additional contribution (incentive) equal to the voluntary contribution of the employees, up to a maximum of 3% of monthly base salary.

As at December 2025, the Bank recognised as an expense a total amount of 556,919 Euros relating to the Defined Contribution Plan (31 December 2024: 513,575 Euros), of which 211,729 Euros relates to the additional contribution (incentive) (31 December 2024: 205,914 Euros).

Since 2006, the Bank has provided retirement benefits to its employees through two pension plans: a defined contribution plan and a defined benefit plan, the latter implemented following the resolutions approved at the General Meetings held on 8 April 2005 and 5 April 2006.

From that date, each member of the Board of Directors or employee of the Bank could choose between the two existing plans for retirement purposes.

The Bank's Management carried out an assessment of the impact of maintaining two plans, which, despite their different nature (defined benefit vs defined contribution), has been established equally for the majority of employees. In this context, it was observed that, since the creation of the Defined Benefit Plan in 2006, and after the initial enrolments, no further enrolments had been recorded in that plan. The Bank also noticed that there was a trend in the market to convert defined benefit plans into defined contribution plans, namely due to the greater predictability, limitation and lower volatility of the related obligations.

Accordingly, the General Meeting held on 8 May 2014 approved the termination of the defined benefit plan. The Bank thereafter maintained only a defined contribution plan, which came to cover all members of the management bodies and employees of the Bank.

With respect to the defined benefit pension plan, there were no pensions in payment or rights acquired that could prevent it from being closed. These changes were duly authorised by the Insurance and Pension Funds Supervisory Authority.

Participants in the defined benefit pension plan were transferred to the defined contribution pension plan, and the Bank undertook to maintain a reserve account for any differences that may appear compared to the defined benefits established for participants in the former defined benefit plan.

Participants in the Defined Benefit Plan comprised six active employees. In accordance with the terms of the Plan, the defined benefits vested after the age of 60, subject to a minimum service period of 10 years.

As at 31 December 2015, the Bank made its best estimate of to the pension obligation arising from the defined benefit plan, taking into account the number of employees it expected to opt for such benefit. The amount of the responsibilities corresponding to past services up to 2012 was being deferred over a period of 11.5 years, when the plan was introduced, corresponding to the estimated period of service of these employees. The discount rate used to estimate the liability with retirement pensions corresponds to the market rates prevailing at the reporting date, stated in the currency in which the benefits will be paid.

The provision corresponding to the actuarial estimate of the obligation assumed by the Bank following the defined benefit plan, recognised as at 31 December 2024 in the amount of 55,227 Euros, was fully utilised during the 2025 financial year.

BiG Stock Option Plan

As at 31 December 2025 and 2024, BiG's stock option programmes had the following main characteristics:

Plan	Expected end date of the plan ⁽¹⁾	Number of options on the start date of the plan	2025		
			Exercise price	Number of options	Number of shares per option
2013	jan/2027	5,000,000	1.00	3,753,146	1.58

⁽¹⁾ The expiry date refers to the lapse date of the last year for each Plan.

Plan	Expected end date of the plan ⁽¹⁾	Number of options on the start date of the plan	2024		
			Exercise price	Number of options	Number of shares per option
2013	jan/2027	5,000,000	1.00	3,753,146	1.58

⁽¹⁾ The expiry date refers to the lapse date of the last year for each Plan.

The options mature, individually, after a period of ten years from their respective vesting dates.

The regulations relating to the stock options plan have remained substantially unchanged since 2005, except with regard to the due dates and to the funding. As a general rule, the due dates are distributed over three years, except for the members of the corporate officers, whose options fall due three years after their attribution. The maturity period, being 10 years after the first due date, has remained unchanged. Given that the Group is not listed, the exercise of the options occurs only when the Bank carries out a capital increase, which may not coincide with the communication of intention to exercise by the holders of the options.

Option valuation methodology

The valuation of BiG's stock options is based on the adoption of internationally accepted market methodologies and takes into account the specific characteristics of BiG's stock option programmes and market data.

For the purposes of applying the option valuation model, the value of BiG shares is estimated based on a combination of the Discounted Cash Flows to Equity, Market Multiples and Adjusted Book Value, based on the Gordon model.

NOTE 14

ADMINISTRATIVE EXPENSES – OTHER ADMINISTRATIVE EXPENSES

The amount of this line item is made up as follows:

	2025	2024
Supplies	760,697	744,833
Leasing excluded from IFRS 16	667,323	777,640
Communications	728,071	734,043
Travel, hotel and representation expenses	526,890	645,799
Advertising and publications	1,164,134	1,385,400
Specialised services		
Fees	503,213	467,487
Information services	5,024,187	4,466,115
Security and surveillance	189,217	168,286
Information	1,317,150	1,259,732
Databases	149,230	132,191
Manual labour	256,192	281,561
Other specialised services	2,507,111	2,449,272
Other	637,644	773,789
Direct and indirect taxes	421,957	1,504,915
	14,853,016	15,791,063

The caption “Other specialised services” includes the fees of the Statutory Auditor (ROC) in connection with the statutory audit of the Group’s financial statements, as well as other services, including those provided by firms within its network, as follows:

- (i) Fees contracted for the statutory audit, for the years 2025 and 2024, excluding VAT and expenses:

	2025	2024
Statutory audit services	319,823	323,051
	319,823	323,051

* This amount includes fees invoiced by the auditor of the Spanish branch, which is a member firm of the KPMG network.

- (ii) Fees invoiced by the Statutory Auditor, or by entities within its network, for the years 2025 and 2024, relating to non-audit services, excluding VAT and expenses:

	2025	2024
Distinct audit services required from the Statutory Auditor	115,500	91,500
Distinct audit services not required from the Statutory Auditor	45,850	33,850
	161,350	125,350

Fees for services other than audit include services provided for the issuance of the impairment report, safeguarding of client assets, and the report for the ex-ante contribution to the Single Resolution Fund.

NOTE 15

CASH CONTRIBUTIONS TO RESOLUTION FUNDS AND DEPOSIT GUARANTEE SCHEMES

The amount reported under this line item comprises:

	2025	2024
Cash contributions to resolution funds	334,923	277,335
Cash contributions to deposit guarantee schemes	12,094	7,134
	347,017	284,469

NOTE 16

EARNINGS PER SHARE

Basic earnings per share attributable to the Bank's shareholders are calculated by dividing net profit attributable to the Bank's shareholders by the weighted average number of ordinary shares outstanding.

	2025	2024
Net profit attributable to the Bank's shareholders	26,494,509	27,038,177
Weighted average number of ordinary shares issued	186,947,388	186,947,388
Weighted average number of Treasury shares in portfolio	(2,598)	(2,598)
Average number of ordinary shares in circulation	186,944,790	186,944,790
Earnings per share attributable to the Bank's shareholders	0.14	0.14

Diluted earnings per share do not differ from basic earnings per share, as there were no instruments outstanding with a dilutive effect as at 31 December 2025 and 2024.

NOTE 17

CASH, CASH EQUIVALENTS AT CENTRAL BANKS AND OTHER DEMAND DEPOSITS – CASH AND CASH EQUIVALENTS AT CENTRAL BANKS

As at 31 December 2025 and 2024, this line item has the following composition:

	2025	2024
Cash	2,986,181	3,323,707
Demand deposits at Central Banks	194,066,618	160,779,646
	197,052,799	164,103,353

The line item "Demand deposits in central banks" includes deposits held to meet the requirements of the Minimum Reserves System of the European System of Central Banks. Pursuant to European Central Bank Regulation (EC) No. 1745/2003 of 12 September 2003, as amended by European Central Bank Regulation (EU) No. 2016/1705 of 9 September 2016, minimum required reserves held in demand deposits with Banco de Portugal are non-remunerated and correspond to 1% of deposits and debt securities with a maturity of less than two years, excluding from this base deposits placed by institutions subject to the minimum reserves regime of the European System of Central Banks. This line item also includes overnight deposits placed through the Eurosystem standing deposit facility. As at 31 December 2025, the remuneration rate applied to the component held to meet the minimum reserve requirement was 0%. As at 31 December 2025, placements under the liquidity absorption mechanism with overnight maturity were remunerated at 2%.

Compliance with the minimum required reserves, for a given maintenance period, is assessed by reference to the balances of deposits held with Banco de Portugal throughout the relevant period. The balance of the account held with Banco de Portugal as at 31 December 2025 includes an average minimum reserve requirement of 15,708,100 Euros, corresponding to the maintenance period from 23 December 2025 to 10 February 2026.

This caption also includes BiG Mozambique's demand deposits with Banco de Mozambique held to meet the minimum required reserve requirements, as regulated by Notice 01/GMB/2023. Pursuant to this Notice, required reserves correspond, as a percentage of client deposit balances, to 29% and 29.5% in domestic currency and foreign currency, respectively, from which the banks subject to the required reserves regime are excluded. Reserves are kept in Meticaís for deposits in domestic currency and in U.S. Dollars for deposits in foreign currency, these deposits not being remunerated.

Compliance with the minimum required reserves, for a given reserve maintenance period, is assessed by reference to the balances of deposits held with Banco de Mozambique throughout the relevant period. The balances of the accounts with Banco de Mozambique as at 31 December 2025 include 172,687,950 meticaís and 18,921 U.S. dollars corresponding to the minimum required reserves to be observed in the maintenance period from 31 December 2025 to 27 January 2026.

As at December 2025 and 2024, no impairment allowance is allocated to Cash, cash equivalents at central banks and other demand deposits – Cash and cash equivalents at central banks, as these financial instruments are repayable on demand and, in accordance with its credit risk management policies, the Group monitors and assesses the credit quality of the respective counterparties on a daily basis.

▲ NOTE 18

CASH, CASH EQUIVALENTS AT CENTRAL BANKS AND OTHER DEMAND DEPOSITS – OTHER DEMAND DEPOSITS

As at 31 December 2025 and 2024, this caption was broken down as follows:

	2025	2024
Deposits in other credit institutions in Portugal		
Demand deposits	5,449,357	4,496,974
Deposits in other foreign credit institutions		
Demand deposits	109,955,438	109,864,203
	115,404,795	114,361,177

Depository institutions with which the Group holds cash balances have high credit ratings; as at the end of 2025 and 2024, 99% of such balances were held with institutions whose rating is investment grade. The remaining balances, approximately 1%, were held with institutions without an external credit rating.

As at 31 December 2025 and 2024, no impairment allowance is allocated to Cash, cash equivalents at central banks and other demand deposits – Other demand deposits, as these financial instruments are repayable on demand and, in accordance with its credit risk management policies, the Group monitors and assesses the credit quality of the respective counterparties (credit institutions) on a daily basis.

▲ NOTE 19

FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING

As at 31 December 2025 and 2024, this line item has the following composition:

	2025	2024
Financial assets held for trading		
Securities		
Bonds and other fixed return securities		
From national public issuers	5,812,308	5,120,994
From foreign public issuers	1,465,226	56,099,785
From other national issuers	201,381	6,042,371
From other foreign issuers	1,032,286	18,187,162
	8,511,201	85,450,312
Derivatives		
Derivative financial instruments with positive fair value	48,576	2,625
	8,559,777	85,452,937
Financial liabilities held for trading		
Derivative financial instruments with negative fair value	86,279	5,807,687
	86,279	5,807,687

In accordance with the accounting policy described in Note 2.4, financial assets held for trading are those that are acquired with the objective of being traded in the short term, regardless of their maturity, or that are managed on a fair value basis.

The impact arising from changes in financial assets and liabilities held for trading in the statement of profit or loss may be found in Note 8.

The rate of return on trading assets for the year ended 31 December 2025 amounted to 1% (31 December 2024: 3%).

The line item “Derivative financial instruments with negative fair value” as at 31 December 2025 and 2024 is broken down as follows:

	2025			2024		
	Notional	Fair Value		Notional	Fair Value	
		Assets	Liabilities		Assets	Liabilities
Derivatives held for trading						
Swaps	-	-	-	20,000,000		391,332
Term transactions *	63,631,718	48,576	86,279	104,918,335	2,625	5,416,355
	63,631,718	48,576	86,279	124,918,335	2,625	5,807,687

* The notional amount of forward transactions represents the countervalue of the receivable leg of the forwards in the portfolio.

The term transactions item relates to foreign exchange forwards.

The amount recognised in the statement of financial position under Derivative financial instruments is determined in accordance with the policy set out in Note 2.3 and represents the respective fair value, whereas the notional amounts are disclosed off-balance sheet.

As at 31 December 2025 and 2024, the distribution of “Financial assets held for trading – Securities” by residual maturity, is as follows:

	2025	2024
Securities		
Up to 3 months	102,547	56,495,746
From 3 months to 1 year	42,746	8,949,426
From 1 to 5 years	1,382,780	14,287,752
Over 5 years	6,983,128	5,717,388
	8,511,201	85,450,312

As at 31 December 2025 and 2024, the distribution of “Financial assets and liabilities held for trading – Derivative financial instruments”, by residual maturity is presented as follows:

	2025		2024	
	Notional	Fair value	Notional	Fair value
Derivative financial instruments				
Up to 3 months	46,643,767	(83,282)	63,497,767	(3,764,717)
From 3 months to 1 year	16,987,951	45,579	41,420,568	(1,651,524)
From 1 to 5 years	-	-	20,000,000	(388,821)
	63,631,718	(37,703)	124,918,335	(5,805,062)

Movements in “Financial assets and liabilities held for trading – Securities” in the years 2025 and 2024 are presented below:

	2025	2024
Opening balance	85 450 312	71 639 266
Debt instruments		
Additions	547,099,030	1,107,673,139
Disposals	(550,275,404)	(1,107,170,627)
Variations in fair value	(110,458)	13,308,534
Other movements	(73,652,279)	-
Closing balance	8,511,201	85,450,312

The balance reported in the line “Other movements” relates to the transfer of financial instruments in the amount of 73,652,279 to the line item “Financial assets at fair value through profit or loss”. This movement does not affect the business model classification determined at initial recognition for those securities, as it represents a transfer between sub-line items within the statement of financial position for presentation purposes in the financial statements.

NOTE 20

NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 31 December 2025 and 2024, this line item has the following composition:

	2025	2024
Non-trading financial assets mandatorily at fair value through profit or loss		
Securities		
Shares of national issuers	4,117,681	3,017,906
Shares of foreign issuers	3,690,799	3,668,993
Funds of national issuers	183,233	166,386
	7,991,713	6,853,285
Credits and other receivables	2,143,959	1,314,068
	10,135,672	8,167,353

As at 31 December 2025 and 2024, “Non-trading financial assets mandatorily at fair value through profit or loss – Securities” have an indefinite duration and relate to temporary investments in companies with a high growth and valuation potential, as well as the management of venture capital funds.

These companies may be domestic or international, and should preferably operate in the Fintech, Insurtech and Cybersecurity segments, without excluding investments in other areas where opportunities so justify.

The lines items “Shares of national issuers” and “Shares of foreign issuers” include equity investments in early-stage start-ups located, namely, in Portugal and the United Kingdom, totalling 6,025,242 Euros (31 December 2024: 5,120,078 Euros).

The amounts recorded under the line item “Credits and other receivables” refer to other debt instruments over the above-mentioned start-ups.

NOTE 21

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

As at 31 December 2025 and 2024, this line item has the following composition:

	2025	2024
Financial assets at fair value through profit and loss		
Securities		
Bonds and other fixed return securities		
From foreign public issuers	62,889,548	6,701,550
From other foreign issuers	6,947,695	902,225
	69,837,243	7,603,775

The rate of return on financial assets at fair value through profit or loss for the year ended 31 December 2025 amounted to 3.6% (31 December 2024: 17.7%).

As at 31 December 2025 and 2024, the distribution of “Financial assets at fair value through profit or loss – Securities” by residual maturity is as follows:

	2025	2024
Securities		
Up to 3 months	55,600,980	576,632
From 3 months to 1 year	12,685,180	3,362,905
From 1 to 5 years	1,551,083	3,664,238
	69,837,243	7,603,775

Movements in “Financial assets at fair value through profit or loss” in the years 2025 and 2024 are presented below:

	2025	2024
Opening balance	7,603,775	8,550,863
Debt instruments		
Additions	563,907,696	291,586,275
Disposals	(575,772,163)	(294,329,487)
Fair value changes	1,381,956	-
Gains and losses for the period	230,801	539,215
Interest	(228,233)	651,303
Foreign exchange differences	(938,868)	605,606
Other movements	73,652,279	-
Closing balance	69,837,243	7,603,775

The balance reported in the line “Other movements” relates to the transfer of financial instruments in the amount of 73,652,279 Euros to the line item “Financial assets at fair value through profit or loss”. This movement does not affect the business model classification determined at initial recognition for those securities, as it represents a transfer between sub-line items within the statement of financial position for presentation purposes in the financial statements.

NOTE 22

FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As at 31 December 2025 and 2024, this line item has the following composition:

	Cost (1)	Fair value reserve			Balance Sheet Value
		Positive	Negative	Fair value hedge	
Financial assets at fair value through other comprehensive income					
Bonds and other fixed return securities					
From national public issuers	9,856,220	187	(2,767,457)	1,327,142	8,416,092
From foreign public issuers	882,471,191	2,567,758	(163,111,558)	100,800,080	822,727,471
From other national issuers	102,273,571	829,513	(1,107,843)	369,293	102,364,534
From other foreign issuers	294,812,699	1,090,409	(24,245,342)	8,634,704	280,292,470
Capital instruments					
Shares of national issuers	13,978	-	-	-	13,978
Shares of foreign issuers	868,494	-	(96,444)	-	772,050
Other	1,877,451	-	(262,851)	-	1,614,600
Balance on 31 December 2024	1,292,173,604	4,487,867	(191,591,495)	111,131,219	1,216,201,195
Financial assets at fair value through other comprehensive income					
Bonds and other fixed return securities					
From national public issuers	9,487,215	220	(2,763,063)	1,691,034	8,415,406
From foreign public issuers	869,532,969	666,647	(161,252,684)	123,610,290	832,557,222
From other national issuers	87,424,760	292,944	(228,905)	78,492	87,567,291
From other foreign issuers	379,937,706	1,124,454	(18,466,419)	8,013,517	370,609,258
Capital instruments					
Shares of national issuers	13,978	-	-	-	13,978
Shares of foreign issuers	888,867	165,697	(172,431)	-	882,133
Other	-	-	-	-	-
Balance on 31 December 2025	1,347,285,495	2,249,962	(182,883,502)	133,393,333	1,300,045,288

(1) Amortised cost including accrued interest, impairments for debt securities, and acquisition cost for shares and other equity instruments.

As at 31 December 2025, the lines items “Bonds and other fixed return securities – From other national issuers” and “Bonds and other fixed return securities – From other foreign issuers” includes 55,522,457 Euros (31 December 2024: 80,714,783 Euros) relating to ABS (asset backed securities) and RMBS (residential mortgage-backed securities).

As at 31 December 2025, approximately 63% (31 December 2024: 73%) of the portfolio of “Financial assets at fair value through other comprehensive income”, comprised of bonds and other fixed-income securities, was hedged with derivative financial instruments, specifically interest rate futures and interest rate swaps.

The rate of return, before interest rate hedging, for the year ended 31 December 2025 amounted to 2.2% (31 December 2024: 2.7%).

In 2025 and 2024, and in accordance with the accounting policy described in Note 2.4. – Other financial assets, the Group regularly assesses whether there has been a significant increase in the credit risk for “Financial assets at fair value through other comprehensive income”.

Securities pledged as collateral by the Group are analysed in Note 41 – Off-balance sheet items.

As at 31 December 2025 and 2024, the distribution of this line item by residual maturity is as follows:

	2025	2024
Up to 3 months	29,532,190	12,518,327
From 3 months to 1 year	33,041,895	13,999,873
From 1 to 5 years	325,498,105	314,134,776
Over 5 years	911,076,987	873,147,591
Unspecified duration	896,111	2,400,628
	1,300,045,288	1,216,201,195

The staging of the securities included in “Financial assets at fair value through other comprehensive income” as at 31 December of 2025 and 2024 is disclosed in Note 44 – Business risk management.

Movements in expected credit loss relating to “Financial assets at fair value through other comprehensive income” are presented as follows:

	2025	2024
Opening balance	2,377,754	2,241,755
Additions	2,348,382	7,102,020
Reversals	(3,166,945)	(7,012,954)
Foreign exchange differences	(72,155)	46,933
Closing balance	1,487,036	2,377,754

Movements in “Financial assets at fair value through other comprehensive income – Debt instruments” in 2025 and 2024 are presented below:

	2025	2024
Opening balance	1,213,800,567	1,067,595,861
Debt instruments		
Additions	1,025,737,925	904,339,050
Disposals / Maturities	(880,879,796)	(765,803,934)
Amortisation of premium/discount	2,148,851	1,698,315
Advance payment	(34,773,975)	(44,854,548)
Gain	(9,446,348)	3,692,013
FX Revaluation	(23,409,470)	14,798,034
Interest	(241,560)	3,074,607
Revaluation reserve	6,212,983	29,261,169
Closing balance	1,299,149,177	1,213,800,567

NOTE 23

FINANCIAL ASSETS AT AMORTISED COST – DEBT SECURITIES

As at 31 December 2025 and 2024, this line item has the following composition:

	Cost	Fair value hedge*	Expected credit loss	Balance Sheet Value
Financial assets at amortised cost				
Bonds and other fixed return securities				
From foreign public issuers	362,661,153	(24,677,830)	224,426	337,824,423
From other national issuers	86,705,343	116,051	74,120	86,747,274
From other foreign issuers	545,404,019	(7,049,754)	760,295	537,593,974
Balance on 31 December 2024	994,770,515	(31,611,533)	1,058,841	962,165,671
Financial assets at amortised cost				
Bonds and other fixed return securities				
From foreign public issuers	274,881,169	(16,744,904)	136,733	257,999,532
From other national issuers	42,934,649	40,259	42,036	42,932,872
From other foreign issuers	510,635,082	(7,124,700)	613,261	502,897,121
Balance on 31 December 2025	828,450,900	(23,829,345)	792,030	803,829,525

* Financial assets at amortised cost that have their interest rate risk hedge, where a negative value in this term corresponds to a positive value in the hedging instruments.

As at 31 December 2025 and 2024, the distribution of this line item by residual maturity is as follows:

	2025	2024
Up to 3 months	10,404,387	7,281,589
From 3 months to 1 year	42,414,812	9,968,961
From 1 to 5 years	241,398,276	245,204,896
Over 5 years	509,612,050	699,710,225
	803,829,525	962,165,671

Movements in “Bonds and other fixed return securities” in 2025 and 2024 are presented below:

	2025	2024
Opening balance	962,165,671	886,192,944
Debt instruments		
Additions	63,659,735	110,889,015
Disposals	(139,129,730)	-
Repayments	(86,310,407)	(43,361,066)
Amortisation of premium/discount	3,019,918	1,313,847
Gains / losses	(6,049,406)	-
Impairment	266,811	136,261
Interest	(1,575,263)	30,993
Fair value hedge	7,782,196	6,963,677
Opening balance	803,829,525	962,165,671

Movements in expected credit loss relating to “Financial assets at amortised cost – Debt securities” are presented as follows:

	2025	2024
Opening balance	1,058,841	1,155,869
Additions	699,497	684,795
Reversals	(966,308)	(781,823)
Closing balance	792,030	1,058,841

The Group regularly assesses whether there has been a significant increase in credit risk for these debt financial instruments, in accordance with Note 2.4 – Other financial assets. As at 31 December 2025, the credit impairment allowance recognised for performing securities (Stage 1) amounted to 792,030 Euros (31 December 2024: 1,058,841 Euros).

The rate of return, before interest rate hedging, for the year ended 31 December 2025 amounted to 2.0% (31 December 2024: 2.6%).

The adjustment relating to hedging relationships as at 31 December 2025 was 23,829,345 Euros (31 December 2024: -31,611,533). This adjustment results from the hedging of fixed-rate debt instruments that with the respective expected credit loss had a carrying amount of 803,829,526 Euros (31 December 2024: 962,165,671).

▲ NOTE 24 FINANCIAL ASSETS AT AMORTISED COST – LOANS AND ADVANCES – CLIENTS

As at 31 December 2025 and 2024, this line item was broken down as follows:

	2025	2024
Domestic loans		
To corporates		
Current account credit facilities	6,175,511	3,495,824
Overdrafts	13,186	12,525
To private individuals		
Current account credit facilities	17,153,005	10,774,527
Mortgage loans	5,010,938	4,602,397
Leasing	123,856	90,146
Overdrafts	23,996	27,071
Other specialised loans	233,811	253,780
Other credit	151,269	151,044
	28,885,572	19,407,314
Foreign loans		
To corporates		
Overdrafts	247	2,491
To private individuals		
Current account credit facilities	1,683,537	593,307
Mortgage loans	117,607	125,089
Overdrafts	710	8,108
	1,802,101	728,995
Past due loans and interest		
Over 90 days	19,955	16,659
	19,955	16,659
	30,707,628	20,152,968
Impairment of credit to clients	(24,239)	(26,218)
Loans to clients	30,683,389	20,126,750

As at 31 December 2025 and 2024, the line item “Current account credit facilities” reflects loans granted under the margin account, which are collateralised by deposits and/or securities held within the Group.

As at 31 December 2025, the Bank’s loan portfolio includes loans granted to members of the Board of Directors in the amount of 932,699 Euros, arising from the personnel policy, under the terms of No. 4 of Article 85 of the General Regime of Credit Institutions and Financial Companies (31 December 2024: 55,986 Euros). As at 31 December 2025, credit granted to key personnel of the institution with executive functions amounted to 1,824,002 Euros (31 December 2024: 1,829,732 Euros).

The rate of return for the year ended 31 December 2025 amounted to 3.7% (31 December 2024: 5.3%).

The residual maturities of “Loans and advances – Clients”, including principal and accrued interest receivable and excluding impairment allowances, were structured as follows:

	2025	2024
Up to 3 months	25,061,765	14,929,216
From 3 months to 1 year	37,046	200,496
From 1 to 5 years	581,555	441,782
Over 5 years	5,007,307	4,564,815
Unspecified duration	19,955	16,659
	30,707,628	20,152,968

Movements in impairment allowances for “Loans and advances – Clients” are presented as follows:

	2025	2024
Opening balance	26,218	23,368
Additions	3,296	10,802
Reversals	(5,275)	(2,956)
Utilisations	-	(4,996)
Closing balance	24,239	26,218

The distribution of “Loans and advances – Clients”, excluding impairment allowances, by interest rate type can be presented as follows:

	2025	2024
Variable rate	30,569,220	20,050,021
Fixed rate	138,408	102,947
	30,707,628	20,152,968

The residual maturities of finance lease receivables had the following structure:

	2025	2024
Instalments and residual values due		
Up to 3 months	482	205
From 3 months to 1 year	-	10,805
From 1 to 5 years	65,638	53,043
Over 5 years	57,736	26,093
	123,856	90,146
Interest due		
Up to 3 months	-	271
From 1 to 5 years	5,513	6,369
Over 5 years	8,545	5,366
	14,058	12,006
Capital due		
Up to 3 months	482	205
From 3 months to 1 year	-	10,534
From 1 to 5 years	60,125	46,674
Over 5 years	49,191	20,727
	109,798	78,140

Details of the non-securitised loan portfolio by year of origination are presented as follows:

31-12-2025									
Year of production	Current Account Credit			Mortgages			Other		
	Number of transactions	Gross exposure	Impairment set up	Number of transactions	Gross exposure	Impairment set up	Number of transactions	Gross exposure	Impairment set up
2010 and previous	34	2,796,319	-	23	767,070	54	-	-	-
2011	8	991,230	-	8	261,936	19	2	103	103
2012	4	69,260	-	-	-	-	4	5,412	5,412
2013	-	-	-	-	-	-	5	5,833	5,833
2014	4	120,928	-	1	3,231	-	64	2,935	843
2015	4	1,253,295	-	1	50,892	4	21	881	297
2016	3	248,081	-	2	144,805	11	17	868	596
2017	9	1,319,530	-	3	426,489	31	35	152,002	424
2018	9	541,751	-	3	181,857	13	22	1,104	593
2019	1	14,215	-	3	251,474	18	14	559	300
2020	17	989,722	-	2	367,957	27	16	636	229
2021	13	1,461,885	-	1	121,796	9	8	1,933	341
2022	11	562,996	-	-	-	-	4	87	2
2023	10	955,323	-	2	283,076	20	29	13,925	3,203
2024	25	5,667,989	-	11	1,027,981	74	73	90,581	3,425
2025	60	8,025,548	-	10	1,242,035	92	394	282,098	2,266
	212	25,018,072	-	70	5,130,599	372	708	558,957	23,867

31-12-2024									
Year of production	Current Account Credit			Mortgages			Other		
	Number of transactions	Gross exposure	Impairment set up	Number of transactions	Gross exposure	Impairment set up	Number of transactions	Gross exposure	Impairment set up
2010 and previous	43	2,350,741	-	24	847,004	179	-	-	-
2011	9	837,323	-	8	277,200	60	2	104	104
2012	5	110,990	-	-	-	-	4	5,412	5,412
2013	3	62,040	-	-	-	-	7	5,900	5,900
2014	6	261,026	-	1	9,577	1	69	2,807	965
2015	5	2,174,566	-	2	223,786	48	21	775	311
2016	3	508,930	-	2	149,145	33	18	869	655
2017	11	1,262,167	-	5	661,751	120	37	153,059	491
2018	9	439,450	-	3	189,774	42	36	15,235	724
2019	3	339,890	-	3	261,460	57	19	666	365
2020	19	1,165,180	-	2	377,910	83	22	8,749	228
2021	16	1,117,369	-	1	126,325	28	10	6,824	416
2022	11	708,515	-	-	-	-	8	41,563	6
2023	10	1,073,666	-	3	474,512	103	43	25,703	2,368
2024	24	2,452,155	-	12	1,136,143	254	355	286,707	7,265
	177	14,864,008	-	66	4,734,587	1 008	651	554,373	25,210

As at 31 December 2025 and 2024, details of impairment allowances are presented as follows:

2025												
	Stage 1			Stage 2			Stage 3			TOTAL		
	Gross Exposure	Impairment	Net Exposure	Gross Exposure	Impairment	Net Exposure	Gross Exposure	Impairment	Net Exposure	Gross Exposure	Impairment	Net Exposure
Loans granted												
Corporates	6,178,611	(78)	6,178,533	115	(3)	112	383	(383)	-	6,179,109	(464)	6,178,645
Private individuals	23,374,661	(2,877)	23,371,784	1,072,981	(21)	1,072,960	80,877	(20,877)	60,000	24,528,519	(23,775)	24,504,744
Guarantees and sureties provided												
Corporates	4,350	-	4,350	-	-	-	-	-	-	4,350	-	4,350
Private individuals	60,500	-	60,500	-	-	-	-	-	-	60,500	-	60,500
Total	29,618,122	(2,955)	29,615,167	1,073,096	(24)	1,073,072	81,260	(21,260)	60,000	30,772,478	(24,239)	30,748,239

2024												
	Stage 1			Stage 2			Stage 3			TOTAL		
	Gross Exposure	Impairment	Net Exposure	Gross Exposure	Impairment	Net Exposure	Gross Exposure	Impairment	Net Exposure	Gross Exposure	Impairment	Net Exposure
Loans granted												
Companies	3,479,769	(142)	3,479,627	1,022	(59)	963	1,451	(1,451)	-	3,482,242	(1,652)	3,480,590
Private individuals	15,807,975	(7,434)	15,800,541	845,816	(197)	845,619	16,935	(16,935)	-	16,670,726	(24,566)	16,646,160
Guarantees and sureties provided												
Companies	4,350	-	4,350	-	-	-	-	-	-	4,350	-	4,350
Private individuals	121,900	-	121,900	-	-	-	-	-	-	121,900	-	121,900
Total	19,413,994	(7,576)	19,406,418	846,838	(256)	846,582	18,386	(18,386)	-	20,279,218	(26,218)	20,253,000

Guarantees and sureties provided are fully collateralized by deposits and other liquid financial products and are monitored on a daily basis. Accordingly, no impairment allowances were allocated to them as at 31 December 2025 and 2024.

Additional information on exposure by staging and on restructured credit can be found in Note 44 – Business risk management.

NOTE 25

FINANCIAL ASSETS AT AMORTISED COST – LOANS AND ADVANCES – CENTRAL BANKS

As at 31 December 2025 and 2024, this line item was broken down as follows:

	2025	2024
Loans and advances - Central Banks		
Very short-term applications	33,243,829	30,346,826
	33,243,829	30,346,826

The residual maturities of “Loans and advances – Central Banks” were structured as follows:

	2025	2024
Up to 3 months	33,243,829	30,346,826
	33,243,829	30,346,826

This line item refers exclusively to deposits held by Banco BiG Moçambique with the Central Bank of Mozambique, which are remunerated at local interest rates. The average interest rate during the year ended on 31 December of 2025 was 12.3% (31 December 2024: 18%).

NOTE 26

FINANCIAL ASSETS AT AMORTISED COST – LOANS AND ADVANCES – CREDIT INSTITUTIONS

As at 31 December 2025 and 2024, this line item was broken down as follows:

	2025	2024
Loans and advances - Credit Institutions		
Deposits	18,750,801	8,217,790
Loans	187,378,215	55,365,676
	206,129,016	63,583,466
	206,129,016	63,583,466

The change in Loans and advances results from a increase in the execution of a set of reverse repo transactions, in which the Group grants funding by receiving debt securities as collateral.

The rate of return for the year ended 31 December 2025 amounted to 2.5% (31 December 2024: 5.4%).

The residual maturities of “Loans and advances – Credit Institutions” were structured as follows:

	2025	2024
Up to 3 months	78,398,888	26,133,466
From 3 months to 1 year	127,730,128	37,450,000
	206,129,016	63,583,466

NOTE 27

DERIVATIVES – HEDGE ACCOUNTING

As at 31 December 2025 and 2024, this line item was broken down as follows:

2025									
Derivative product	Associated financial asset / liability	Hedge instrument				Hedge instrument (*)			
		Notional	Variation in Balance			Hedge component (interest rate risk in the Balance Sheet)	Variation in Balance		Balance Sheet value of hedged instruments
			Fair value (1)	Sheet value of the year	Variation in P&L of the year		Sheet value of the year	Variation in P&L of the year	
Interest Rate Swap	Debt instruments	445,376,596	16,935,689	33,591,559	47,809,829	(20,070,504)	(34,664,599)	(47,961,369)	493,181,857
Futures (*)	Debt instruments	506,784,228	-	-	6,349,998	3,410,757	(6,613,048)	(6,458,135)	582,376,703
		952,160,824	16,935,689	33,591,559	54,159,827	(16,659,747)	(41,277,647)	(54,419,504)	1,075,558,560

2024									
Derivative product	Associated financial asset / liability	Hedge instrument				Hedge instrument (*)			
		Notional	Variation in Balance			Hedge component (interest rate risk in the Balance Sheet)	Variation in Balance		Balance Sheet value of hedged instruments
			Fair value (1)	Sheet value of the year	Variation in P&L of the year		Sheet value of the year	Variation in P&L of the year	
Interest Rate Swap	Debt instruments	533,219,174	(16,655,869)	(5,412,423)	(7,732,350)	14,594,095	4,970,643	7,515,263	509,418,948
Futures (*)	Debt instruments	511,225,890	-	-	5,681,517	10,023,805	(872,747)	(4,252,756)	576,113,570
		1,044,445,064	(16,655,869)	(5,412,423)	(2,050,833)	24,617,900	4,097,896	3,262,507	1,085,532,518

(1) Includes accrued interest

(*) The maturity considered was the cheapest-to-delivery (CtD)

Within the scope of interest risk hedge accounting in the banking book, as at 31 December 2024, the Bank held exclusively fixed-rate bond futures and interest rate swaps as hedging instruments.

The amount associated with the hedged item is carried in the statement of financial position in a specific line item (see Note 23), and the related changes are recognised in profit or loss under Gains or losses on financial assets and liabilities at fair value through profit or loss and hedge accounting (see Note 8).

With regard to the fair value of futures, it is reflected in the line item “Deposits in other credit institutions” (see Note 18).

The residual maturities of the notional values of hedging instruments can be analysed in the table below:

2025						
Derivative product	Associated financial asset / liability	Notional			Fair Value	
		Less than 1 year	From 1 to 5 years	Over 5 years	Assets	Liabilities
Interest Rate Swap	Debt instruments	-	-	445,376,596	22,457,211	(5,521,522)
Futures (*)	Debt instruments	2,587,000	316,058,491	188,138,737	-	-
		2,587,000	316,058,491	633,515,333	22,457,211	(5,521,522)

2024						
Derivative product	Associated financial asset / liability	Notional			Fair Value	
		Less than 1 year	From 1 to 5 years	Over 5 years	Assets	Liabilities
Interest Rate Swap	Debt instruments	-	-	533,219,174	9,152,470	(25,808,339)
Futures (*)	Debt instruments	-	301,135,310	210,090,580	-	-
		-	301,135,310	743,309,754	9,152,470	(25,808,339)

(*) The maturity considered was the cheapest-to-delivery (CtD)

The movements in 2025 and 2024 can be consulted in the table below:

	2025	2024
Opening balance	(16,655,869)	(11,243,448)
Variations in fair value	11,278,782	(9,869,879)
Coupon payment	7,173,958	7,032,608
Payoff	15,241,662	(2,599,987)
Currency revaluation	(102,844)	24,837
Closing balance	16,935,689	(16,655,869)

NOTE 28 TANGIBLE ASSETS

As at 31 December 2025 and 2024, this line item was broken down as follows:

	2025	2024
Buildings		
Improvements to buildings	4,606,046	4,461,608
For own use	19,268,279	19,771,151
	23,874,325	24,232,759
Equipment		
Computer equipment	5,593,357	6,775,136
Furniture and material	1,882,322	1,848,315
Installations and interiors	1,416,967	2,607,957
Security equipment	1,134	262,300
Machines and tools	3,405,118	388,323
Other equipment	104,835	481,163
Transportation material	222,615	252,611
	12,626,348	12,615,805
Rights of use		
Buildings	3,261,180	3,183,527
Vehicles	1,833,659	1,260,079
	5,094,839	4,443,606
Tangible assets in progress	224,941	10,001
Impairment	(177,549)	(177,549)
Accumulated depreciation	(20,975,755)	(19,757,633)
	20,667,149	21,366,989

Movements in this line item were as follows:

	Buildings	Equipment	Tangible fixed assets in progress	Right of use		Total
				Buildings	Vehicles	
Acquisition cost						
Balance on 31 December 2023	23,423,848	12,404,563	-	2,913,531	1,220,992	39,962,934
Additions	22,511	172,714	357,982	2,237,299	1,067,277	3,857,783
Write-downs	-	(137,061)	-	(1,967,303)	(1,028,190)	(3,132,554)
Disposals	531,535	87,608	(347,981)	-	-	271,162
Currency exchange differences	254,865	87,981	-	-	-	342,846
Balance on 31 December 2024	24,232,759	12,615,805	10,001	3,183,527	1,260,079	41,302,171
Additions	135,310	199,376	224,941	376,432	638,171	1,574,230
Write-downs	-	(77,321)	-	(298,779)	(64,591)	(440,691)
Transfers	-	8,766	(8,766)	-	-	-
Reclassifications	(17,945)	51,284	-	-	-	33,339
Currency exchange differences	(475,799)	(171,562)	(1,235)	-	-	(648,596)
Balance on 31 December 2025	23,874,325	12,626,348	224,941	3,261,180	1,833,659	41,820,453
Depreciation						
Balance on 31 December 2023	7,612,638	10,282,726	-	2,131,510	998,270	21,025,144
Amortisation of the year	414,004	618,598	-	359,842	165,858	1,558,302
Write-downs of the year	-	(126,883)	-	(1,967,302)	(803,849)	(2,898,034)
Currency exchange differences	26,809	45,412	-	-	-	72,221
Balance on 31 December 2024	8,053,451	10,819,853	-	524,050	360,279	19,757,633
Amortisation of the year	431,942	516,853	-	521,705	372,606	1,843,106
Write-downs of the year	-	(49,635)	-	(298,779)	(64,590)	(413,004)
Reclassifications	(10,645)	850	-	22,708	(22,708)	(9,795)
Currency exchange differences	(56,173)	(146,012)	-	-	-	(202,185)
Balance on 31 December 2025	8,418,575	11,141,909	-	769,684	645,587	20,975,755
Impairments						
Balance on 31 December 2023	177,549	-	-	-	-	177,549
Balance on 31 December 2024	177,549	-	-	-	-	177,549
Balance on 31 December 2025	177,549	-	-	-	-	177,549
Net balance on 31 December 2024	16,001,759	1,795,952	10,001	2,659,477	899,800	21,366,989
Net balance on 31 December 2025	15,278,201	1,484,439	224,941	2,491,496	1,188,072	20,667,149

NOTE 29 INTANGIBLE ASSETS

As at 31 December 2025 and 2024, this line item has the following composition:

	2025	2024
Acquired from third parties		
Automatic data treatment system	20,935,937	20,383,687
Other	2,935,588	2,935,588
	23,871,525	23,319,275
Intangible assets in progress		
Automatic data treatment system	708,590	754,629
	708,590	754,629
Goodwill		
	5,505,674	5,505,674
	5,505,674	5,505,674
	30,085,789	29,579,578
Accumulated amortization	(20,465,578)	(18,905,630)
	9,620,211	10,673,948

Movements in this line were as follows:

	Automatic data treatment system	Other	Tangible fixed assets in progress	Goodwill	Total
Acquisition cost					
Balance on 31 December 2023	17,140,261	2,935,588	3,407,436	5,505,674	28,988,959
Additions	244,180	-	639,477	-	883,657
Transfers	3,033,670	-	(3,304,833)	-	(271,163)
Write-downs	(51,150)	-	-	-	(51,150)
Currency exchange differences	16,726	-	12,549	-	29,275
Balance on 31 December 2024	20,383,687	2,935,588	754,629	5,505,674	29,579,578
Additions	127,878	-	489,537	-	617,415
Transfers	529,255	-	(529,255)	-	-
Write-downs	(33,042)	-	(297)	-	(33,339)
Currency exchange differences	(71,841)	-	(6,024)	-	(77,865)
Balance on 31 December 2025	20,935,937	2,935,588	708,590	5,505,674	30,085,789
Amortizations					
Balance on 31 December 2023	16,417,102	1,115,236	-	-	17,532,338
Amortization of the year	1,126,769	234,884	-	-	1,361,653
Currency exchange differences	11,639	-	-	-	11,639
Balance on 31 December 2024	17,555,510	1,350,120	-	-	18,905,630
Amortization of the year	1,346,738	234,884	-	-	1,581,622
Reclassifications	9,795	-	-	-	9,795
Currency exchange differences	(31,469)	-	-	-	(31,469)
Balance on 31 December 2025	18,880,574	1,585,004	-	-	20,465,578
Net balance on 31 December 2024	2,828,177	1,585,468	754,629	5,505,674	10,673,948
Net balance on 31 December 2025	2,055,363	1,350,584	708,590	5,505,674	9,620,211

On 7 September 2021, the Bank acquired 100% of the capital of DIF Broker – Empresa de Investimento, S.A., an investment company incorporated in 1999 whose corporate purpose is the provision of investment services and ancillary services for which it is authorized, as set out in its bylaws.

In the context of this transaction, the Bank attributed a separately identifiable value to intangible assets amounting to 2,348,840 Euros, for which a useful life of 10 years is estimated. Taking into consideration the activity of DIF Broker, the value of the client portfolio was estimated based on estimated average commissions and the average number of customers, considering a rate of loss of customers over time.

According to the accounting policy described in Note 2.1, the recoverable value of goodwill is assessed annually. The valuations will be based on duly supported assumptions that represent the best estimate of the Management on the economic conditions that will affect each subsidiary, the budgets and most recent projections approved for those subsidiaries and their extrapolation for future periods. The assumptions made for these valuations may change with the modification of economic and market conditions.

The annual assessment of the recoverable value of goodwill with reference to 31 December 2025 and 31 December 2024 was conducted based on an update of the acquired business's financial performance indicators, as well as a review of future outlook considering recent history and the current market and business environment. The estimate of the discount rate reported as at 31 December 2025 and 31 December 2024 was also updated. Based on this analysis, it was concluded that there is no need for any impairment recognition.

NOTE 30 CURRENT TAX ASSETS AND LIABILITIES

As at 31 December 2025 and 2024, this line item was broken down as follows:

	2025	2024
Income tax estimate for the period	(10,583,750)	(9,706,450)
Payments on account	7,284,816	6,350,895
Withholding taxes	1,997,389	1,154,775
Other	2,669,940	1,385,310
Current tax assets / (liabilities)	1,368,395	(815,470)

As at 31 December 2025, the line item "Income tax estimate for the period" includes 1,077,494 Euros relating to the banking sector contribution (31 December 2024: 1,160,939 Euros).

The amount recorded under the "Other" line item mainly corresponds to: (i) 1,334,570 Euros associated with the tax proceedings brought against the Bank by the Tax Authority, with respect to tax adjustments assessed by the Tax Authority in the course of the tax audits for the financial years 2012 and 2013. The recognition of this amount is based on the favourable outlook resulting from the successive positive outcomes obtained by the Bank in various court rulings in similar cases, particularly in the proceedings related to the 2010 and 2011 financial years. The latter culminated in a decision issued by the Supreme Administrative Court on 11 January 2024, which denied the appeal filed by the Tax Authority; and (ii) 1,248,101 Euros corresponding to the recognition of a favourable expectation of recovery of the amount associated with the Additional Solidarity Contribution on the Banking Sector, relating to the financial years 2021 to 2025.

NOTE 31 OTHER ASSETS

As at 31 December 2025 and 2024, this line item was broken down as follows:

	2025	2024
Debtors and other applications		
Futures and options debtors	17,673,094	21,241,954
Diverse applications		
Margin applications	1,840,440	26,386,457
Other applications	14,371,802	13,937,684
Public sector	73,614	67,782
Other debtors	328,344	1,096,495
Credit and interest due - Debtors and other applications	78,040	44,665
Other assets	133,899	133,899
	34,499,233	62,908,936
Impairment losses on other assets	(118,597)	(132,447)
	34,380,636	62,776,489
Expenses with deferred costs	1,138,242	1,258,367
Income receivable	3,275,319	2,650,303
Other accruals and deferrals		
Other operations to be regularized	12,421,077	3,790,547
	12,421,077	3,790,547
	51,215,274	70,475,706

The line item "Futures and options debtors" relates essentially to initial margins on exchange-traded futures.

The line item "Margin applications" relates to collateral posted with counterparties for the trading of derivative instruments.

The line item "Other operations to be regularized" relates essentially to stock exchange transactions that were pending settlement as at 31 December 2025 and 31 December 2024.

The line item “Expenses with deferred costs” includes amounts relating to general administrative expenses which, according to their nature, are to be deferred.

The line item “Income receivable” relates to amounts receivable from fund management entities.

Movements in “Impairment losses on other assets” are presented as follows:

	2025	2024
Opening balance	132,447	253,226
Additions	14,648	44,769
Reversals	(16,388)	(131,505)
Used	-	(34,043)
Currency exchange	(12,110)	-
Closing balance	118,597	132,447

▲ NOTE 32

FINANCIAL LIABILITIES AT AMORTISED COST – FUNDS FROM OTHER CREDIT INSTITUTIONS

As at 31 December 2025 and 2024, this line item was broken down as follows:

	2025	2024
Domestic		
Deposits	47,337,011	8,964,886
REPO's	-	8,663,275
	47,337,011	17,628,161
Foreign		
Deposits	6,490,720	24,010,614
REPO's	26,463,663	24,101,871
	32,954,383	48,112,485
	80,291,394	65,740,646

Deposits essentially consist essentially of deposits placed with the Group by credit institutions. Amounts relating to REPO's relate to loans obtained, collateralised by securities, contracted with international institutions (repurchase agreements).

The rate of return for the year ended 31 December 2025 amounted to 2.4% (31 December 2024: 3.4%).

The residual maturity of Deposits from other credit institutions can be analysed as follows:

	2025	2024
Up to 3 months	47,791,394	65,740,646
From 3 months to 1 year	32,500,000	-
	80,291,394	65,740,646

NOTE 33

FINANCIAL LIABILITIES AT AMORTISED COST – CLIENT DEPOSITS

As at 31 December 2025 and 2024, this line item is composed as follows:

	2025	2024
Demand deposits	837,977,599	671,414,834
Term deposits	1,356,188,586	1,448,596,188
Other	81,677,448	88,667,545
	2,275,843,633	2,208,678,567

The line item “Other” essentially relates to client balances, available and/or used as margin in connection with the trading of securities and derivative instruments.

The interest rate on deposits for the year ended 31 December 2025 amounted to 1.6% (31 December 2024: 2.4%).

The residual maturities of Client deposits were structured as follows:

	2025	2024
Up to 3 months	1,841,904,728	1,714,905,541
From 3 months to 1 year	429,446,883	486,150,795
From 1 to 5 years	4,492,022	7,622,231
	2,275,843,633	2,208,678,567

NOTE 34

FINANCIAL LIABILITIES AT AMORTISED COST – OTHER LIABILITIES REPRESENTED BY SECURITIES

As at 31 December 2025 and 2024, this line item was broken down as follows:

	2025	2024
Other responsibilities represented by securities		
Commercial Paper	-	11,784,130
	-	11,784,130

The residual maturities presented the following structure:

	2025	2024
Up to 3 months	-	6,407,848
From 3 months to 1 year	-	5,376,282
	-	11,784,130

As at 31 December 2024, liabilities represented by securities correspond to two commercial paper issuances.

▲ NOTE 35 PROVISIONS OR REVERSAL OF PROVISIONS

As at 31 December 2025 and 2024, this line item is composed as follows:

	Other provisions
Balance on 31 December 2023	487,829
Additions	11,215
Used	-
Currency exchange	2,825
Regularizations	21,652
Balance on 31 December 2024	523,521
Additions	-
Used	(42,759)
Currency exchange	(4,105)
Regularizations	-
Balance on 31 December 2025	476,657

The caption Other provisions includes provisions set up to cover other specific risks, legal proceedings and other losses arising from the Bank's activity.

▲ NOTE 36 REDEEMABLE SHARE CAPITAL PAYABLE ON DEMAND

The General Meetings of the BiG held on 08 May 2014 and 21 April 2016 authorised the Board of Directors to make a capital increase through the issue of redeemable preference shares aimed at employees and members of the Bank's governing bodies. Following these deliberations, in July 2016 the Board of Directors made a capital increase through the issuance of 12,000,000 (twelve million) redeemable non-voting preference shares, thereby launching the first subscription programme of this type of shares.

The underlying shares to this first subscription programme were redeemed in September 2019. In May 2020, a new subscription programme for this type of shares was implemented, and these were redeemed in June 2023.

Redeemable non-voting preference shares have characteristics that confer a hybrid nature on this instrument, as they share key characteristics of debt instruments. For this reason, under International Financial Reporting Standards, they are classified as a financial liability under "Equity instruments classified as financial liabilities", and the respective income paid is entered as interest.

The redeemable preference shares issued by BiG are, in accordance with the deliberation for their issue and the current wording of BiG's by-laws, subject to redemption within a period of 38 months from the date of issuance. Accordingly, the shares are issued for a fixed term, and both the issuer and the holder have an unconditional right to redemption, with reimbursement of the capital holding and payment of a redemption premium, calculated according to the following formula:

Redemption premium per share: $\text{Max} [0; 1.5 \times (\text{BVPSn} - \text{BVPSi}) / \text{BVPSi}] \times \text{NV}$
 NV – Nominal value
 BVPSi – Book value per share at time i (last annual statement of financial position prior to the issuance date)
 BVPSn – Book value per share at time n (last annual statement of financial position prior to the redemption date)
 1.5 – Book value multiple
 For the purposes of the calculation of the book value per share, the total number of ordinary shares shall be considered.
 Redemption Period / Date: 38 months

In the event of an exceptional corporate event impacting the book value of the shares, the redemption premium may be adjusted so that the holder is neither positively nor negatively affected by such event, in accordance with the terms set out in the regulations of the second subscription programme for redeemable preference shares currently in force at the Bank.

The accounting policy applicable to the recognition of this type of instrument is described in Note 2.6. Financial liabilities.

NOTE 37

CONTINGENT LIABILITIES – RESOLUTION FUND

The Resolution Fund is a legal entity under public law with administrative and financial autonomy, created by Decree Law no. 31-A/2012, of 10 February. It operates under the Legal Framework of Credit Institutions and Financial Companies (Regime Geral das Instituições de Crédito e Sociedades Financeiras – RGICSF) and its own regulations, and its mission is to provide financial support to resolution measures applied by the Banco de Portugal, in the capacity of the national resolution authority, and to perform all the other functions granted by the law within the scope of the implementation of such measures.

The Bank, similarly to the majority of financial institutions operating in Portugal, is one of the participants in the Resolution Fund, making contributions based on a rate defined annually by the Banco de Portugal, which is based on the amount of its liabilities. In 2025, the Bank's periodical contribution amounted to 334,923 Euros (31 December 2024: 311,988 Euros), based on a contribution rate of 0.049%, determined in accordance with Instruction no. 22/2021 of the Banco de Portugal.

NOTE 38

TAXES

The Bank and its subsidiaries based in Portugal determined the amount of their current income tax for the year 2024 based on a nominal tax rate of 21%, and for the year 2025 based on a nominal tax rate of 20%, reflecting a one percentage point reduction in the corporate income tax, as provided for in the State Budget for 2025. Additionally, for both 2024 and 2025, the tax rate is increased by a 1.5% Municipal Surtax. For the same periods, an additional State Surtax is also applied, which may vary between 3% and 9%, depending on the level of taxable income.

The Bank and its subsidiaries headquartered in Portugal calculated their deferred tax amounts for 2024 based on a nominal tax rate of 20% and for 2025 based on a nominal tax rate of 19%, reflecting the aforementioned reduction in the corporate income tax rate, as set out in the 2025 State Budget. For both 2024 and 2025, deferred tax rates are increased by 1.5% in respect of the Municipal Surtax. An additional State Surtax, ranging between 3% and 9% depending on the level of taxable income, is also considered for both periods.

The Portuguese Tax Authorities are empowered to review the tax position of the Bank and its subsidiaries based in Portugal for a period of 4 years, except in cases where tax loss carryforwards are utilised, in which case the statute of limitations corresponds to the period during which such right is exercised. In this way, possible corrections may be made to the taxable income, resulting mainly from differences in interpretation of fiscal legislation. However, Management considers that there are no material differences in respect of income taxes recorded in the financial statements.

Deferred tax assets and liabilities recognised in the statement of financial position for 2025 and 2024 are analysed as follows:

	2025	2024
Financial assets at fair value through other comprehensive income	13,891,901	23,115,190
Financial assets at fair value through profit and loss	(3,453,732)	(4,431,081)
Intangible assets	(334,269)	(392,403)
Other	109,654	453,255
Net deferred tax asset / (liability)	10,213,554	18,744,961
Movement in income tax for the year	(8,531,407)	(5,328,565)

The movement of the income tax reported in profit or loss and in reserves during the year is explained as follows:

	2025	2024
Deferred tax recognized in fair value reserves		
Of the year	(9,223,289)	(4,439,919)
	(9,223,289)	(4,439,919)
Recognised in results		
Current tax		
Of the year	(9,968,169)	(9,930,643)
From previous years	145,900	1,120,958
	(9,822,269)	(8,809,685)
Deferred tax	683,511	(914,737)
	(9,138,758)	(9,724,422)
	(18,362,047)	(14,164,341)

The reconciliation of the tax rate for the years ended 31 December 2025 and 2024 is as follows:

	2025		2024	
	Tax rate	Amount	Tax rate	Amount
Profit before tax		38,345,556		40,330,968
Taxable profit at the applicable tax rate	27.33%	10,480,435	29.73%	11,989,022
Non-deductible expenses for tax purposes	3.47%	1,330,541	1.09%	440,242
Tax benefits	-0.12%	(45,293)	-0.02%	(8,450)
Banking sector contribution	-0.04%	(16,170)	0.63%	254,533
Other	-6.81%	(2,610,755)	-7.32%	(2,950,925)
	23.83%	9,138,758	24.11%	9,724,422

The caption “Other” essentially comprises: (i) tax adjustments related to the elimination of economic double taxation; and (ii) tax adjustments arising from the application of the fair value tax recognition method.

▲ NOTE 39 OTHER LIABILITIES

As at 31 December 2025 and 2024, this line item is composed as follows:

	2025	2024
Creditors and other resources		
Diverse resources	17,883,812	765,069
Public sector	4,524,341	4,969,019
Charges on behalf of third parties	21,826	10,393
Lease liabilities	3,548,332	3,426,451
Other creditors	759,580	523,084
	26,737,891	9,694,016
Payables		
Staff charges	3,759,919	4,752,718
Other charges payable	1,840,122	1,630,019
	5,600,041	6,382,737
Deferred income	17,063	16,808
Other accruals and deferrals		
Other operations to be settled	10,440,984	10,539,201
Non-controlling interests	59,663,095	51,474,852
	70,104,079	62,014,053
	102,459,074	78,107,614

The item “Diverse resources” refers to collateral margins transferred by counterparties under repurchase agreements (repo).

“Lease liabilities” refer to the present value of the future payments of the Bank’s leasing operations, specifically relating to buildings and vehicles. In 2024, the Bank relocated its premises in Spain, which led to the recognition of a lease liability in the total amount of 1,849,575 Euros.

The caption “Other operations to be settled” relates essentially to operations that remained unsettled as at 31 December 2025 and 2024.

The caption “Non-controlling interests” includes the interests not held by the Group arising from the consolidation of the BiG Diversified Macro Fund and ONETIER – Venture Capital Fund.

For the years ended 31 December 2025 and 2024, of the breakdown of “Lease liabilities” is presented below:

	2025	2024
Opening balance	3,426,451	873,042
Additions	712,961	3,287,581
Interest	514	2,077
Payments	(591,594)	(736,091)
Write-downs	-	(158)
Closing balance	3,548,332	3,426,451

As at 31 December 2025 and 2024, future payments relating to Lease liabilities are detailed as follows:

	2025			2024		
	Buildings	Vehicles	Total	Buildings	Vehicles	Total
Up to 3 months	110,810	85,806	196,616	127,727	60,530	188,257
From 3 months to 1 year	330,222	248,042	578,264	354,732	177,671	532,403
From 1 to 5 years	1,531,161	852,092	2,383,253	1,337,679	674,623	2,012,302
Over 5 years	386,942	3,257	390,199	683,871	9,618	693,489
	2,359,135	1,189,197	3,548,332	2,504,009	922,442	3,426,451

NOTE 40

CAPITAL, SHARE PREMIUM, TREASURY SHARES AND RESERVES

Capital

As at 31 December 2025 and 2024, the Bank's shareholder structure was the following:

	2025	2024
	Ordinary Shares	Ordinary Shares
Adger – SGPS, S.A.	12.67%	12.67%
Carlos Adolfo Coelho Figueiredo Rodrigues	8.38%	8.38%
Rui Paulo Fernandes Rodrigues	7.00%	7.00%
António da Silva Rodrigues	6.33%	6.33%
Nicholas Leo Racich	6.27%	6.27%
WWC World Wide Capital - SPGS, S.A.	4.79%	4.79%
JRI – SGPS, S.A.	4.55%	4.55%
Oceangest - Gestão e Empreendimentos Imobiliários, S.A.	4.10%	4.10%
Joaquim Fernando Leça Ramada	2.76%	2.76%
Peter Alexander Batista Rodrigues	2.58%	2.58%
Phillip John Batista Rodrigues	2.48%	2.48%
LNKM Hospitality Capital - Fundo Capital de Risco	2.11%	2.03%
Jorge Milne e Carmo	2.02%	1.13%
Other	33.96%	34.93%
	100.00%	100.00%

As at 31 December 2025 and 2024, the Bank had 12,000,000 redeemable non-voting preference shares issued, which were classified as liabilities (Note 36). Accordingly, even though strictly for statutory purposes the Bank's share capital was considered to be 198,947,388 Euros, given the accounting treatment and characteristics of the redeemable non-voting preference shares, the Share capital line item was represented as at 31 December 2025 and 2024 by 186,947,388 ordinary shares with a nominal value of 1 Euro each.

The first issuance of redeemable preference shares took place in July 2016. In accordance with the terms established in the issuance resolution, these shares were redeemed on 16 September 2019.

With a view to launching a second underwriting programme of redeemable preference shares targeted to BiG's employees and Executive Board Members, a new issuance of this class of shares, in the amount of 12,000,000, was carried out on 27 May 2020, replacing the shares redeemed in September 2019. These shares were redeemed in June 2023.

Share premium

As at 31 December 2025 and 2024, share premium in the amount of 1,362,305 Euros (2024: 1,362,309 Euros) refers to premiums paid by shareholders in connection with capital increases.

Treasury shares

During 2025 and 2024, there were no movements in treasury shares. As at 31 December 2024, treasury shares amounted to 2,326 Euros.

Other accumulated comprehensive income

The caption "Other accumulated comprehensive income" represents unrealised gains and losses relating to the portfolio of financial assets at fair value through other comprehensive income plus impairment recognised in profit or loss and the effects of hedge accounting. The amount is presented net of deferred and current taxes.

The caption "Other accumulated comprehensive income" for the years ended 31 December 2025 and 2024 is analysed as follows:

	2025	2024
Cost of financial assets at fair value through other comprehensive income (note 22) ⁽¹⁾	1,347,285,495	1,292,173,604
Market value of financial assets at fair value through other comprehensive income	1,300,045,288	1,216,201,195
Fair value reserve of financial assets at fair value through other comprehensive income	(182,120,576)	(189,481,382)
Fair value reserve associated to macro-hedging for interest rate risk	133,393,333	111,131,219
Impairment of financial assets at fair value through other comprehensive income	1,487,036	2,377,754
Deferred tax	13,961,420	23,161,013
Current tax	-	25,673
Currency revaluation	1,065,320	3,699,813
	(32,213,467)	(49,085,910)

⁽¹⁾ Amortised cost including accrued interest, impairments, and effects of interest rate risk hedging for debt securities and acquisition cost with respect to shares and other equity instruments.

Other reserves

The equity item "Other reserves" as at 31 December 2025, includes the amounts constituted by the Banco de Investimento Global as legal reserves, free reserves and other retained earnings. These components are detailed below:

i. Legal reserve

In accordance with Article 97 of the Legal Framework of Credit Institutions and Financial Companies approved by Decree-Law no. 298/91 of 31 December, as amended by Decree-Law no. 201/2002 of 25 September, the Bank must allocate no less than 10% of its net profit for each year to the formation of a legal reserve, up to a limit equal to the amount of share capital or the aggregate of free reserves and retained earnings, whichever is higher. As at 31 December 2025, the Bank's legal reserves totalled 62,795,042 Euros (31 December 2024: 59,712,578 Euros).

ii. Free reserves

As at 31 December 2025, the Bank's free reserves amount to 182,966,208 Euros (31 December 2024: 179,882,144 Euros), representing the total accumulated profits not distributed and/or not constituted as a legal reserve.

iii. Other retained earnings

The caption "Other retained earnings" includes gains and losses associated with equity instruments (both realised and unrealised) that the Bank has irrevocably designated at fair value through other comprehensive income. According to the requirements of IFRS 9, these gains and losses are recorded in equity and are not recycled to profit or loss. As at 31 December 2025, Other retained earnings amounted to 1,397,211 Euros (31 December 2024: 2,475,877 Euros).

There are no statutory restrictions on the use of reserves, being applicable only those resulting from legal provisions, namely those provided for in Article 295 of the Portuguese Companies Code regarding legal reserves.

The movement in the fair value reserve, net of tax, for the years 2025 and 2024 is analysed as follows:

	2024	Variations in fair value	Hedge accounting		Tax	2025
			Fair value hedge adjustment	Disposals		
Financial assets at fair value through other comprehensive income						
Debt instruments	(52,455,301)	6,287,193	3,481,485	18,783,309	(9,331,878)	(33,235,192)
Capital instruments	(356,614)	262,851	-	-	80,170	(13,593)
Currency revaluation	3,726,005	(2,690,687)	-	-	-	1,035,318
	(49,085,910)	3,859,357	3,481,485	18,783,309	(9,251,708)	(32,213,467)

	2023	Variations in fair value	Hedge accounting		Tax	2024
			Fair value hedge adjustment	Disposals		
Financial assets at fair value through other comprehensive income						
Debt instruments	(58,867,027)	27,178,317	(20,985,131)	4,612,689	(4,394,149)	(52,455,301)
Capital instruments	(410,641)	41,400	-	-	12,627	(356,614)
Currency Revaluation	2,288,625	1,437,380	-	-	-	3,726,005
	(56,989,043)	28,657,097	(20,985,131)	4,612,689	(4,381,522)	(49,085,910)

Interim dividends

On 26 November 2025, the Board of Directors of BiG resolved to pay interim dividends relating to 2025 earnings, in the total amount of 9,347,240 Euros (31 December 2024: 9,347,240 Euros), corresponding to a dividend of 0.05 Euros per share. For this purpose, the opinion of the Supervisory Board was obtained in advance, which provided its express consent to the interim distribution.

Non-controlling interests

This item records the interests not held by the Group arising from the consolidation of Banco BiG Moçambique, and is presented as follows:

	2025	2024
Banco BiG Moçambique, S.A.	5,384,938	6,277,606

The movements in this caption during the period are presented as follows:

	2025	2024
Opening balance	6,277,606	5,628,664
Other comprehensive income	(84,785)	12,831
Currency exchange differences	(750,376)	406,754
Profit or loss for the year	2,712,289	3,568,369
Transfers to reserves	-	-
Dividends	(497,814)	(481,807)
Reserves	-	-
Non-controlling interests in Liabilities	(2,271,742)	(2,857,205)
Closing balance	5,385,178	6,277,606

NOTE 41 OFF-BALANCE SHEET ITEMS

As at 31 December 2025 and 2024, this line item was broken down as follows:

	2025	2024
Guarantees provided and other contingent liabilities		
Assets given as collateral	1,422,233,554	1,467,873,058
Guarantees and sureties	64,850	126,250
	1,422,298,404	1,467,999,308
Guarantees received		
Personal guarantees		
Guarantees and sureties	-	1,467,592
Real guarantees		
Securities	108,178,132	117,585,275
Loans	5,009,907	7,608,394
Real Estate	4,953,624	5,451,460
	118,141,663	132,112,721
Commitments to third parties		
Irrevocable commitments		
Potential liability to the Investor Compensation System	674,614	674,614
Fixed-term deposit contracts	-	20,000,000
Revocable commitments		
Bank overdraft facilities	35,949,065	31,700,555
	36,623,679	52,375,169
Foreign exchange operations and derivative instruments		
Spot foreign exchange transactions	1,198,094	1,294,591
Trading instruments	433,729,580	287,470,489
Hedging instruments	871,904,255	1,019,188,834
	1,306,831,929	1,307,953,914
Liabilities for services provided		
Asset custody and deposit	6,489,422,286	4,792,023,522
For asset administration	596,522,398	504,269,157
For collection of amounts	1,206,033	1,392,430
	7,087,150,717	5,297,685,109
Services rendered by third parties		
Asset custody and deposit	6,243,571,424	4,473,408,744
	6,243,571,424	4,473,408,744
Other off-balance-sheet accounts		
Consignments	16,603	17,949
Loans deducted from assets	145,587	148,457
	162,190	166,406

As at 31 December 2025 and 2024, the balance of the caption "Assets given as collateral" includes:

- ▲ Securities provided as a guarantee to the Investor Compensation Scheme amounting to 2,097,760 Euros (31 December 2024: 1,123,950 Euros);
- ▲ Securities in the pool of the European System of Central Banks in the amount of 749,843,216 Euros (31 December 2024: 943,068,884 Euros). As at 31 December 2025 and 2024, none of the securities in the pool were pledged as collateral;
- ▲ Other securities pledged as collateral amounting to 670,292,528 Euros (31 December 2024: 523,538,757 Euros). These correspond to a pool of securities, a significant portion of which was not being used as collateral in liquidity operations.

NOTE 42

TRANSACTIONS WITH RELATED PARTIES

The Group's policy on transactions with related parties establishes the rules to be observed and procedures to be followed whenever transactions with related parties occur. Pursuant to IAS 24 and based on the aforementioned policy, the following, among others, are considered related parties of the BiG:

- i. Qualifying shareholders of the institution and other persons or entities covered by the regime set out in Article 109 of the Legal Framework of Credit Institutions and Financial Companies;
- ii. Members of the management and supervisory bodies of BiG;
- iii. The spouse, de facto partner, or first-degree relative of the people mentioned in line (ii) above;
- iv. Any entity in which a member of the management body or supervisory body, or their spouse, de facto partner, or first-degree relative, holds a qualifying holding of 10 % or more of the share capital or voting rights, or in which those people exercise significant influence or exercise senior management functions or belong to the management/supervisory bodies;
- v. Senior management, comprising persons whose position or functions entail authority and responsibility for planning, directing, and controlling BiG's activities;
- vi. Any fund or benefit plan, such as pensions, other retirement benefits, life insurance, and medical care insurance, for the benefit of BiG employees;
- vii. Members of the corporate bodies of entities belonging to BiG;
- viii. People or entities, including, in particular, depositors, creditors, debtors, participated entities by BiG or other BiG's entities, whose relationship with BiG may potentially influence its management, in such way to obtain a commercial relationship not in line with the normal market conditions;
- ix. Entities in which any related party of BiG is: (i) a shareholder; (ii) a senior officer, namely by being a member of management or supervisory bodies or by having regular access to inside information and participates in decisions regarding the entity's management, direction and control; or (iii) the holder, individually or jointly, directly or indirectly, of at least half of the respective share capital or voting rights, as well as entities which have been incorporated for the benefit of any BiG's Related Party; and
- x. Entities with which there is an interdependent economic relationship, namely due to their insertion in a crossed relationship of participations in diverse entities or that, for being connected to the institution in such a way, in the contingency of one of them having financial problems, the institution may also struggle financially.

As at 31 December 2025 and 2024, the balances reflected in the statement of financial position – Assets relating to related parties are as follows:

	2025			
	Other demand deposits	Financial assets at fair value through other comprehensive income	Loans and advances - Clients	Other Assets
Shareholders with holdings over 10%	-	-	-	-
Management and Supervisory Board	-	-	935,645	10,400
Closely related persons	-	-	-	-
Related companies	-	13,978	-	12,315
	-	13,978	935,645	22,715

	2024			
	Other demand deposits	Financial assets at fair value through other comprehensive income	Loans and advances - Clients	Other Assets
Shareholders with holdings over 10%	-	-	-	-
Management and Supervisory Board	-	-	56,045	15,004
Related companies	-	13,978	-	12,292
	-	13,978	56,045	27,296

As at 31 December 2025 and 2024, the balances reflected in the statement of financial position – Liabilities relating to related parties are as follows:

	2025		
	Client deposits	Funding from other credit institutions	Other Liabilities
Shareholders with holdings over 10%	5,244,041	-	-
Management and Supervisory Board	2,767,981	-	2,400
Closely related persons	1,120,757	-	3,000
Related companies	10,259,606	-	3
	19,392,384	-	5,403

	2024		
	Client deposits	Funding from other credit institutions	Other Liabilities
Shareholders with holdings over 10%	6,965,186	15	-
Management and Supervisory Board	2,087,492	-	-
Closely related people	618,681	-	-
Related companies	9,692,553	-	3
	19,363,912	15	3

As at 31 December 2025 and 2024, the balances reflected in the income statement relating to related parties are as follows:

	2025		
	Interest income	Interest expense	Fee and commission income
Shareholders with holdings over 10%	-	(22,164)	1,428
Management and Supervisory Board	7,556	(18,918)	3,170
Closely related persons	4,944	(14,290)	1,455
Related companies	-	(56,596)	5,592
	12,500	(111,968)	11,645

	2024		
	Interest income	Interest expense	Fee and commission income
Shareholders with holdings over 10%	-	(87,334)	1,228
Management and Supervisory Board	740	(32,248)	2,074
Closely related people	-	(6,672)	1,580
Related companies	-	(146,411)	7,244
	740	(272,665)	12,126

NOTE 43

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

As at 31 December 2025 and 2024, the fair value of financial assets and liabilities is presented as follows:

	Amortised cost	Total Balance Sheet value	Listed market values (level 1)	Valuation models with parameters / prices observable in the market (level 2)	Valuation models with no observable parameters in the market (level 3)	Fair value
31 December 2025						
Cash, cash equivalents at Central Banks and other demand deposits						
Cash and cash equivalents at Central Banks	197,052,799	197,052,799	197,052,799	-	-	197,052,799
Other demand deposits	115,404,795	115,404,795	115,404,795	-	-	115,404,795
Financial assets at fair value through profit and loss						
Financial assets held for trading						
Securities						
Bonds and other fixed return securities						
From public issuers	-	7,277,534	6,813,439	464,095	-	7,277,534
From other issuers	-	1,233,667	1,233,667	-	-	1,233,667
Derivatives	-	-	-	-	-	-
Term transactions	-	48,576	-	48,576	-	48,576
Non-trading financial assets mandatorily at fair value through profit or loss						
Securities						
Shares	-	7,808,480	-	-	7,808,480	7,808,480
Funds	-	183,233	-	-	183,233	183,233
Credits and other receivables	-	2,143,959	-	-	2,143,959	2,143,959
Financial assets accounted at fair value through profit and loss						
Securities						
Bonds and other fixed return securities						
From public issuers	-	62,889,548	60,376,085	1,079,758	1,433,705	62,889,548
From other issuers	-	6,947,695	5,942,793	-	1,004,902	6,947,695
Financial assets at fair value through other comprehensive income						
Bonds and other fixed return securities						
From public issuers	-	840,972,628	784,281,751	56,690,877	-	840,972,628
From other issuers	-	458,176,549	347,226,433	59,189,634	51,760,482	458,176,549
Shares	-	896,111	865,633	-	30,478	896,111
Other	-	-	-	-	-	-
Financial assets at amortised cost						
Debt securities	803,829,525	803,829,525	548,349,383	127,047,094	123,173,543	798,570,020
Loans and advances - Clients	30,683,389	30,683,389	-	-	30,683,389	30,683,389
Loans and advances - Central Banks	33,243,829	33,243,829	-	-	33,243,829	33,243,829
Loans and advances - Credit Institutions	206,129,016	206,129,016	-	-	206,129,016	206,129,016
Derivatives - Hedge accounting	-	22,457,211	-	22,457,211	-	22,457,211
Financial assets	1,386,343,353	2,797,378,544	2,067,546,778	266,977,245	457,595,016	2,792,119,039
Financial liabilities held for trading						
Derivatives						
FX forwards	-	86,279	-	86,279	-	86,279
Financial liabilities at amortised cost						
Client deposits	2,275,843,633	2,275,843,633	-	-	2,275,843,633	2,275,843,633
Funding from other credit institutions	80,291,394	80,291,394	-	-	80,291,394	80,291,394
Derivatives - Hedge accounting	-	5,521,522	-	5,521,522	-	5,521,522
Financial liabilities	2,356,135,027	2,361,742,828	-	5,607,801	2,356,135,027	2,361,742,828
31 December 2024						
Cash, cash equivalents at Central Banks and other demand deposits						
Cash and cash equivalents at Central Banks	164,103,353	164,103,353	164,103,353	-	-	164,103,353
Other demand deposits	114,361,177	114,361,177	114,361,177	-	-	114,361,177
Financial assets at fair value through profit and loss						
Financial assets held for trading						
Securities						
Bonds and other fixed return securities						
From public issuers	-	61,220,779	59,810,289	-	1,410,490	61,220,779
From other issuers	-	24,229,533	20,093,412	2,622,001	1,514,120	24,229,533
Derivatives						
Term transactions	-	2,625	-	2,625	-	2,625
Non-trading financial assets mandatorily at fair value through profit or loss						
Securities						
Shares	-	6,686,899	-	-	6,686,899	6,686,899
Funds	-	166,386	-	-	166,386	166,386
Credits and other receivables	-	1,314,068	-	-	1,314,068	1,314,068
Financial assets at fair value through profit and loss						
Securities						
Bonds and other fixed return securities						
From public issuers	-	6,701,550	-	6,701,550	-	6,701,550
From other issuers	-	902,225	-	902,225	-	902,225
Financial assets at fair value through other comprehensive income						
Bonds and other fixed return securities						
From public issuers	-	831,143,563	766,657,220	64,486,343	-	831,143,563
From other issuers	-	382,657,004	256,331,893	67,056,947	59,268,164	382,657,004
Shares	-	786,028	755,550	-	30,478	786,028
Other	-	1,614,600	1,614,600	-	-	1,614,600
Financial assets at amortised cost						
Debt securities	962,165,671	962,165,671	623,749,300	52,283,445	269,813,528	945,846,273
Loans and advances - Clients	20,126,750	20,126,750	-	-	20,126,750	20,126,750
Loans and advances - Central Banks	30,346,826	30,346,826	-	-	30,346,826	30,346,826
Loans and advances - Credit Institutions	63,583,466	63,583,466	-	-	63,583,466	63,583,466
Derivatives - Hedge accounting	-	9,152,470	-	9,152,470	-	9,152,470
Financial assets	1,354,687,243	2,681,264,973	2,007,476,794	203,207,606	454,261,175	2,664,945,575
Financial liabilities held for trading						
Derivatives						
FX forwards	-	5,807,687	-	5,807,687	-	5,807,687
Financial liabilities at amortised cost						
Client deposits	2,208,678,567	2,208,678,567	-	-	2,208,678,567	2,208,678,567
Funds from other credit institutions	65,740,646	65,740,646	-	-	65,740,646	65,740,646
Derivatives - Hedging accounting	-	25,808,339	-	25,808,339	-	25,808,339
Financial liabilities	2,274,419,213	2,306,035,239	-	31,616,026	2,274,419,213	2,306,035,239

The movements during 2025 and 2024 related to the fair value measurement of Level 3 assets within the fair value hierarchy (excluding the line items Loans and advances) are as follows:

	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost
31 December 2023	29,814,724	48,691,797
Acquisitions	5,653,838	24,810,508
Settlements	(29,200,899)	(37,248,841)
Transfers	56,770,216	230,348,085
Value change	(3,739,237)	3,211,979
31 December 2024	59,298,642	269,813,528
Acquisitions	6,885,993	-
Settlements	-	-
Transfers	(280,235)	(113,402,210)
Value change	(14,113,440)	(33,237,775)
31 December 2025	51,790,960	123,173,543

In 2024, transfers refer entirely to RMBS (residential mortgage-backed securities) for which the prices used in the determination of fair value ceased to be published by the main market makers in this asset class. As a result, fair value came to be determined using prices obtained through the BVAL methodology.

The transfers recorded in 2025 relate to the change in the fair value hierarchy classification of two RMBS issuances to Level 2, as their prices became based on observable market transactions.

In accordance with IFRS 13, the Group's financial assets and liabilities measured at fair value are classified within the following hierarchy:

Level 1– Financial instruments recorded at fair value based on the listed prices available in active markets and those published by entities that routinely provide transaction prices for such assets/liabilities traded in liquid markets.

Level 2 – Financial instruments recorded at fair value through the use of internal valuation models, specifically discounted cash flow models and option pricing models, which imply the use of estimates and require judgement which vary according to the complexity of the products being assessed. However, the Bank uses variables provided by the market as inputs in its models, such as interest rate curves, credit spreads, volatilities and index quotations. This level also includes instruments valued using quotations published by independent entities, where the relevant markets exhibit lower liquidity.

Level 3 – This level includes financial instruments that are measured based on valuation models with parameters that are not observable in the market. This category includes valuations determined through the use of internal valuation models or quotations provided by third parties where the parameters are not observable in the market.

In the case of investments held in Fintech companies, fair value is calculated based on appropriate methodologies for this type of investment, where fair value generally corresponds to the transaction value, considering as such the acquisition price or the market price of a recent transaction. Where there are materially relevant changes in the company's activity that may indicate a change in its fair value, and where no observable data exist related to comparable companies or transactions, other internationally recognised methods are used. Particular emphasis is placed on valuation based on an assessment of achievement against pre-defined milestones, using financial, technical or product, human resources, commercial and financing indicators. According to this methodology, if a relevant deviation from the established milestone is identified, a positive or negative adjustment should be applied. In extreme cases, the adjustment may reach 100%, as in the case of write-offs, for example when the company shows signs of short-term liquidity constraints with no indication of success in obtaining financing.

The principal methods and assumptions used in estimating the fair value of financial assets and liabilities recognised in the statement of financial position at amortised cost are set out below:

Cash and deposits in central banks, Deposits in other banks and Applications in banks

Considering the short maturities associated with these financial instruments, the carrying amount is considered to be a reasonable estimate of their fair value.

Loans and advances to clients

Considering that the Bank's portfolio is composed essentially of short-term loans and recently originated loans, the carrying amount is considered to be a reasonable estimate of the fair value of loans and advances to clients.

Funding from other credit institutions

Considering the short maturities associated with these financial instruments, the carrying amount is considered to be a reasonable estimate of their fair value.

Client deposits

Considering that the interest rates applicable are variable in nature and the maturity period of deposits and other resources is substantially less than one year, there are no materially relevant differences in their fair value.

Funding from Central Banks

Considering the short-term nature associated to these instruments, fair value was considered to be equal to the carrying amount.

Financial assets at amortised cost – Debt securities

To determine the fair value of financial instruments – debt securities recorded at amortised cost, observable market prices were used in accordance with the valuation hierarchy consistently defined by the Bank for assets measured at fair value.

Hedging and trading derivatives

All derivatives are recognised at fair value. For market derivatives, the respective market price is used. For over-the-counter (OTC) derivatives, the payoff profile determines the valuation methodology.

Most OTC options are valued based on closed-form models derived from the Black & Scholes Model. However, where the payoff structure precludes the use of a closed-form solution, Monte Carlo simulation is used.

Financial assets and liabilities held for trading

These instruments are recognised at fair value. Fair value is based on quoted market prices whenever such quotations are available. Where quoted prices are not available, numerical models are used.

The interest rate curves for the main currencies, for the years 2025 and 2024, can be analysed as follows:

(values expressed as a percentage)

	2025		2024	
	EUR	USD	EUR	USD
Overnight	1.980	3.870	2.900	4.490
1 month	1.939	3.675	2.845	4.323
3 months	2.026	3.652	2.714	4.302
6 months	2.107	3.580	2.568	4.250
1 year	2.243	3.427	2.460	4.176
3 years	2.379	3.338	2.196	4.055
5 years	2.574	3.464	2.241	4.039
7 years	2.730	3.607	2.286	4.049
10 years	2.927	3.802	2.360	4.071
15 years	3.151	4.054	2.419	4.119
20 years	3.234	4.170	2.361	4.102
25 years	3.254	4.191	2.257	4.025
30 years	3.244	4.168	2.154	3.934

The 90-day volatilities of interest rate instruments, calculated from the price of public debt instruments for the most liquid maturities (bond futures), for the years 2025 and 2024, can be analysed as follows:

(values expressed as a percentage)

	2025		2024	
	EUR	USD	EUR	USD
3 years	0.773	1.793	2.043	2.667
5 years	1.859	2.393	3.230	3.250
7 years	2.246	3.226	3.958	5.785
10 years	3.257	3.558	5.180	4.987

The evolution of exchange rates for the main currencies, for the years 2025 and 2024, and the respective historical volatilities used in valuing currency exchange derivatives are as follows:

	2025	2024	Volatilities 2025 (in %)		
			3 months	6 months	1 year
EUR/USD	1.175	1.039	4.181	6.240	7.913
EUR/GBP	0.873	0.829	3.636	4.154	4.906
EUR/JPY	184.090	163.060	5.970	6.111	7.539
EUR/CHF	0.931	0.941	2.994	3.090	4.993
EUR/MZN	74.340	65.730	5.231	6.626	8.240

The evolution of the main stock indices, for the years 2025 and 2024, and the respective volatilities used in valuing derivatives on shares and share indices are as follows:

	List price			Historic volatility (as %)		Implicit volatility (as %)	
	2025	2024	Variation %	1 month	3 months	Call	Put
Dow Jones Ind.	48,063.29	42,544.22	13.0	9.26	11.74	12.33	12.33
DAX	24,490.41	19,909.14	23.0	8.34	12.83	13.15	13.15
S&P	6,845.50	5,881.63	16.4	9.18	13.05	13.08	13.08
Nasdaq 100	25,249.85	21,012.17	20.2	13.75	18.72	17.72	17.72

▲ NOTE 44 BUSINESS RISK MANAGEMENT

Background

The Bank seeks to manage on a daily basis the risks inherent in the banking business, specifically market, liquidity, credit, operational, technological, compliance and reputational risks. Additional information on this topic is available in the Management Report.

As these risks are generally interrelated, the Group has structured a system of internal control which, through the establishment of policies, procedures and other control instruments, seeks to manage all risks in a comprehensive and integrated manner. These procedures and policies are generically conceived to ensure effective processing, to ensure robust systems, an appropriate assumption of risk, independent reporting and responsible behaviour, as well as respect for adhering to regulatory, legal and prudential guidelines.

In managing its risk exposure, the Group is guided by the following basic principles:

- ▲ Regular review of policies and procedures by the Management;
- ▲ Formal establishment of responsibilities for risk management within the Group;
- ▲ Independent monitoring process of business units;
- ▲ Definition of policies and procedures intended to ensure an appropriate diversification of risk categories;
- ▲ Maintenance of a suitable system of internal reporting;
- ▲ Systematic and disciplined risk assessment and measurement, including statistical and qualitative measures;
- ▲ Regular training to enhance the identification of risks in the diverse business units.

Risk measurement

The Group uses a set of different methodologies to measure and control the different types of risk exposure, including the following:

- ▲ Value at Risk (VaR);
- ▲ Limits by counterparty, family, asset class or portfolio;
- ▲ Concentration limits;
- ▲ Basis point values (BPVs);
- ▲ Non-statistical indicators, such as stress tests (hypothetical stress tests and stress tests based on historical scenarios) and sensitivity analyses to risk parameters of derivative products (Greeks);
- ▲ Back-testing exercises.

Risk management is an evolving process and is one of the Management's daily areas of attention, especially because any single methodology is usually insufficient to provide a complete view of the risk of exposures. The Group systematically seeks to quantify the potential losses associated with all aspects of its business, in order to form a reasonable prior estimate of potential damage upon the occurrence of unexpected events. These may be based on recent historical data or on less likely scenarios that may nonetheless be considered under certain extreme assumptions.

An assessment of market risk involves a daily review of all the measures mentioned above. Credit risk generally focuses on nominal and fractional exposures, concentrations by lender or group, sector or geography. Liquidity, interest rate and foreign exchange risk management combine a range of methodologies, including basis point values and scenarios analyses. Derivatives exposures are measured through sensitivity analyses as well as by the Greeks. An evaluation of more subjective risks to which the Group may be exposed, such as reputational risk and correlation risk, relies on scenario analyses in order to arrive at quantitative estimates. Finally, operational risk exposure is strongly oriented towards the study of the Group's processes and to ongoing occurring events.

Market Risk

Market Risk represents the potential loss in the value of financial instruments as a result of changes in market conditions.

In terms of financial markets, the key risks to be managed under this heading relate to:

- ▲ Liquidity risk: resulting from treasury management and mismatches in the maturities of assets and liabilities;
- ▲ Interest rate risk: resulting from changes in the level, slope and curvature of interest rate curves, interest rate volatility and the duration of credit spreads;
- ▲ Securities and commodities price risk: resulting from exposure to changes in prices of underlying assets and volatility;
- ▲ Foreign exchange risk: resulting from exposure to changes in spot and forward prices and volatility;
- ▲ Hedging risk: resulting from the management of exposure to changes in prices of underlying assets used to hedge clients' positions and products.

Value at Risk (VaR)

In terms of the product lines and trading portfolios, statistical measures such as VaR, are combined with non-statistical measures, including stress testing, backtesting and stop-loss advisories, to ensure adequate controls over expected results by risk type under all market conditions.

The Group calculates daily VaR at a 99% confidence level. This means that the Group would be expected to incur losses greater than the estimated VaR only once every 100 days of market exposure, or approximately 2.5 times per year. As VaR is a theoretical approach based on historical data, the model has limitations and may not always produce accurate forecasts of future market risk. Changes in VaR between reporting periods, for example, are generically due to changes in exposure levels, volatility and correlations between securities.

VaR for the years ended 31 December 2025 and 2024 is presented as follows:

	2025				2024			
	December	Annual average	Maximum	Minimum	December	Annual average	Maximum	Minimum
Exchange risk	36,725	30,099	120,945	6,917	42,441	82,879	177,655	16,733
Interest rate risk	117,009	223,229	508,758	65,394	181,392	346,088	780,762	67,624
Shares	-	-	-	-	-	2,854	92,064	-
Diversification effect	43%	24%			17%	23%	-	-
Total VaR	87,202	193,415	490,074	48,108	186,724	331,514	778,910	94,116

The average VaR of exposures allocated to each of the trading portfolios in 2025 decreased compared to 2024, essentially due to the interest rate risk component (123k).

Sensitivity analysis

With regard to the sensitivity analysis to stock market indices in the portfolio, or of stock market indices for which the Group has shares of the respective index in portfolio, the price variation of such indices for the years ended 31 December 2025 and 2024 is presented below:

	List price			Historic volatility 2025	
	2025	2024	Variation %	1 month	3 months
AEX 25	951.29	878.63	8.27	8.67	10.99
Nasdaq 100	25,249.85	21,012.17	20.17	13.75	18.72
S&P 500	6,845.50	5,881.63	16.39	9.18	13.05
DAX	24,490.41	19,909.14	23.01	8.34	12.83
KOSPI 200	605.98	317.82	90.76	20.98	27.66
Nikkei 225	50,339.48	39,894.54	26.18	16.83	24.69
S&P/TSX 60	1,860.02	1,482.30	25.48	8.26	12.19
SMI	13,267.48	11,600.90	14.37	6.03	10.30
S&P / ASX 200	8,714.31	8,159.14	6.80	8.24	10.56
FTSE 100	9,931.38	8,173.02	21.51	7.92	9.06
FTSE China A50	15,308.32	13,512.87	13.29	10.31	13.99
MSCI India USD	3,074.99	2,843.88	8.13	8.57	7.83
MSCI SINGAPORE	2,083.08	1,740.68	19.67	8.81	10.29
Russell 2000 (U.S.)	2,481.91	2,230.16	11.29	15.08	20.63

In order to analyse the impact that a decline in stock market prices has on the shares of the trading portfolio, sensitivity analyses are performed on them. Within this analysis, a +/- 10% shock was applied to all indices, and for each share the magnitude of the decline was weighted by the Beta of the share with the respective reference index.

This sensitivity analysis, and in particular the amplitude of the shock applied, is intended to capture the impacts arising from adverse shocks which, while reflecting a high degree of severity, nevertheless have some adherence in terms of the historical occurrence observed in the equity markets.

The sensitivity analysis resulting from a +/- 10% decline in the stock market indices for the years ended 31 December 2025 and 2024 is presented as follows:

Impact resulting from a sudden movement in stock indices	2025		2024	
	+10%	-10%	+10%	-10%
AEX 25	-	-	107,096	(107,096)
S&P 500	(263,923)	263,923	(229,213)	229,213
DAX	61,725	(61,725)	350,910	(350,910)
Kospi 200	89,785	(89,785)	507,128	(507,128)
Nikkei 225	(54,758)	54,758	367,210	(367,210)
Nasdaq 100	-	-	286,886	(286,886)
S&P/TSX 60	161,601	(161,601)	199,478	(199,478)
SMI	269,567	(269,567)	270,646	(270,646)
S&P / ASX 200	123,169	(123,169)	255,605	(255,605)
FTSE 100	228,046	(228,046)	(148,301)	148,301
FTSE China A50	-	-	356,172	(356,172)
MSCI India	(383,445)	383,445	(110,273)	110,273
MSCI SINGAPORE	-	-	237,596	(237,596)
Russell 2000 (U.S.)	95,652	(95,652)	-	-
Total impact	327,419	(327,419)	2,450,940	(2,450,940)

Liquidity risk

The Group's strategy assumes a low exposure to liquidity risk. The core principles of this strategy are (i) to secure liquidity availability prior to the acquisition/constitution of any asset, (ii) to ensure that a significant part of the Group's statement of financial position can be converted into liquidity in the short term and (iii) to be fully independent of the interbank market in terms of financing.

The Group's short-term funding resources are managed with a view to minimizing the risk of an increase in lending activity that could result in lower liquidity, i.e. where credit growth outpaces the growth of funding resources.

The exposure by maturity of the Group's statement of financial position assets and liabilities for the years ended 31 December 2025 and 2024 is distributed as follows:

2025							
	Spot	Up to 3 months	From 3 months to 1 year	From 1 to 5 years	Over 5 years	Undefined	Total
Cash, cash equivalents at Central Banks and other demand deposits							
Cash and cash equivalents at Central Banks	197,052,799	-	-	-	-	-	197,052,799
Other demand deposits	115,404,795	-	-	-	-	-	115,404,795
Financial assets at fair value through profit and loss							
Financial assets held for trading	-	105,544	88,325	1,382,780	6,983,128	-	8,559,777
Non-trading financial assets mandatorily at fair value through profit or loss	-	-	-	-	-	10,135,672	10,135,672
Financial assets at fair value through profit and loss	-	55,600,980	12,685,180	1,551,083	-	-	69,837,243
Financial assets at fair value through other comprehensive income	-	29,532,190	33,041,895	325,498,105	911,076,987	896,111	1,300,045,288
Financial assets at amortised cost							
Debt securities	-	10,404,387	42,414,812	241,398,276	509,612,050	-	803,829,525
Loans and advances - Clients	25,061,543	222	37,046	581,555	5,007,307	19,955	30,707,628
Loans and advances - Central Banks	-	33,243,829	-	-	-	-	33,243,829
Loans and advances - Credit institutions	-	78,398,888	127,730,128	-	-	-	206,129,016
Derivatives - Hedge accounting	-	-	-	-	22,457,211	-	22,457,211
	337,519,137	207,286,040	215,997,386	570,411,799	1,455,136,683	11,051,738	2,797,402,783
Financial liabilities held for trading	-	86,279	-	-	-	-	86,279
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-	-
Financial liabilities at amortised cost							
Client deposits	924,903,652	917,001,076	429,446,883	4,492,022	-	-	2,275,843,633
Funding from other credit institutions	16,571,123	31,220,271	32,500,000	-	-	-	80,291,394
Other liabilities represented by securities	-	-	-	-	-	-	-
Derivatives - Hedge accounting	-	-	-	-	5,521,522	-	5,521,522
	941,474,775	948,307,626	461,946,883	4,492,022	5,521,522	-	2,361,742,828

2024							
	Spot	Up to 3 months	From 3 months to 1 year	From 1 to 5 years	Over 5 years	Undefined	Total
Cash, cash equivalents at Central Banks and other demand deposits							
Cash and cash reserves at Central Banks	164,103,353	-	-	-	-	-	164,103,353
Other demand deposits	114,361,177	-	-	-	-	-	114,361,177
Financial assets at fair value through profit and loss							
Financial assets held for trading	-	56,498,370	8,949,426	14,287,752	5,717,389	-	85,452,937
Non-trading financial assets mandatorily at fair value through profit or loss	-	-	-	-	-	8,167,353	8,167,353
Financial assets accounted at fair value through profit and loss	-	576,632	3,362,905	3,664,238	-	-	7,603,775
Financial assets at fair value through other comprehensive income	-	12,518,327	13,999,873	314,134,776	873,147,591	2,400,628	1,216,201,195
Financial assets at amortised cost							
Debt securities	-	7,281,589	9,968,961	245,204,896	699,710,225	-	962,165,671
Loans and advances - Clients	14,928,641	575	200,496	441,782	4,538,597	16,659	20,126,750
Loans and advances - Central Banks	-	30,346,826	-	-	-	-	30,346,826
Loans and advances - Credit institutions	-	26,133,466	37,450,000	-	-	-	63,583,466
Derivatives - Hedge accounting	-	-	-	-	9,152,470	-	9,152,470
	293,393,171	133,355,785	73,931,661	577,733,444	1,592,266,272	10,584,640	2,681,264,973
Financial liabilities held for trading	-	3,764,716	1,651,640	391,331	-	-	5,807,687
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-	-
Financial liabilities at amortised cost							
Client deposits	768,850,186	946,055,355	486,150,795	7,622,231	-	-	2,208,678,567
Funding from other credit institutions	29,421,135	36,319,511	-	-	-	-	65,740,646
Other liabilities represented by securities	-	6,407,848	5,376,282	-	-	-	11,784,130
Derivatives - Hedge accounting	-	-	-	-	25,808,339	-	25,808,339
	798,271,321	992,547,430	493,178,717	8,013,562	25,808,339	-	2,317,819,369

Interest rate risk

Interest rate risk measures the probability of the occurrence of negative impacts on the Group's income or capital caused by movements in absolute interest rate levels, spreads between two rates, or changes in the configuration of the yield curve, among other factors.

As at 31 December 2025, the contractual maturity and interest rate repricing distribution of the interest rate sensitive amounts in the Bank's portfolio is as follows:

2025						
	Balance Sheet value	Not sensitive to interest rates	Sensitive to fixed and variable interest rates			
			Up to 3 months	From 3 months to 1 year	From 1 to 5 years	Over 5 years
Cash, cash equivalents at Central Banks and other demand deposits						
Cash and cash equivalents at Central Banks	197,052,799	197,052,799	-	-	-	-
Other demand deposits	115,404,795	115,404,795	-	-	-	-
Financial assets at fair value through profit and loss						
Financial assets held for trading	8,559,777	48,576	543,966	42,746	1,382,780	6,541,709
Non-trading financial assets mandatorily at fair value through profit or loss	10,135,672	10,135,672	-	-	-	-
Financial assets at fair value through profit and loss	69,837,243	-	58,124,004	11,713,239	-	-
Financial assets at fair value through other comprehensive income	1,300,045,288	896,111	171,680,861	111,158,566	217,817,226	798,492,524
Financial assets at amortised cost						
Debt securities	803,829,525	-	296,634,561	37,390,934	199,115,906	270,688,124
Loans and advances - Clients	30,683,389	-	29,523,049	1,022,461	51,524	86,355
Loans and advances - Central Banks	33,243,829	-	33,243,829	-	-	-
Loans and advances - Credit institutions	206,129,016	-	78,398,888	127,730,128	-	-
Derivatives - Hedge accounting	22,457,211	-	-	-	-	22,457,211
Total	2,797,378,544	323,537,953	668,149,158	289,058,074	418,367,436	1,098,265,923
Financial liabilities held for trading	86,279	-	86,279	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-
Financial liabilities at amortised cost						
Client deposits	2,275,843,633	919,655,047	922,249,681	429,446,883	4,492,022	-
Funding from other credit institutions	80,291,394	16,571,123	31,220,271	32,500,000	-	-
Other liabilities represented by securities	-	-	-	-	-	-
Derivatives - Hedge accounting	5,521,522	-	-	-	-	5,521,522
Total	2,361,742,828	936,226,170	953,556,231	461,946,883	4,492,022	5,521,522
GAP (Assets - Liabilities)	435,635,716	(612,688,217)	(285,407,073)	(172,888,809)	413,875,414	1,092,744,401

2024						
	Balance Sheet value	Not sensitive to interest rates	Sensitive to fixed and variable interest rates			
			Up to 3 months	From 3 months to 1 year	From 1 to 5 years	Over 5 years
Cash, cash equivalents at Central Banks and other demand deposits						
Cash and cash reserves at Central Banks	164,103,353	164,103,353	-	-	-	-
Other demand deposits	114,361,177	114,361,177	-	-	-	-
Financial assets at fair value through profit and loss						
Financial assets held for trading	85,452,937	2,625	57,506,744	9,553,408	14,083,262	4,306,898
Non-trading financial assets mandatorily at fair value through profit or loss	8,167,353	8,167,353	-	-	-	-
Financial assets at fair value through profit and loss	7,603,775	-	3,277,573	3,469,423	856,779	-
Financial assets at fair value through other comprehensive income	1,216,201,195	2,400,627	172,259,737	44,547,357	230,144,244	766,849,230
Financial assets at amortised cost						
Debt securities	962,165,671	-	372,796,904	36,618,628	162,722,635	390,027,504
Loans and advances - Clients	20,126,750	-	18,563,447	1,468,593	39,739	54,971
Loans and advances - Central Banks	30,346,826	-	30,346,826	-	-	-
Loans and advances - Credit institutions	63,583,466	-	26,133,466	37,450,000	-	-
Derivatives - Hedge accounting	9,152,470	-	-	-	-	9,152,470
Total	2,681,264,973	289,035,135	680,884,697	133,107,409	407,846,659	1,170,391,073
Financial liabilities held for trading	5,807,687	-	3,764,716	1,651,524	391,447	-
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-
Financial liabilities at amortised cost						
Client deposits	2,208,678,567	760,082,379	954,823,162	486,150,795	7,622,231	-
Funding from other credit institutions	65,740,646	29,421,135	36,319,511	-	-	-
Other liabilities represented by securities	11,784,130	-	6,407,848	5,376,282	-	-
Derivatives - Hedge accounting	25,808,339	-	-	-	-	25,808,339
Total	2,317,819,369	789,503,514	1,001,315,237	493,178,601	8,013,678	25,808,339
GAP (Assets - Liabilities)	363,445,604	(500,468,379)	(320,430,540)	(360,071,192)	399,832,981	1,144,582,734

Sensitivity analysis

Within the scope of the sensitivity analysis of interest rate risk in the banking book, based on the application of a parallel shift in interest rates, the impacts resulting from such stocks for the years ended 31 December 2025 and 2024 is presented as follows:

	2025				2024			
	Parallel increase of 100 pb	Parallel reduction of 100 pb	Increase after 1 year of 50 pb	Reduction after 1 year of 50 pb	Parallel increase of 100 pb	Parallel reduction of 100 pb	Increase after 1 year of 50 pb	Reduction after 1 year of 50 pb
On 31 December	(18,106,266)	9,569,738	(9,365,665)	5,168,871	(11,627,502)	3,755,150	(6,020,973)	2,137,032

Following the ECB directives on the reform of IBOR rates, with applicability from 3 October 2019 to 3 January 2024, which led to the replacement of EONIA rate with €STR rate, the Bank implemented this replacement as from 3 January 2024, with effects on the valuation of the following instruments:

1. Derivative instruments cleared with central counterparties;
2. Derivative instruments with bilateral counterparties which are now determined based on the €STR curve after review of the respective collateral contracts (ISDA-CSA);
3. Instruments used for hedge accounting, as they will now be discounted using the €STR curve.

Asset and liability repricing risk

Included in the non-statistical earnings at risk indicators, the repricing buckets for the years ended 31 December 2025 and 2024 are presented as follows:

2025						
	Balance Sheet value	Not sensitive	Up to 3 months	3 months to 1 year	From 1 to 5 years	Over 5 years
Cash, cash equivalents at Central Banks and other demand deposits						
Cash and cash equivalents at Central Banks	197,052,799	197,052,799	-	-	-	-
Other demand deposits	115,404,795	115,404,795	-	-	-	-
Financial assets at fair value through profit and loss						
Financial assets held for trading	8,559,777	8,118,357	441,420	-	-	-
Non-trading financial assets mandatorily at fair value through profit or loss	10,135,672	10,135,672	-	-	-	-
Financial assets at fair value through profit and loss	69,837,243	67,220,644	2,616,599	-	-	-
Financial assets at fair value through other comprehensive income	1,300,045,288	1,079,779,913	142,148,671	78,116,704	-	-
Financial assets at amortised cost						
Debt securities	803,829,525	485,152,551	292,764,666	25,912,308	-	-
Loans and advances - Clients	30,683,389	138,045	29,522,883	1,022,461	-	-
Loans and advances - Central Banks	33,243,829	33,243,829	-	-	-	-
Loans and advances - Credit institutions	206,129,016	206,129,016	-	-	-	-
Derivatives - Hedge accounting	22,457,211	22,457,211	-	-	-	-
Total	2,797,378,544	2,224,832,832	467,494,239	105,051,473	-	-
Financial liabilities held for trading	86,279	86,279	-	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-
Financial liabilities at amortised cost						
Client deposits	2,275,843,633	2,275,843,633	-	-	-	-
Funding from other credit institutions	80,291,394	80,291,394	-	-	-	-
Other liabilities represented by securities	-	-	-	-	-	-
Derivatives - Hedge accounting	5,521,522	5,521,522	-	-	-	-
Total	2,361,742,828	2,361,742,828	-	-	-	-
GAP (Assets - Liabilities)	435,635,716	(136,909,996)	467,494,239	105,051,473	-	-

2024						
	Balance Sheet value	Not sensitive	Up to 3 months	3 months to 1 year	From 1 to 5 years	Over 5 years
Cash, cash equivalents at Central Banks and other demand deposits						
Cash and cash reserves at Central Banks	164,103,353	164,103,353	-	-	-	-
Other demand deposits	114,361,177	114,361,177	-	-	-	-
Financial assets at fair value through profit and loss						
Financial assets held for trading	85,452,937	82,427,467	1,010,998	603,982	1,410,490	-
Non-trading financial assets mandatorily at fair value through profit or loss	8,167,353	8,167,353	-	-	-	-
Financial assets accounted at fair value through profit and loss	7,603,775	3,846,316	2,707,064	1,050,395	-	-
Financial assets at fair value through other comprehensive income	1,216,201,195	1,005,058,088	159,787,430	32,237,226	19,118,451	-
Financial assets at amortised cost						
Debt securities	962,165,671	564,993,163	370,522,840	26,649,668	-	-
Loans and advances - Clients	20,126,750	101,857	18,325,486	1,699,407	-	-
Loans and advances - Central Banks	30,346,826	30,346,826	-	-	-	-
Loans and advances - Credit institutions	63,583,466	63,583,466	-	-	-	-
Derivatives - Hedge accounting	9,152,470	9,152,470	-	-	-	-
Total	2,681,264,973	2,046,141,536	552,353,818	62,240,678	20,528,941	-
Financial liabilities held for trading	5,807,687	-	-	-	-	5,807,687
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-
Financial liabilities at amortised cost						
Funding from clients	2,208,678,567	2,208,678,567	-	-	-	-
Funding from other credit institutions	65,740,646	65,740,646	-	-	-	-
Other liabilities represented by securities	11,784,130	11,784,130	-	-	-	-
Derivatives - Hedge accounting	25,808,339	25,808,339	-	-	-	-
Total	2,317,819,369	2,312,011,682	-	-	-	5,807,687
GAP (Assets - Liabilities)	363,445,604	(265,870,146)	552,353,818	62,240,678	20,528,941	(5,807,687)

Foreign exchange risk

In foreign exchange markets, there was a general increase in volatility levels for the main currency pairs (Euro-Pound, Euro-Yen, Euro-Swiss Franc, Euro-US Dollar).

The ECB reference rate underwent several revisions throughout 2025. The year was marked by a downward trend in interest rates, from 3% (the reference rate in effect in January 2025) to 2% at the end of December 2025. The Federal Reserve (Fed) policy rate also underwent several revisions from the second half of 2025, decreasing from 4.5% in July to 3.75% in December.

With respect to the euro exchange rate against major currencies, no clear trend was observed in the EUR/CHF currency pair. Between February and March, the euro appreciated significantly against the Swiss franc, followed by a sharp depreciation between March and April. Thereafter, no defined trend was observed. In relation to the EUR/GBP currency pair, no defined trend was observed in the first half of 2025. In the second quarter, the euro appreciated against the pound; however, this trend reversed in November and continued through to the end of 2025.

Regarding the EUR/JPY currency pair, the euro depreciated until mid-February 2025. From that point onwards, a trend of euro appreciation against the Japanese yen was observed, reaching a peak in December 2025. In relation to the EUR/USD pair, the euro appreciated strongly against the US dollar until July 2025. In the first half of July, EUR/USD recorded a sharp depreciation, reversing the trend in the second half of the month. Thereafter, EUR/USD remained relatively stable until the end of 2025. In the EUR/MZN currency pair, the euro appreciated against the metical throughout 2025.

The currency composition of the statement of financial position for the years ended 31 December 2025 and 2024 is presented as follows:

2025					
	Euros	North American Dollars	Pound Sterling	Other Foreign Currencies	Total Amount
Assets by currency					
Cash, cash equivalents at Central Banks and other demand deposits					
Cash and cash equivalents at Central Banks	191,950,076	317,073	111,334	4,674,316	197,052,799
Other demand deposits	43,678,013	52,818,740	6,561,727	12,346,315	115,404,795
Financial assets at fair value through profit and loss					
Financial assets held for trading	8,559,777	-	-	-	8,559,777
Non-trading financial assets mandatorily at fair value through profit or loss	10,135,672	-	-	-	10,135,672
Financial assets at fair value through profit and loss	68,757,485	-	-	1,079,758	69,837,243
Financial assets at fair value through other comprehensive income	1,125,096,031	174,083,590	-	865,667	1,300,045,288
Financial assets at amortised cost					
Debt securities	803,829,525	-	-	-	803,829,525
Loans and advances - Clients	30,678,370	5,019	-	-	30,683,389
Loans and advances - Central Banks	-	-	-	33,243,829	33,243,829
Loans and advances - Credit institutions	206,129,016	-	-	-	206,129,016
Derivatives - Hedge accounting	21,601,942	855,269	-	-	22,457,211
Tangible assets	17,350,890	-	-	3,316,259	20,667,149
Intangible assets	9,296,471	-	-	323,740	9,620,211
Tax assets	10,382,439	7,257	-	1,809,097	12,198,793
Other assets	37,005,192	2,757,882	513,987	10,938,213	51,215,274
	2,584,450,899	230,844,830	7,187,048	68,597,194	2,891,079,971
Liabilities by currency					
Financial liabilities held for trading	86,279	-	-	-	86,279
Financial liabilities at amortised cost					
Client deposits	2,163,212,893	87,403,941	3,451,995	21,774,804	2,275,843,633
Funding from central banks	-	-	-	-	-
Funding from other credit institutions	40,712,271	39,521,918	-	57,205	80,291,394
Other liabilities represented by securities	-	-	-	-	-
Derivatives - Hedge accounting	5,521,522	-	-	-	5,521,522
Provisions	476,657	-	-	-	476,657
Tax liabilities					
Current tax liabilities	-	-	-	-	-
Deferred tax liabilities	616,844	-	-	-	616,844
Other liabilities	93,826,904	2,303,476	453,788	5,874,906	102,459,074
	2,304,453,370	129,229,335	3,905,783	27,706,915	2,465,295,403
	279,997,529	101,615,495	3,281,265	40,890,279	425,784,568

2024					
	Euros	North American Dollars	Pound Sterling	Other Foreign Currencies	Total Amount
Assets by currency					
Cash, cash equivalents at Central Banks and other demand deposits					
Cash and cash equivalents at Central Banks	155,601,363	457,508	118,141	7,926,341	164,103,353
Other demand deposits	36,252,889	63,552,444	6,890,854	7,664,990	114,361,177
Financial assets at fair value through profit and loss					
Financial assets held for trading	85,452,937	-	-	-	85,452,937
Non-trading financial assets mandatorily at fair value through profit or loss	8,167,353	-	-	-	8,167,353
Financial assets at fair value through profit and loss	-	-	-	7,603,775	7,603,775
Financial assets at fair value through other comprehensive income	966,173,243	230,788,356	-	19,239,596	1,216,201,195
Financial assets at amortised cost					
Debt securities	962,165,671	-	-	-	962,165,671
Loans and advances - Clients	20,120,258	6,219	270	3	20,126,750
Loans and advances - Central Banks	-	-	-	30,346,826	30,346,826
Loans and advances - Credit institutions	63,409,306	174,160	-	-	63,583,466
Derivatives - Hedge accounting	8,264,592	887,878	-	-	9,152,470
Tangible assets	17,446,371	-	-	3,920,618	21,366,989
Intangible assets	10,255,971	-	-	417,977	10,673,948
Tax assets	19,121,821	-	-	445,728	19,567,549
Other assets	63,185,899	2,383,134	1,114,357	3,792,316	70,475,706
	2,415,617,674	298,249,699	8,123,622	81,358,170	2,803,349,165
Liabilities by currency					
Financial liabilities held for trading	5,807,687	-	-	-	5,807,687
Financial liabilities at fair value through profit or loss					
Financial assets at amortised cost	2,127,608,489	67,960,216	662,458	12,447,404	2,208,678,567
Client deposits	-	-	-	-	-
Funding from other credit institutions	6,720,172	46,822,939	-	12,197,535	65,740,646
Other liabilities represented by securities	-	-	-	11,784,130	11,784,130
Derivatives - Hedge accounting	25,808,339	-	-	-	25,808,339
Provisions	476,657	-	-	46,864	523,521
Tax liabilities					
Current tax liabilities	1,923,453	(8,208)	-	(1,099,775)	815,470
Deferred tax liabilities	513,812	-	-	308,776	822,588
Other liabilities	73,286,124	1,863,797	6,420	2,951,273	78,107,614
	2,242,144,733	116,638,744	668,878	38,636,207	2,398,088,562
	173,472,941	181,610,955	7,454,744	42,721,963	405,260,603

Sensitivity analysis

The Group does not speculate in foreign exchange markets (FX), and the use of VaR limits reflects its strategy of restricting foreign currency exposure fundamentally to client business and associated flows. During 2025, BiG also chose to hold certain US dollar-denominated assets on its statement of financial position. Accordingly, the exposure to Euro-Dollar futures contracts had therefore the goal to hedge the exchange rate risk of these assets (economic hedge).

In order to analyse the impact of a decline in exchange rates on the Group's exposures, a +/- 15% shock was applied to all exchange rates.

The sensitivity analysis resulting from a +/- 15% decline in exchange rates for the years ended 31 December 2025 and 2024 is presented as follows:

2025				
Currency	Base scenario		Impact resulting from a movement of:	
	Original currency	Equivalent	+15%	-15%
Australian Dollar	8,316,959	4,730,652	(617,042)	834,821
Brazilian Real	13	2	-	-
Canadian Dollar	(1,365,582)	(848,820)	110,715	(149,792)
Danish Krone	1,496,537	200,369	(26,135)	35,359
Pound Sterling	45,964	52,675	(6,870)	9,296
Yen	(539,790,016)	(2,932,207)	382,462	(517,448)
Mexican Peso	53,023,682	2,510,829	(327,499)	443,087
Polish Zloty	9,037	2,141	(279)	378
Swedish Krone	(6,430,369)	(594,222)	77,507	(104,863)
Swiss Franc	(1,803,615)	(1,936,456)	252,581	(341,728)
New Turkish Lira	437	9	(1)	2
US Dollar	1,492,155	1,269,919	(165,641)	224,104
Norwegian Krone	28,344,297	2,393,338	(312,174)	422,354
Hong Kong Dollar	1,098	120	(16)	21
New Zealand Dollar	(3,400,000)	(1,668,302)	217,605	(294,406)
Singapore Dollar	243,679	161,312	(21,040)	28,467
Won	(3,631,430,767)	(2,139,988)	279,129	(377,645)
South African Rand	64,536,628	3,319,120	(432,929)	585,727
Indian Rupee	(132,000,000)	(1,250,041)	163,049	(220,596)
Meticaís	996,982,307	13,250,501	(1,728,326)	2,338,324
Chinese Yuan	40,870,869	4,985,491	(650,281)	879,793
Total impact			(2,805,185)	3,795,255

2024				
Currency	Base scenario		Impact resulting from a movement of:	
	Original currency	Equivalent	+15%	-15%
Australian Dollar	(3,037,726)	(1,811,189)	236,242	(319,621)
Brazilian Real	(32,800,000)	(5,104,820)	665,846	(900,851)
Canadian Dollar	(2,904,693)	(1,943,199)	253,461	(342,917)
Danish Krone	900,533	120,750	(15,750)	21,309
Pound Sterling	12,163,601	14,669,433	(1,913,404)	2,588,724
Yen	(529,691,101)	(3,248,443)	423,710	(573,255)
Mexican Peso	(66,476,308)	(3,084,690)	402,351	(544,357)
Polish Zloty	17,699	4,140	(540)	731
Swedish Krone	(36,606,205)	(3,194,537)	416,679	(563,742)
Swiss Franc	(3,811,441)	(4,049,555)	528,202	(714,628)
New Turkish Lira	437	12	(2)	2
US Dollar	52,575,447	50,606,841	(6,600,892)	8,930,619
Norwegian Krone	(16,238,841)	(1,376,756)	179,577	(242,957)
Hong Kong Dollar	1,097	136	(18)	24
New Zealand Dollar	(5,600,000)	(3,021,800)	394,148	(533,259)
Singapore Dollar	688,496	486,704	(63,483)	85,889
Won	(8,176,616,730)	(5,336,695)	696,091	(941,770)
South African Rand	32,497,265	1,656,435	(216,057)	292,312
Indian Rupee	(578,000,000)	(6,499,238)	847,727	(1,146,924)
Meticaís	755,157,793	11,445,340	(1,492,870)	2,019,766
Chinese Yuan	(45,696,691)	(6,012,413)	784,228	(1,061,014)
Total impact			(4,474,754)	6,054,081

Risk hedging

The quantification of risk in derivative products depends on several market-related variables, including the price of an underlying asset, volatility, interest rates and time to maturity. The Group quantifies its exposures to these variables by performing sensitivity analyses known as “Greeks”, which are mathematical measures.

Since January 2021, the Group no longer has any OTC options in the portfolio; therefore, any exposures that may exist arise only from exchange-traded options, whose pricing does not depend on any internal model. The materiality of this asset class is, for that reason, residual in the Group’s statement of financial position, which reflects the reduced appetite for trading this type of instrument.

The Greeks monitored for options are as follows:

- ▲ **delta** – underlying sensitivity – Impact on the value of options in response to percentage changes in the price of the underlying asset, expressed in euros.
- ▲ **vega** – volatility sensitivity – Impact on the value of options in response to percentage changes in volatility, expressed in euros.
- ▲ **theta** – time sensitivity – Impact on the value of options with the passage of time, expressed in euros.

On the other hand, the BPV (basis point value) sensitivity measure – which captures the sensitivity of assets to changes in the interest rate curve, in basis points – is one of the most relevant metrics in the context of the Bank’s business model, given that a significant portion of the portfolio consists of fixed-rate assets. For fixed-rate products, a long strategy in bonds was adopted; the values shown in the table below refer to the total exposure of the bond portfolios. On average, exposure to interest rate risk increased by 76.5k Euros BPVs compared to 2024.

2025				
	<i>Rho</i>	<i>Vega</i>	<i>Delta</i>	<i>Theta</i>
Minimum	(440,939)	(3,530)	(12,376)	-
Maximum	(240,342)	-	-	509
Average	(352,224)	(37)	(81)	5
Standard Deviation	42,354	309	932	44

2024				
	<i>Rho</i>	<i>Vega</i>	<i>Delta</i>	<i>Theta</i>
Minimum	(382,407)	-	-	-
Maximum	(129,335)	-	-	-
Average	(275,690)	-	-	-
Standard Deviation	59,526	-	-	-

<i>Rho</i>	Sensitivity of the interest rate risk
<i>Vega</i>	Sensitivity of the volatility risk
<i>Delta</i>	Sensitivity of the underlyings risk
<i>Theta</i>	Sensitivity to the time risk

Limits and Reporting

Limits on trading activity are essential to the process of controlling risk appetite levels. Limits are approved by product class and by portfolio and may be calculated through a combination of non-statistical measures, including basis point value, and statistical measures, such as Value at Risk, as discussed above. A daily report is prepared for the Management, comprising all relevant indicators and positions, based on the established statistical and non-statistical measures.

Credit risk

Credit Risk represents the risk of loss as a result of a default by a borrower or counterparty.

A. Credit Risk Management

The Group is exposed to credit risk across several of its activities. These necessarily include (i) direct exposure to clients who have contracted loans, (ii) direct exposure to credit risks associated with securities issued by third parties and held by the Group, and (iii) market or settlement risk associated with trading activities by clients (settlement risk).

Credit risk arising from trading with professional counterparties, as well as risk associated with listed security issuers, is assessed in combination with the Market Risk management procedures described above under “Market Risk”.

The Board of Directors delegates to the Executive Committee the implementation of the general policies and guidelines for Credit Risk management. Together with the Credit Risk Department and other members of the Credit Risk Committee, as well as support area teams, the Executive Committee oversees the daily implementation of these policies and responsibilities. These activities specifically include:

- ▲ Definition of quantitative and qualitative guidelines for credit reviews;
- ▲ Analysis and control of the counterparty risk;
- ▲ Maintenance of a credit scoring and approval matrix;
- ▲ Ensuring the integrity of the credit approval process;
- ▲ Control and monitoring of client positions, family and large exposures;
- ▲ Definition of supporting documentation and control systems;
- ▲ Management and control of risk policies and systems;
- ▲ Strict adherence to regulatory standards and principles;
- ▲ Monitoring exposure to ESG matters, particularly climate and environmental risks;
- ▲ Application of prices appropriate to the risks assumed.

Within the analysis and approval process, the Group assesses its exposure both in terms of individual transactions, relating to the maximum exposure allowed per client/ group of clients and, separately, in terms of the respective portfolios, to ensure there is adequate control over risk concentrations in each sector or industry.

Accordingly, Credit Risk Management in the Group is an integrated process at both transaction and portfolio levels:

- ▲ Transaction level: It means that all transactions require approval by at least two representatives with credit authority granted by the Board of Directors. In the case of portfolios of securities, limits are approved by the Executive Committee, subject to a prior favourable opinion from the Board of Directors' Risk Committee.
- ▲ Portfolio level: It means that the exposure will be managed – whether of loans, securitised credit, derivatives, foreign exchange, etc. – so as to minimise excessive concentrations of risk relating to clients, industries, products or geographic location. Non-performing loans, provisioning coverage ratios, write-offs and recoveries are also analysed. Various internal credit reports are in place for the Board of Directors' information.

Systematically, all exposures are assessed and approved, whether they are included in the statement of financial position or not. Approval is always performed by at least two individuals with credit authority. Such authority is granted by the Board of Directors and reviewed at least annually.

Correct risk management is fundamental for the Group to create value for shareholders. In general terms, the Group is exposed to risk as a direct result of taking positions with respect to particular markets or combinations of Markets, Products or Customers.

In the course of the Group's day-to-day activity, integrated exposure control systems are a key element of the credit risk management process. Credit risk is managed in order to achieve sustainable performance of the organization within acceptable risk-versus-return parameters. This objective is achieved through a combination of policies, systems and controls, which are always underpinned by sound and cautious commercial decisions.

In managing its risk exposure, the Group is guided by the following basic principles:

- ▲ Formal definition of responsibility for risk management within the Group;
- ▲ Existence of policies and procedures that allow independent supervision;
- ▲ Frequent review of policies and procedures by the Management;
- ▲ An appropriate risk diversification policy;
- ▲ Independent reporting systems;
- ▲ Overlapping systems to measure and control risk;
- ▲ Training to help in the identification of risks in the various areas.

In relation to its risk appetite, the Group seeks to limit credit risk exposures essentially to:

- ▲ Exposure to investment grade corporates, sovereigns with rating or banks with good credit quality, approval of which is supported by internal analyses and/or Moody's research (or other independent research provider);
- ▲ Foreign exchange or settlement exposures associated with corporates, Institutional investors and private investors (for the latter, limits are approved on a case-by-case basis);
- ▲ Exposure to occasional credit risk analysed in detail by internal analysts;
- ▲ Collateralised credit, especially connected to the Wealth Management business.

The Group's retail credit risk exposure is traditionally very limited, due to several factors, such as:

- ▲ Non-strategic nature of the credit business, typical of commercial banking;
- ▲ Focus on other investment banking and Wealth Management areas;
- ▲ Lack of scale/dimension of the Group.

In decision-making and risk management, the Management applies the Group's strategy and business model in combination with a set of quantitative tools and systems used to monitor and measure exposure. These aspects include:

- ▲ Limits per counterparty, family, asset class and portfolio;
- ▲ Concentration limits;
- ▲ Non-statistical measurements, such as scenario analyses, stress tests and sensitivity analyses;
- ▲ Qualitative analysis and professional judgement;
- ▲ Control procedures.

The quantification of risk is an evolving process that requires regular self-assessment exercises, updates of techniques and changes in assumptions, besides adherence to regulatory and accounting standards. As a result, the Management considers that any single risk measurement methodology is generally insufficient on its own and may not provide a complete perspective of the risk across all exposures.

The Group seeks, on a systematic basis, to quantify potential losses associated with all aspects of its business and aims to make a reasonable estimate of potential adverse impacts in the event of the occurrence of unexpected events. These events include not only those observed based on historical data, but also those considered less likely, which may nevertheless be estimated under certain scenario assumptions.

As explained previously, the Group's credit risk exposure may include the concession of loans to clients, sovereign bonds, investments in corporate bonds, interbank total value and replacement value risks, the risk of liquidation of certain securities, amounts receivable under derivatives and foreign currency contracts and commitments assumed under guarantees or commercial paper programmes.

Credit risk is generally present in nominal and fractional exposures and may concentrate in borrowers or groups of connected borrowers, sectors of activity, or geographies.

The Group's credit portfolio is focused on the following products:

- ▲ Mortgage loans;
- ▲ Margin account;
- ▲ BiG Auto (auto loans);
- ▲ Credit for the acquisition of BiG's shares;
- ▲ Other loans; and
- ▲ Guarantees and sureties issued.

With respect to the securities portfolio, at initial recognition of a financial instrument, its classification depends on:

- ▲ The type of financial instrument, debt or equity;
- ▲ BiG's business model; and
- ▲ The characteristics of the contractual cash flows of the financial asset.

Depending on the elements listed above, the respective financial instrument will be classified in one of the following categories:

- ▲ Financial assets at amortised cost; or
- ▲ Financial assets at fair value through other comprehensive income; or
- ▲ Financial assets at fair value through profit or loss.

B. Impairment measurement

During 2025, the Group continued to calibrate the models it developed to ensure ongoing compliance with the requirements of IFRS 9 and to monitor any guidance issued by national and international regulators with regard to the application of this standard.

IFRS 9 contemplates the classification of financial assets according to three criteria:

- ▲ The business model under which the financial assets are managed;
- ▲ The type of financial instrument, namely (i) derivative financial instruments, (ii) equity instruments or (iii) debt financial instruments; and

- ▲ The characteristics of the contractual cash flows of debt financial instruments (i.e., whether they represent solely payments of principal and interest).

In this context, the main categories of financial assets contemplated in the IFRS 9 are summarised as follows:

- ▲ A debt financial instrument that (i) is managed under a business model whose objective is to hold financial assets to collect their contractual cash flows and (ii) has contractual cash flows on specified dates that correspond exclusively to the payment of principal and interest on the principal amount outstanding, should be measured at amortised cost, unless it is designated at fair value through profit or loss under the fair value option – Hold to Collect.
- ▲ A debt financial instrument that (i) is managed under a business model whose objective is achieved either through the receipt of the contractual cash flows or through the sale of the financial assets and (ii) contemplate contract terms that give rise to cash flows that correspond exclusively to the payment of principal and interest on the principal amount outstanding, should be measured at fair value through other comprehensive income (FVTOCI), unless it is designated at fair value through profit or loss under the fair value option – Hold to Collect & Sell.
- ▲ All remaining debt financial instruments should be measured at fair value through profit or loss (FVTPL).

The Group assesses its business models based on a broad set of indicators, including strategy, its business plan and current risk management policies. For the Hold to Collect business model, in order to assess the frequency and materiality of sales, quantitative thresholds were defined based on past experience. The sales contemplated for the financial assets classified in that business model does not exceed the thresholds defined by the Group.

With respect to other financial instruments, specifically equity instruments and derivatives, these are, by definition, classified at fair value through profit or loss.

For equity instruments, there is the irrevocable option of designating for all fair value changes to be recognised in other comprehensive income; in such case, only dividends are recognised in profit or loss, as gains and losses are not reclassified to profit or loss, even upon derecognition/sale.

IFRS 9 requires that the expected credit loss (ECL) impairment model be applied to all financial assets, except for financial assets at fair value through profit or loss and equity instruments at fair value through other comprehensive income.

Financial assets subject to impairment assessment are classified in different stages according to the evolution of their credit risk since initial recognition, and not based on credit risk as at the reporting date:

- ▲ Stage 1: financial assets are classified in Stage 1 whenever there is no significant increase in the credit risk since initial recognition. For these assets, a 12-month ECL is recognised in profit or loss, reflecting default events expected to occur within 12 months after the reporting date;
- ▲ Stage 2: incorporates the financial assets in which a significant increase in the credit risk has been verified since initial recognition, even if it has not materialised in actual losses and results only from indicators. For these financial assets, expected credit impairment losses are recognised throughout of the life of the assets (lifetime). However, interest continues to be calculated on the gross carrying amount of the asset;
- ▲ Stage 3: assets classified in this stage demonstrate, at the reporting date, objective evidence of impairment as a result of one or more events that have occurred and that result in a loss. In this case, lifetime ECLs are recognised in profit or loss over the expected remaining life of the financial assets. Interest is calculated and recognised on the net carrying amount of the assets.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk in order to determine the stage into which each exposure should be classified.

Transfers of financial assets from Stage 1 to Stage 2 when credit risk increases significantly compared to credit risk at initial recognition. Significant increases in credit risks are determined through the analysis of quantitative and/or qualitative internal indicators used in the normal management of credit risk, thus requiring the articulation of the accounting requisites with the management policies on credit risk established by the Group. Transfers from Stage 2 to Stage 3 occur when exposures are in default.

In the identification and assessment of the significant increase in the credit risk, the Group uses the information that is fed into the implemented credit risk models, supporting decisions based on a broad set of triggers and alerts.

The Group uses a set of tools, where it considers the following factors, among others:

- ▲ the evolution of the issuer's rating and the prices of securities held in the portfolio (where applicable);
- ▲ the client's overall exposure and the existence of loans in default;
- ▲ the existence of other triggers (even if indirect) that may lead the Group to suspect impairment (evidence/indicators);
- ▲ the economic and financial viability of the client's business or professional activity and its capacity to generate sufficient resources to meet debt service obligations in the future;
- ▲ the existence, nature and estimated value of collateral associated with each loan;
- ▲ the existence of preferred creditors;
- ▲ the client's level of indebtedness in the financial sector;
- ▲ the analysis carried out weekly in relation to PARI – Action Plan for Default Risk;
- ▲ the amount and estimated recovery timelines.

The ECL amount to be recognised corresponds to the difference between the carrying amount of the exposure and the present value of estimated future cash flows (considering the recovery period), discounted at the contract's original effective interest rate.

For a credit with a variable interest rate, the discount rate to be used to determine the respective ECL is the original contractual effective interest rate, determined based on the terms of each contract.

The measurement of expected losses is the result of the product between (i) the probability of default (PD) of the financial instrument, (ii) the LGD (Loss Given Default) and (iii) the EAD (exposure at Default), discounted at the contract's original effective interest rate. This measurement, as well as the assessment of significant increases in credit risk, must consider not only information about past events, but also current conditions and reasonable forecasts of future economic events and conditions (i.e. forward-looking information).

These parameters are obtained through statistical models, market data, historical data or through external benchmarks, where internal sources are not available. Their calculation is validated by independent bodies and the values regularly updated.

- ▲ The EAD represents the expected exposure in the case of client non-compliance and/or default on the exposure. The Group obtains EAD values through the current exposure of the counterparty and foreseeable changes to the respective current value, depending on the contractual conditions, including amortisation and early repayments. For guarantees and sureties issued by the Bank, EAD considers the total amount guaranteed by the Group, on the assumption that the amount may be used in full (i.e. it is applied a CCF – Credit Conversion Factor of 100%).
- ▲ The PD are estimated considering a determined historical period, where historical data are not available, through external benchmark indicators. The Group regularly collects performance and default indicators for its credit risk exposures, performing analyses by exposure/client type. For segments where there is no information available, but it is possible to determine the debtor's external rating, the Group uses external information published by rating agencies or market data, such as CDS spreads and bond yields to infer the PD.
- ▲ The LGD represents the amount of the loss that the Group expects to incur in the event of default. The Group estimates these parameters using external benchmark data (e.g. Moody's) or internal data, when available, based on recovery rates.

As mentioned above, the main difference between impairment losses measured for financial assets classified in stages 1 and 2 is the respective time horizon used to calculate PD. Expected losses for financial assets in stage 1 are calculated using a 12-month PD, whereas expected losses in stage 2 use a lifetime PD. The calculation of expected loss for the financial assets always considers point-in-time and forward-looking information.

The estimates take into account macroeconomic factors that may influence them. In the ECL calculation models, estimates of certain variables are used in accordance with the Banco de Portugal Economic Projections (most recent update dated 19 December 2025):

	2026e	2027e	2028e
GDP	2.3%	1.7%	1.8%
Unemployment Rate	6.3%	6.3%	6.3%

The different business generating areas involved in this process are independent from the calculation, review and approval of impairment losses, therefore maintaining the independence that is absolutely necessary in this type of analysis.

C. Credit moratoria

Motivated by the COVID-19 pandemic situation and the resulting socio-economic consequences, during 2020 and 2021, the public and private sectors joined efforts to implement a set of support measures for households and companies, of which the most relevant were:

- ▲ The launch of State-supported financing lines for the economy, with a partial guarantee from a Mutual Guarantee Society; and
- ▲ The availability to households and companies of temporary suspension of loan instalment payments (commonly known as moratoria).

With regard to the first measure, the Group did not make an offer to its clients because its specialised savings and investment banking business model does not include that type of credit offer to its clients. With regard to the second measure, the Group supported its clients in view of the exceptional global and national economic situation, by applying moratoria under the following provisions:

- ▲ Decree-Law no. 10-J/2020 of 26 March on “legal moratoria” for companies and individuals; and
- ▲ The Protocol on general moratoria of private initiative to be applied within the scope of the COVID-19 pandemic between a number of financial institutions and the Portuguese Banking Association (APB).

The various types of moratoria, both legal and private, ended during 2021, with most clients having resumed the repayment of the payment schedule of operations without disruption. For certain transactions, it was necessary to implement additional restructuring measures in order for clients to resume a new regular repayment schedule for their loans.

At the end of 2025, there were no operations subject to moratorium measures. Furthermore, all operations were in regular status.

As at 31 December 2025 and 2024, the details of the transactions that were subject to moratoria within the Group were still recognised on the statement of financial position (although no longer in force) were as follows:

2025						
	Corporates		Individuals		Total	
	Number	Book Value	Number	Book Value	Number	Book Value
Public / Legal						
Mortgage	-	-	2	178,711	2	178,711
Private APB						
Non-mortgage	-	-	-	-	-	-
Total	-	-	2	178,711	2	178,711

2024						
	Corporates		Individuals		Total	
	Number	Book Value	Number	Book Value	Number	Book Value
Public / Legal						
Mortgage	-	-	2	185,054	2	185,054
Private APB						
Non-mortgage	-	-	2	1,993	2	1,993
Total	-	-	4	187,047	4	187,047

For an accounting perspective, the following aspects should be noted:

- 1) Treatment of the moratoria in place
The moratoria regime provided for the extension of credit payments, requiring banks to suspend such payments for a certain period.

The existing moratoria regimes allowed for the application of two types of payment suspensions, which were chosen by clients:

- ▲ Suspension of principal repayments only, with continued payment of interest; and
- ▲ Full suspension of principal and interest, with no payments made by the clients.

2) Treatment of significant increases in credit risk

In general, the Group applied the EBA guidelines, published on 2 April 2020, *Guidelines on legislative and non-legislative moratoria on loan repayments applied in the light of the COVID-19 crisis (EBA/GL/2020/02)* to determine whether there was a significant increase in credit risk for operations under moratorium. Nevertheless, the Group reinforced the monitoring of these operations in order to identify and analyse, as early as possible, any indication that could impact the credit quality of these debtors and, if necessary, classify the respective contract as Stage 2 or even Stage 3.

3) Identification of restructured transactions

Transactions with approved moratorium requests were not identified as restructuring due to financial difficulties, whether they were legal moratoria applied under Decree-Law 10-J/2020 (and subsequent Decree-Laws), or general private initiative moratoria applied as a result of the interbank protocol promoted by the Portuguese Banking Association (APB).

However, in the post-moratorium period, some additional support measures were granted by the Bank, which led to the classification of the respective operations as restructured due to financial difficulties, as may be consulted in the section Details on restructured credit.

4) Updating of macroeconomic scenarios

In recent years, while considered relevant, the Group updated the macroeconomic scenarios used in its model for the calculation of Expected Credit Loss (ECL) under IFRS 9 more frequently.

D. Policy on internal risk grades

The Group prefers to rely on external credit ratings (Moody's, S&P and Fitch). The Group adopts Basel policies on rating selection when more than one rating is available.

When these notations are not available, the Group performs an internal analysis of issuers and assigns a classification of 1-10, which is then mapped to the classification of those external entities.

The internal treatment of a client classified as in default should contemplate taking all the operational measures that appear necessary, namely the inhibition/limitation of (i) movements on accounts and related operating instruments, (ii) transfers of amounts outside the Group, (iii) attempts to reduce or remove collateral, and (iv) increases in exposure by the borrower.

Where necessary, within the scope of this internal analysis, legal mechanisms will be triggered to ensure the execution of guarantees or the filing of enforcement proceedings. This action will be coordinated by the Legal department, together with the law firm that assists the Bank in legal matters.

The actions described above must also take into consideration (i) knowledge of the client, (ii) awareness of the product, (iii) the necessary understanding of standards, regulations, procedures, timings of reporting to the supervisory bodies and (iv) the need to adjust the Group's internal accounts and reports. Finally, reference should be made to the entire legal framework associated with the regime for the prevention and regularization of credit contract default (Decree-Law No. 227/2012, of 25 October, as amended).

E. Calculation of the present value of future cash flows in the calculation of impairment losses assessed individually and collectively

On an individual basis, for each instrument, the preferred calculation method adopted by the Bank to determine credit impairment is the discounted cash flow (DCF) method; that is, the Bank determines the PV (Present Value) of the future cash flows as at the analysis date, discounted at the original effective interest rate of the contract. This PV is then compared with the exposure amount and, if the difference is negative, an impairment loss is recognised.

Under the DCF method, the interest rate used in the impairment calculation is determined in accordance with the following rules:

- ▲ fixed rate contracts: initial fixed interest rate;
- ▲ variable rate contracts: current interest rate, resulting from the contract clauses (e.g. indexed to Euribor).

For the purpose of individual impairments analysis, only transactions with financial guarantees (margin account) or real guarantees (mortgage loans or auto loans) have their respective collaterals valued, while for other transactions, collateral is assumed to be zero. The Bank also considers the expected value of the collateral, the expected timing of its recovery, and the costs of recovery and sale.

F. Conversion of debt into capital of the debtor

The Group does not normally use this type of solution and has no exposure to any economic group subject to this form of credit restructuring.

G. Emergence period used for the different segments and justification of its suitability

The Group does not consider an emergence period in its model. In all segments, the IFRS9 rule is applied: 12-month expected losses for exposures classified in Stage 1, and lifetime expected losses for exposures in Stages 2 and 3.

H. Triggers and alerts for significant increases in the credit risk

Staging Criterion – Transfer to stage 2		
	Securities portfolio	Credit portfolio
<i>TRIGGERS (automatic)</i>	i. Past due payments of principal and/or interest between 30 and 90 days; ii. Debt of the issuer restructured due to financial difficulties; iii. Inability to measure credit risk at the time of origination and/or acquisition.	i. Past due payments of principal and/or interest between 30 and 90 days.
<i>OTHER ALERTS (subject to review and analysis by the Credit Risk Committee)</i>	i. Negative evolution of the rating compared to the acquisition date (in accordance with the Rating Matrix, which defines the maximum number of notches expected to occur for each rating/holding period that would trigger this alert); ii. Negative price evolution compared to amortised cost and its comparison with the threshold permitted under the Price Matrix (as defined in the Price Matrix, which sets the maximum expected price variation for each rating/residual maturity).	i. Indications of risk in the CRC-Central Credit Responsibilities Database of Banco de Portugal; ii. Indications of risk in customer accounts; iii. Liens or account blocking registered in customer accounts; iv. Inclusion of the customer in the LUR - List of Risk Users (cheques); i. Inclusion of the customer in the internal watchlist; vi. Significant restructuring of a credit facility due to the borrower's financial difficulties.

Staging Criterion – Transfer to stage 3

	Securities portfolio	Credit portfolio
TRIGGERS <i>(automatic)</i>	i. Past due payments of principal and/or interest equal to or greater than 91 days; ii. Securities with a rating equal or below CCC+ (non-POCI – Purchased or Originated Credit-Impairment); iii. Loss of a rating, whereby BiG is unable to infer the credit risk associated with the asset; iv. Disappearance of an active market for the instrument under review due to the issuer's financial difficulties; v. Bankruptcy/insolvency of the issuer; vi. Debt of the issuer restructured due to financial difficulties; vii. Inability to measure the credit risk at the time of its origination and/or acquisition.	i. Past due payments of principal and/or interest equal to or greater than 91 days.
OTHER ALERTS <i>(subject to review and analysis by the Credit Risk Committee)</i>	i. Negative evolution of the rating (2 additional notches beyond those already recorded during the migration to Stage 2). ii. Continuous decline in the fair value of the financial asset over a 12-month period or a significant decline in the fair value of the financial asset (over 30%), not justified by any disruptive event (e.g., war, pandemic) and not aligned with the overall market trend. In such cases, the interest rate risk effect should be removed, and the occurrence of a downgrade should be analysed by the Credit Risk Committee; iii. Securities with a rating equal to or below CCC+ (non-POCI); iv. Loss of a rating, whereby the Group is unable to infer the credit risk associated with the asset; v. Disappearance of an active market for the bond under analysis due to financial difficulties; vi. Bankruptcy/insolvency of the issuer.	i. Client subject to insolvency proceedings, a PER – Special Recovery Plan, or any other equivalent protection framework; ii. Classification of the credit operation as non-performing (non-interest-bearing); iii. Early termination of the contract due to default and subsequent initiation of legal recovery proceedings; iv. Sale by the Group of a credit operation with a significant financial loss (>20% of the outstanding nominal amount at the sale date), for reasons exclusively connected to the debtor's credit risk quality; v. Contagion from other exposures of the debtor (where such exposures are significant relative to the total outstanding amount). For "Non-Retail" exposures, contagion is mandatory. For "Retail" exposures, contagion is not mandatory, with and indicative threshold of 20% being applied.

The breakdown by economic activity sectors for the years ended 31 December 2025 and 2024 is presented as follows:

2025							
	Financial assets at amortised cost		Financial assets at fair value through profit and loss			Financial assets at fair value through other comprehensive income	Guarantees and sureties provided
	Loans and advances Clients	Debt securities	Financial assets held for trading	Non-trading financial assets mandatorily at fair value through profit or loss	Financial assets at fair value through profit and loss		
	Balance Sheet value	Balance Sheet value	Balance Sheet value	Balance Sheet value	Balance Sheet value	Balance Sheet value	Balance Sheet value
Agriculture, animal production, hunting, forestry and fishing	50	-	-	-	-	-	-
Extractive industries	-	9,889,225	-	-	-	9,002,157	-
Manufacturing industries	1,810	35,127,551	101,855	-	502,572	76,537,560	-
Electricity, gas, steam, hot and cold water and cold air	-	56,229,344	99,527	-	-	41,411,086	-
Construction	139	-	-	-	-	-	-
Wholesale and retail trade; repair of motor vehicles and motorcycles	176	2,046,799	-	-	-	-	-
Transportation and storage	-	1,977,986	-	-	-	3,652,045	-
Financial and insurance activities	3,478,600	432,591,778	833,272	183,233	6,361,317	302,569,574	-
Real estate	1,027,038	2,003,767	-	-	-	-	-
Consultancy, scientific, technical and similar activities	694,239	-	-	173,305	-	30,478	-
Public administration and defence; obligatory social security	-	257,999,819	6,382,988	-	38,038,254	689,974,977	-
Human health and social support	11	-	-	-	-	4,943,332	-
Other	25,481,326	5,963,256	1,142,135	9,779,134	24,935,100	171,924,079	64,850
	30,683,389	803,829,525	8,559,777	10,135,672	69,837,243	1,300,045,288	64,850

2024							
	Financial assets at amortised cost		Financial assets at fair value through profit and loss			Financial assets at fair value through other comprehensive income	Guarantees and sureties provided
	Loans and advances Clients	Debt securities	Financial assets held for trading	Non-trading financial assets mandatorily at fair value through profit or loss	Financial assets at fair value through profit and loss		
	Balance Sheet value	Balance Sheet value	Balance Sheet value	Balance Sheet value	Balance Sheet value	Balance Sheet value	Balance Sheet value
Agriculture, animal production, hunting, forestry and fishing	-	-	-	-	-	-	-
Extractive industries	-	4,432,112	-	-	-	5,873,087	-
Manufacturing industries	7,447	56,322,032	1,196,416	-	-	63,718,866	-
Electricity, gas, steam, hot and cold water and cold air	-	37,546,653	3,460,413	-	-	48,939,167	-
Construction	27	-	-	-	-	-	-
Wholesale and retail trade; repair of motor vehicles and motorcycles	25,158	-	-	-	-	-	-
Transportation and storage	-	-	-	-	-	1,648,798	-
Financial and insurance activities	2,390,026	518,130,046	17,791,572	166,386	2,280,459	248,012,390	-
Real estate	18,657	2,019,726	-	-	-	-	-
Consultancy, scientific, technical and similar activities	689,404	-	-	431,372	-	30,478	-
Public administration and defence; obligatory social security	-	337,824,883	37,992,156	-	5,323,316	654,293,955	-
Human health and social support	5,025	-	314,459	-	-	4,338,790	-
Other	16,991,006	5,890,219	24,697,921	7,569,595	-	189,345,664	126,250
	20,126,750	962,165,671	85,452,937	8,167,353	7,603,775	1,216,201,195	126,250

Exposure to public debt

As at 31 December 2025 and 2024, the Group's exposure to public debt is as follows:

	2025			
	Financial assets held for trading	Financial assets at fair value through profit and loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost
Spain	-	-	189,614,632	11,442,184
United States	-	-	99,542,936	-
Italy	-	1,989,643	231,901,421	205,257,358
Other EU countries	7,277,534	58,829,756	261,870,763	25,912,308
Other	-	2,070,148	58,042,874	15,387,682
	7,277,534	62,889,547	840,972,626	257,999,532

	2024			
	Financial assets held for trading	Financial assets at fair value through profit and loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost
Spain	-	-	152,444,827	11,465,591
United States	-	-	148,270,010	-
Italy	8,961,284	-	243,989,892	285,938,659
Other EU countries	49,378,297	-	210,833,373	25,139,546
Other	506,804	6,701,550	75,605,460	15,280,627
	58,846,385	6,701,550	831,143,562	337,824,423

The breakdown of the Group's securities exposure within the portfolios of "Financial assets at fair value through other comprehensive income", "Financial assets held for trading" and "Financial assets at amortised cost" is as follows:

2025					
	Nominal value	List value	Accumulated interest	Balance Sheet value ⁽¹⁾	Fair value reserve ⁽²⁾
Financial assets held for trading					
Italy					
Maturity up to 1 year	-	-	-	-	-
Other EU countries					
Maturity up to 1 year	42,718	42,870	568	43,438	-
Maturity over 1 year	7,394,410	7,114,162	119,934	7,234,096	-
Other					
Maturity up to 1 year	-	-	-	-	-
Financial assets at fair value through profit and loss					
Italy					
Maturity up to 1 year	2,000,000	1,989,643	-	1,989,643	-
Other EU countries					
Maturity up to 1 year	57,500,000	57,396,051	-	57,396,051	-
Maturity over 1 year	1,500,000	1,423,410	10,295	1,433,705	-
Other					
Maturity up to 1 year	1,985,420	1,952,079	690	1,952,769	-
Maturity over 1 year	112,136	114,031	3,348	117,379	-
Financial assets at fair value through other comprehensive income					
Spain					
Maturity over 1 year	255,000,000	189,131,274	483,358	189,614,632	(11,656,672)
Unites States					
Maturity up to 1 year	47,000,000	39,453,225	56,700	39,509,925	(458,393)
Maturity over 1 year	76,000,000	59,696,474	336,537	60,033,011	(5,060,104)
Italy					
Maturity over 1 year	283,418,000	230,529,146	1,372,275	231,901,421	(11,388,996)
Other EU countries					
Maturity over 1 year	283,418,000	260,062,886	1,807,877	261,870,763	(5,942,677)
Other					
Maturity up to 1 year	-	-	-	-	-
Maturity over 1 year	67,250,033	57,413,251	629,623	58,042,874	(3,537,158)
Financial assets at amortised cost					
Spain					
Maturity over 1 year	13,000,000	11,439,090	16,985	11,442,184	-
Italy					
Maturity over 1 year	217,600,000	201,367,040	1,210,030	205,257,358	-
Other EU countries					
Maturity up to 1 year	20,000,000	25,678,149	18,567	25,912,308	-
Maturity over 1 year	-	-	-	-	-
Other					
Maturity over 1 year	16,000,000	14,624,210	144,555	15,387,682	-
	1,349,220,717	1,159,426,991	6,211,342	1,169,139,239	(38,044,000)

(1) the Balance Sheet value of Financial assets at amortised cost - Debt securities, includes the component of hedge impairment.

(2) the fair value reserve presented includes the component of hedge impairment.

2024					
	Nominal value	List value	Accumulated interest	Balance Sheet value ⁽¹⁾	Fair value reserve ⁽²⁾
Financial assets held for trading					
Italy					
Maturity up to 1 year	9,000,000	8,961,284	-	8,961,284	-
Other EU countries					
Maturity up to 1 year	44,369,516	44,281,806	2,266	44,284,073	-
Maturity over 1 year	5,297,234	5,019,184	75,040	5,094,224	-
Other					
Maturity up to 1 year	500,000	499,323	7,481	506,804	-
Financial assets at fair value through profit and loss					
Other					
Maturity up to 1 year	3,834,816	3,779,962	105,859	3,885,821	-
Maturity over 1 year	2,591,994	2,636,193	179,536	2,815,729	-
Financial assets at fair value through other comprehensive income					
Spain					
Maturity over 1 year	220,000,000	151,835,125	609,702	152,444,827	(21,057,630)
Unites States					
Maturity over 1 year	164,600,000	147,341,575	928,434	148,270,010	(10,129,703)
Italy					
Maturity over 1 year	298,418,000	243,017,546	1,420,171	243,989,892	(21,473,847)
Other EU countries					
Maturity over 1 year	222,642,000	208,843,688	1,989,686	210,833,373	(3,995,644)
Other					
Maturity up to 1 year	4,657,812	4,706,488	121,494	4,827,982	165,534
Maturity over 1 year	78,134,922	69,173,432	1,604,046	70,777,478	(4,545,582)
Financial assets at amortised cost					
Spain					
Maturity over 1 year	13,000,000	11,197,840	16,985	11,465,591	-
Italy					
Maturity over 1 year	305,000,000	276,540,450	1,696,044	285,938,659	-
Other EU countries					
Maturity over 1 year	20,000,000	25,164,004	18,193	25,139,546	-
Other					
Maturity over 1 year	16,000,000	14,115,140	144,574	15,280,627	-
	1,408,046,294	1,217,113,040	8,919,511	1,234,515,920	(61,036,872)

(1) the Balance Sheet value of Financial assets at amortised cost - Debt securities, includes the component of hedge impairment.

(2) the fair value reserve presented includes the component of hedge impairment.

Debt exposure by rating

Considering that the main exposures comprise Sovereigns, Large Multinational Corporates, Other Institutions and ABS instruments, the Group gives preference to the use of external credit rating agencies (Moody's, S&P and Fitch), using the rules set out in the following paragraph.

If the ratings differ between external entities, the Group uses the following criteria:

- ▲ Where three different ratings are available, the Group uses the better of the two lowest ratings;
- ▲ Where two different ratings are available, the Group uses the lower of the two ratings; and
- ▲ Where only one rating is available, that rating is used.

When such ratings are not available, the Bank conducts an internal analysis of the issuer and assigns an internal rating on a 1-10 scale, which is then mapped to the corresponding external rating scale.

As at 31 December 2025 and 2024, the Group's debt exposure by rating is as follows:

	EXPOSURE 31-12-2025					GROSS EXPOSURE**	ECL	NET EXPOSURE
	Rating AAA - AA	Rating A+ - BBB	Rating BB+ - B	Rating CCC	Unrated*			
Securitised credit								
Financial assets at amortised cost								
Stage 1	323,668,085	465,596,661	11,486,602	-	3,870,207	804,621,555	792,030	803,829,525
Financial assets at fair value through other comprehensive income								
Stage 1	545,380,697	658,541,962	36,342,394	38	61,267,233	1,301,532,324	1,487,036	1,300,045,288
	869,048,782	1,124,138,623	47,828,996	38	65,137,440	2,106,153,879	2,279,066	2,103,874,813

* Instruments without external credit ratings for which the Bank assigns internal ratings

** The gross exposure corresponds to the amortised cost with accrued interest

	EXPOSURE 31-12-2024					GROSS EXPOSURE**	ECL	NET EXPOSURE
	Rating AAA - AA	Rating A+ - BBB	Rating BB+ - B	Rating CCC	Unrated*			
Securitised credit								
Financial assets at amortised cost								
Stage 1	376,903,932	542,324,506	40,195,218		3,800,856	963,224,512	1,058,841	962,165,671
Financial assets at fair value through other comprehensive income								
Stage 1	451,475,473	628,038,345	43,511,976	19,046,714	76,506,441	1,218,578,949	2,377,754	1,216,201,195
Stage 2	-	-	-	-	-	-	-	-
	828,379,405	1,170,362,851	83,707,194	19,046,714	80,307,297	2,181,803,461	3,436,595	2,178,366,866

* Instruments without external credit ratings for which the Bank assigns internal ratings

** The gross exposure corresponds to the amortised cost with accrued interest

As at 31 December of 2025 and 2024, the Group's exposure to balances and amounts receivable by rating is as follows:

	EXPOSURE 31-12-2025					GROSS EXPOSURE	ECL	NET EXPOSURE
	Rating AAA - AA	Rating A - BBB	Rating BB - B	Rating CCC	Unrated			
Deposits and margins								
Stage 1	66,331,604	51,801,808	-	43,024,543	672,918,489	834,076,444	-	834,076,444
	66,331,604	51,801,808	-	43,024,543	672,918,489	834,076,444	-	834,076,444
	EXPOSURE 31-12-2024					GROSS EXPOSURE	ECL	NET EXPOSURE
	Rating AAA - AA	Rating A - BBB	Rating BB - B	Rating CCC	Unrated			
Deposits and margins								
Stage 1	31,719,311	280,286,150	5	38,353,505	13,489,775	363,848,746	-	363,848,746
	31,719,311	280,286,150	5	38,353,505	13,489,775	363,848,746	-	363,848,746

Notes:

- For the construction of this table, the rating assigned by Moody's was considered, or if not available, the rating assigned by Fitch.

- For the balances with the Central Banks of Portugal and Spain, the rating of the Portuguese and Spanish Republics was assigned, respectively.

Exposure by type and staging

Considering the portfolios indicated in line A. above, retail credit exposures were grouped as follows:

- ▲ Current account credit;
- ▲ Mortgages;
- ▲ Other (car loans, employee loans for the acquisition of BiG shares and other loans, which include overdrafts and personal loans).

As at 31 December 2025 and 2024, the Group's exposure by type and staging is as follows:

A.1) Gross exposure and impairment by type of securitised and non-securitised credit

	Gross exposure 31-12-2025			
	Stage 1	Stage 2	Stage 3	TOTAL
Non-securitised credit				
Current Account Credit	23,885,932	1,072,140	60,000	25,018,072
Mortgages	5,130,599	-	-	5,130,599
Other	536,741	956	21,260	558,957
Securitised credit				
Financial assets at amortised cost*	804,621,555	-	-	804,621,555
Financial assets at fair value through other comprehensive income*	1,301,532,324	-	-	1,301,532,324
Guarantees and sureties provided	64,850	-	-	64,850
TOTAL	2,135,772,001	1,073,096	81,260	2,136,926,357

* The gross exposure corresponds to the amortised cost with accrued interest

	Impairment 31-12-2025			
	Stage 1	Stage 2	Stage 3	TOTAL
Non-securitised credit				
Current Account Credit	-	-	-	-
Mortgages	372	-	-	372
Other	2,583	24	21,260	23,867
Securitised credit				
Financial assets at amortised cost	792,030	-	-	792,030
Financial assets at fair value through other comprehensive income	1,487,036	-	-	1,487,036
Guarantees and sureties provided	-	-	-	-
TOTAL	2,282,021	24	21,260	2,303,305

	Net exposure 31-12-2025			
	Stage 1	Stage 2	Stage 3	TOTAL
Non-securitised credit				
Current Account Credit	23,885,932	1,072,140	60,000	25,018,072
Mortgages	5,130,227	-	-	5,130,227
Other	534,158	932	-	535,090
Securitised credit				
Financial assets at amortised cost	803,829,525	-	-	803,829,525
Financial assets at fair value through other comprehensive income	1,300,045,288	-	-	1,300,045,288
Guarantees and sureties provided	64,850	-	-	64,850
TOTAL	2,133,489,980	1,073,072	60,000	2,134,623,052

	Gross exposure 31-12-2024			
	Stage 1	Stage 2	Stage 3	TOTAL
Non-securitised credit				
Current Account Credit	14,022,346	841,662	-	14,864,008
Mortgages	4,734,587	-	-	4,734,587
Other	530,811	5,176	18,386	554,373
Securitised credit				
Financial assets at amortised cost*	963,224,512	-	-	963,224,512
Financial assets at fair value through other comprehensive income*	1,218,578,949	-	-	1,218,578,949
Guarantees and sureties provided	126,250	-	-	126,250
TOTAL	2,201,217,455	846,838	18,386	2,202,082,679

* The gross exposure corresponds to the amortised cost with accrued interest

	Impairment 31-12-2024			
	Stage 1	Stage 2	Stage 3	TOTAL
Non-securitised credit				
Current Account Credit	-	-	-	-
Mortgages	1,008	-	-	1,008
Other	6,568	256	18,386	25,210
Securitised credit				
Financial assets at amortised cost	1,058,841	-	-	1,058,841
Financial assets at fair value through other comprehensive income	2,377,754	-	-	2,377,754
Guarantees and sureties provided	-	-	-	-
TOTAL	3,444,171	256	18,386	3,462,813

	Net exposure 31-12-2024			
	Stage 1	Stage 2	Stage 3	TOTAL
Non-securitised credit				
Current Account Credit	14,022,346	841,662	-	14,864,008
Mortgages	4,733,579	-	-	4,733,579
Other	524,243	4,920	-	529,163
Securitised credit				
Financial assets at amortised cost	962,165,671	-	-	962,165,671
Financial assets at fair value through other comprehensive income	1,216,201,195	-	-	1,216,201,195
Guarantees and sureties provided	126,250	-	-	126,250
TOTAL	2,197,773,284	846,582	-	2,198,619,866

A.2) Gross exposure and impairment by type of securitised and non-securitised credit considering staging and days past due

GROSS EXPOSURE 31-12-2025		Stage 2				Stage 3			TOTAL
Segment	Stage 1	Without delays	Delays ≤ 30 days	Delays > 30 days	Total	Delays ≤ 90 days	Delays > 90 days	Total	
Non-securitised credit									
Current Account Credit	23,885,932	1,072,140	-	-	1,072,140	-	60,000	60,000	25,018,072
Mortgages	5,130,599	-	-	-	-	-	-	-	5,130,599
Other	536,741	-	21	935	956	-	21,260	21,260	558,957
Securitised credit									
Financial assets at amortised cost*	804,621,555	-	-	-	-	-	-	-	804,621,555
Financial assets at fair value through other comprehensive income*	1,301,532,324	-	-	-	-	-	-	-	1,301,532,324
Guarantees and sureties provided	64,850	-	-	-	-	-	-	-	64,850
	2,135,772,001	1,072,140	21	935	1,073,096	-	81,260	81,260	2,136,926,357

* The gross exposure corresponds to the amortised cost with accrued interest

IMPAIRMENT 31-12-2025		Stage 2				Stage 3			TOTAL
Segment	Stage 1	Without	Delays	Delays	Total	Delays	Delays	Total	
		delays	<= 30 days	> 30 days		<= 90 days	> 90 days		
Non-securitised credit									
Current Account Credit	-	-	-	-	-	-	-	-	-
Mortgages	372	-	-	-	-	-	-	-	372
Other	2,583	-	1	23	24	-	21,260	21,260	23,867
Securitised credit									
Financial assets at amortised cost	792,030	-	-	-	-	-	-	-	792,030
Financial assets at fair value through other comprehensive income	1,487,036	-	-	-	-	-	-	-	1,487,036
Guarantees and sureties provided	-	-	-	-	-	-	-	-	-
	2,282,021	-	1	23	24	-	21,260	21,260	2,303,305

NET EXPOSURE 31-12-2025		Stage 2				Stage 3			TOTAL
Segment	Stage 1	Without delays	Delays <= 30 days	Delays > 30 days	Total	Delays <= 90 days	Delays > 90 days	Total	
Non-securitised credit									
Current Account Credit	23,885,932	1,072,140	-	-	1,072,140	-	60,000	60,000	25,018,072
Mortgages	5,130,227	-	-	-	-	-	-	-	5,130,227
Other	534,158	-	20	912	932	-	-	-	535,090
Securitised credit									
Financial assets at amortised cost	803,829,525	-	-	-	-	-	-	-	803,829,525
Financial assets at fair value through other comprehensive income	1,300,045,288	-	-	-	-	-	-	-	1,300,045,288
Guarantees and sureties provided	64,850	-	-	-	-	-	-	-	64,850
	2,133,489,980	1,072,140	20	912	1,073,072	-	60,000	60,000	2,134,623,052

GROSS EXPOSURE 31-12-2024		Stage 2				Stage 3			TOTAL
Segment	Stage 1	Without delays	Delays <= 30 days	Delays > 30 days	Total	Delays <= 90 days	Delays > 90 days	Total	
Non-securitised credit									
Current Account Credit	14,022,346	841,662	-	-	841,662	-	-	-	14,864,008
Mortgages	4,734,587	-	-	-	-	-	-	-	4,734,587
Other	530,811	-	-	5,176	5,176	-	18,386	18,386	554,373
Securitised credit									
Financial assets at amortised cost*	963,224,512	-	-	-	-	-	-	-	963,224,512
Financial assets at fair value through other comprehensive income*	1,218,578,949	-	-	-	-	-	-	-	1,218,578,949
Guarantees and sureties provided	126,250	-	-	-	-	-	-	-	126,250
	2,201,217,455	841,662	-	5,176	846,838	-	18,386	18,386	2,202,082,679

* The gross exposure corresponds to the amortised cost with accrued interest

IMPAIRMENT 31-12-2024		Stage 2				Stage 3			TOTAL
Segment	Stage 1	Without delays	Delays <= 30 days	Delays > 30 days	Total	Delays <= 90 days	Delays > 90 days	Total	
Non-securitised credit									
Current Account Credit	-	-	-	-	-	-	-	-	-
Mortgages	1,008	-	-	-	-	-	-	-	1,008
Other	6,568	-	-	256	256	-	18,386	18,386	25,210
Securitised credit									
Financial assets at amortised cost	1,058,841	-	-	-	-	-	-	-	1,058,841
Financial assets at fair value through other comprehensive income	2,377,754	-	-	-	-	-	-	-	2,377,754
Guarantees and sureties provided	-	-	-	-	-	-	-	-	-
	3,444,171	-	-	256	256	-	18,386	18,386	3,462,813

NET EXPOSURE 31-12-2024		Stage 2				Stage 3			TOTAL
Segment	Stage 1	Without delays	Delays <= 30 days	Delays > 30 days	Total	Delays <= 90 days	Delays > 90 days	Total	
Non-securitised credit									
Current Account Credit	14,022,346	841,662	-	-	841,662	-	-	-	14,864,008
Mortgages	4,733,579	-	-	-	-	-	-	-	4,733,579
Other	524,243	-	-	4,920	4,920	-	-	-	529,163
Securitised credit									
Financial assets at amortised cost	962,165,671	-	-	-	-	-	-	-	962,165,671
Financial assets at fair value through other comprehensive income	1,216,201,195	-	-	-	-	-	-	-	1,216,201,195
Guarantees and sureties provided	126,250	-	-	-	-	-	-	-	126,250
	2,197,773,284	841,662	-	4,920	846,582	-	-	-	2,198,619,866

Reconciliation of exposures

As at 31 December 2025 and 2024, the movements in the Group's exposures subject to calculation of expected impairment losses are as follows:

	Stage 1	Stage 2	Stage 3	Total
Non-securitised credit exposure and guarantees and sureties granted				
Opening balance on 01-01-2025	19,413,994	846,838	18,386	20,279,218
Increases due to origination or acquisition	10,307,917	15,067	50,918	10,373,902
Reductions due to derecognition	(3,626,745)	(426,733)	(424)	(4,053,902)
Net variations due to alterations in the credit risk	(35,394)	(35,647)	331	(70,710)
Net variations due to modifications without derecognition	3,558,350	673,571	12,049	4,243,970
Closing balance on 31-12-2025	29,618,122	1,073,096	81,260	30,772,478
Securitised credit exposure				
Opening balance on 01-01-2025	2,181,803,461	-	-	2,181,803,461
Increases due to origination or acquisition	474,877,565	-	-	474,877,565
Reductions due to derecognition	(495,391,126)	-	-	(495,391,126)
Net variations due to modifications without derecognition	(57,415,088)	-	-	(57,415,088)
Closing balance on 31-12-2025	2,103,874,812	-	-	2,103,874,812
Total Exposure on 31-12-2025	2,133,492,934	1,073,096	81,260	2,134,647,290

	Stage 1	Stage 2	Stage 3	Total
Non-securitised credit exposure and guarantees and sureties granted				
Opening balance on 01-01-2024	19,873,648	222,648	21,450	20,117,746
Increases due to origination or acquisition	4,850,896	630,722	1,708	5,483,326
Reductions due to derecognition	(3,400,656)	(661)	(6,229)	(3,407,546)
Net variations due to alterations in the credit risk	(24,298)	(25,000)	702	(48,596)
Net variations due to modifications without derecognition	(1,885,596)	19,129	755	(1,865,712)
Closing balance on 31-12-2024	19,413,994	846,838	18,386	20,279,218
Securitised credit exposure				
Opening balance on 01-01-2024	1,957,001,381	185,048	-	1,957,186,429
Increases due to origination or acquisition	459,812,982	-	-	459,812,982
Reductions due to derecognition	(306,767,638)	(185,048)	-	(306,952,686)
Changes due to updates to methodologies used	71,756,736	-	-	71,756,736
Closing balance on 31-12-2024	2,181,803,461	-	-	2,181,803,461
Total Exposure on 31-12-2024	2,201,217,455	846,838	18,386	2,202,082,679

Reconciliation of expected impairment losses

As at 31 December 2025 and 2024, the movements in the Group's expected impairment losses are as follows:

	Stage 1	Stage 2	Stage 3	Total
ECL on Non-securitised credit exposure and guarantees and sureties granted				
Opening balance on 01-01-2025	7,576	256	18,386	26,218
Increases due to origination or acquisition	(1,188)	(2)	(918)	(2,108)
Reductions due to derecognition	2,706	132	424	3,262
Net variations due to alterations in the credit risk	(450)	(33)	(532)	(1,015)
Net variations due to modifications without derecognition	3,102	6	(1,719)	1,389
Closing balance on 31-12-2025	11,746	359	15,641	27,746
ECL on securitised credit exposure				
Opening balance on 01-01-2025	3,436,595	-	-	3,436,595
Increases due to origination or acquisition	385,548	-	-	385,548
Reductions due to derecognition	(1,071,570)	-	-	(1,071,570)
Net variations due to modifications without derecognition	(471,507)	-	-	(471,507)
Closing balance on 31-12-2025	2,279,066	-	-	2,279,066
Total ECL on 31-12-2025	2,290,812	359	15,641	2,306,812

	Stage 1	Stage 2	Stage 3	Total
ECL on Non-securitised credit exposure and guarantees and sureties granted				
Opening balance on 01-01-2024	1,755	163	21,450	23,368
Increases due to origination or acquisition	5,350	117	1,621	7,088
Reductions due to derecognition	(778)	(9)	(6,229)	(7,016)
Net variations due to alterations in the credit risk	9	(15)	789	783
Net variations due to modifications without derecognition	1,240	-	755	1,995
Closing balance on 31-12-2024	7,576	256	18,386	26,218
ECL on securitised credit exposure				
Opening balance on 01-01-2024	3,368,853	28,771	-	3,397,624
Increases due to origination or acquisition	569,911	-	-	569,911
Reductions due to derecognition	(345,428)	(28,771)	-	(374,199)
Net variations due to modifications without derecognition	(156,741)	-	-	(156,741)
Closing balance on 31-12-2024	3,436,595	-	-	3,436,595
Total ECL on 31-12-2024	3,444,171	256	18,386	3,462,813

Details on collateral

For the purpose of the quantitative analysis, the following collateral valuation criteria are applied:

- i) Financial collateral: valued automatically by the systems depending on the market prices and haircuts (weightings) that are periodically reviewed by the Management:
 - ▲ On a monthly basis, financial assets used as collateral are analysed in terms of their liquidity, volatility and market capitalisation (where applicable);
 - ▲ On a weekly basis, and automatically, taking into account the 30-day volatility of securities traded on regulated markets, the applicable haircut (system-calculated) is recalculated for all financial assets already approved as eligible collateral. This haircut determines the credit leverage available to the client (80%, 70%, 60% and 50%).
- ii) Real estate collateral: the value used is the most recent formal property valuation carried out by an independent entity. Furthermore, a correction factor is applied to this value, according to the scale below:
 - ▲ Up to 12 months: 0%
 - ▲ From 12 to 24 months: 15%
 - ▲ From 24 to 36 months: 25%
 - ▲ More than 36 months: 50%

The determination of the recoverable amount is based on the valuation (with or without the correction factor), adjusted by a time discount factor.

When a credit operation collateralised by real estate shows sufficiently strong indications that so justify it, the collateral is revalued by an external appraiser. This also occurs when the client enters into default.

iii) Other collateral: are analysed on a case-by-case basis.

Weightings and other corrective factors are reviewed periodically, at least annually, taking into account historical experience, economic prospects and published indicators of the competitors into account, according to product type.

As at 31 December 2025 and 2024, the collateral for exposures within the non-securitised credit portfolio (retail and guarantees and sureties provided) is as follows:

Breakdown of the fair value of collateral underlying the credit portfolio by segments:

31-12-2025	Current Account Credit		Mortgages		Other	
	Other Real Collateral*		Buildings		Other Real Collateral*	
	Number	Amount	Number	Amount	Number	Amount
Fair value						
< 0.5 M€	195	21,328,132	69	7,462,050	706	167,050
>= 0.5 M€ and < 1 M€	11	8,021,397	1	500,000	-	-
>= 1 M€ and < 5 M€	13	24,408,296	-	-	-	-
>= 5 M€	1	5,493,055	-	-	-	-
	220	59,250,880	70	7,962,050	706	167,050

* Examples: shares, bonds and deposits (at market price)

31-12-2024	Current Account Credit		Mortgages		Other	
	Other Real Collateral*		Buildings		Other Real Collateral*	
	Number	Amount	Number	Amount	Number	Amount
Fair value						
< 0.5 M€	146	17,703,301	65	7,138,118	651	167,050
>= 0.5 M€ and < 1 M€	15	10,157,862	1	500,000	-	-
>= 1 M€ and < 5 M€	10	23,448,858	-	-	-	-
>= 5 M€	6	44,008,257	-	-	-	-
	177	95,318,278	66	7,638,118	651	167,050

* Examples: shares, bonds and deposits (at market price)

a) Loan-to-Value (LTV) ratio for Mortgage and Other segments:

Segment / Ratio	31-12-2025						
	Number of buildings	Credit Stage 1	Credit Stage 2	Credit Stage 3	Total Credit (*)	Impairment	Net exposure
Mortgages							
< 60%	68	4,843,584	-	-	4,843,584	348	-
>= 60% and < 80%	2	325,675	-	-	325,675	24	-
	70	5,169,259	-	-	5,169,259	372	-

(*) Gross Exposure Value

Segment / Ratio	31/12/2024						
	Number of buildings	Credit Stage 1	Credit Stage 2	Credit Stage 3	Total Credit (*)	Impairment	Net exposure
Mortgages							
< 60%	65	4,602,550	-	-	4,642,550	979	-
>= 60% and < 80%	1	132,037	-	-	132,037	29	-
	66	4,734,587	-	-	4,774,587	1,008	-

(*) Gross Exposure Value

Details on restructured credit

When, due to the financial difficulties of a given client, the Group agrees to change the contract conditions of existing credit operations (namely, extension of the repayment period, introduction of grace periods, capitalization of interest, reduction of interest rates, forgiveness interest or capital) or contracts new credit facilities for the settlement (total or partial) of existing debt, those credit operations must be identified and marked as restructured credit due to the client's financial difficulties, and impairment is calculated accordingly on these loans. A client is in a situation of financial difficulty when it has failed to meet one or more of its financial obligations to the Group, or when it is foreseeable, based on the information available, that such failure may occur, taking into consideration, among other factors, indicators of impairment.

In 2025 and 2024, there were no new restructuring operations. In 2021, there were some credit restructuring operations, solely related to additional relief measures applied in the post-COVID-19 moratorium period. After that date, there were no further restructurings in active operations.

The annual variation in restructured exposures for the years ended on 31 December 2025 and 2024 is the following:

	2025	2024
Opening balance of the restructured credit portfolio (gross of impairment)	-	47,791
Reclassifications to performing non-restructured loans	-	47,791
Closing balance of the restructured credit portfolio (gross of impairment)	-	-

As at 31 December 2025 and 2024, there were no restructured operations.

Details on analysis of credit

For the purpose of the identification of individually significant exposures (which must, in any event, be assessed on an individual basis), the Group sets additional thresholds to be considered. These include, among others, exposures collateralised by non-liquid assets which represent a relevant percentage of the retail credit portfolio or of the Group's own funds. Nevertheless, even if a given exposure does not come within these criteria, and in view of the Group's conservative approach to the credit risk, it may still be subject to an individual impairment assessment.

As at 31 December 2025 and 2024, the breakdown of the non-securitised credit portfolio (retail and guarantees and sureties provided) by individual and collective assessment model is as follows:

2025	Current Account Credit		Mortgages		Other		Total	
	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment
Valuation								
Individual	-	-	-	-	-	-	-	-
Collective	25,018,072	-	5,130,599	372	623,807	23,867	30,772,478	24,239
	25,018,072	-	5,130,599	372	623,807	23,867	30,772,478	24,239

2024	Current Account Credit		Mortgages		Other		Total	
	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment	Exposure	Impairment
Valuation								
Individual	-	-	-	-	-	-	-	-
Collective	14,864,008	-	4,734,587	1,008	680,623	25,210	20,279,218	26,218
	14,864,008	-	4,734,587	1,008	680,623	25,210	20,279,218	26,218

Sensitivity analysis on expected credit loss

A sensitivity analysis exercise was performed on expected credit loss (ECL) relating on loans and advances to clients, based on amendments of the fundamental hypotheses applied individually to the calculation of the expected loss.

Set out below is the estimated sensitivity arising from a change in the projected annual variation in the unemployment rate over the following twelve months:

Annual variation in the unemployment rate	Variation of expected credit loss (ECL)
+1%	+ 106 euros
-1%	- 99 euros

Regarding the estimated ECL sensitivity of the securities portfolio, a study was conducted based on a general change in credit spreads over the following twelve months:

Annual variation of credit spreads	Variation of expected credit loss (ECL)
+0.25%	+ 5,050,321 euros
-0.25%	- 1,790,101 euros

Operational Risk

The operational risk inherent to the Group's business may arise as a result of inadequate procedures or systems, human risk, or external events.

Given the nature of its business, the Group is exposed to potential losses related to operational risk as a result of human error, system breakdown, operation processing failures, unexpected business disruptions, or failures by third parties relating to the provision or performance of services.

To monitor this type of risk and effective compliance with operational procedures across the Group, an internal control structure is in place to oversee the appropriateness of procedures, systems and human resources, in order to ensure the normal development of activity under any circumstances.

The objective of the structure referred above is to ensure that the Group adheres to the established procedures and limits, so that the cost inherent to operational errors can be kept within controlled levels, relative to the Group's capital and strategy. Alongside this structure, a culture of risk detection and mitigation is established in the Group, which encourages the proactive resolution of problems based on their early identification.

Capital and solvency ratio management

Own funds for the years ended 31 December 2025 and 2024 are presented as follows:

	2025	2024
A - Own Funds		
Paid-up ordinary share capital, share premium, treasury shares and other	188,156,687	188,156,691
Retained earnings and reserves formed from undistributed profits	214,944,994	192,984,689
Minority interest recognised in CET1	5,002,880	5,747,492
Intangible assets	(9,620,211)	(10,673,948)
Adjustments due to prudential filters	(1,416,643)	(1,358,194)
Other deductions from own funds	(583,328)	(5,240,917)
Common Equity Tier 1 Capital (A1)	396,484,379	369,615,813
Tier 1 Capital (A2)	396,484,379	369,615,813
Total Own Funds (A3)	396,484,379	369,615,813
B - Risk weighted assets (B)	1,082,760,929	1,190,209,311
C - Capital Ratios		
CET1 Ratio (Common Equity Tier 1 Capital) (A1 / B)	36.6%	31.1%
Tier 1 Ratio (Tier 1 Capital) (A2 / B)	36.6%	31.1%
Total capital ratio (A3 / B)	36.6%	31.1%

Movements in own funds for the years ended 31 December 2025 and 2024 are presented as follows:

	2025	2024
Opening Balance	369,615,813	357,302,777
Paid-up ordinary share capital, share premium, treasury shares and other	(4)	10,002
Retained earnings and reserves formed from undistributed profits	21,960,305	13,905,827
Minority interest recognised in CET1	(744,612)	557,928
Intangible assets	1,053,737	782,672
Adjustments due to prudential filters	(58,449)	(149,256)
Other deductions from own funds	4,657,589	(2,794,137)
Closing Balance	396,484,379	369,615,813

Other Risks and their measurement:

Reputational Risk

Reputation Risk is understood as the probability of negative impacts on earnings or capital arising from an adverse perception of the public image of the institution, whether justified or not, by the different stakeholders, the media, or public opinion in general. The Group conceived stress tests assuming the existence of negative news relating to the Group, with consequences in terms of clients' withdrawals of deposits.

Correlation Risk

The different types of risk, liquidity, reputation, credit, counterparty, market, interest rate, etc., are correlated with each other. Such correlation is undoubtedly more noticeable for certain pairs of risks and less relevant for others.

▲ Liquidity risk versus Reputational risk:

A decline in the reputation of a financial institution may lead to a lack of confidence among clients and investors. Such a situation may give rise to liquidity risk for the institution in respect of its immediate obligations.

▲ Liquidity risk versus Reputational risk versus Market risk:

In the previous point, reputational risk versus liquidity risk is analysed. In this case, it is assumed that there is an abnormal variation in different financial instruments in the market.

▲ Liquidity risk versus Reputation risk versus Credit risk:

In this case, the Group assumes, similarly to the previous point, scenarios in which reputational risk and liquidity risk are presented. In addition, it is considered a scenario of the probability of default of the assets, as well as the impact of rating downgrades of those assets.

Liquidity risk versus Reputational risk versus Market risk

(30% drop in the stock market, a 100 b.p. decline in the interest rate curve and a massive withdrawal of deposits as consequence of reputational risk).

The results of the scenarios below (scenarios 1, 2 and 3) relate to 31 December 2025, the impact of which is described below.

Scenario 1 – 33% of demand deposits ("DO's") are withdrawn by clients

Available liquidity: 288,319,484 Euros.

Liabilities: 279,325,761 Euros.

Under this scenario, it would not be necessary to sell assets in order to meet liabilities. Based on the assumption of market conditions that are also simultaneously negative and based on the stress assumptions (30% stock market decline and a 100 b.p. shock to the interest rate curve), the Group's assets would experience a devaluation of 41,457,335 Euros.

Scenario 2 – 50% of demand deposits ("DO's") are withdrawn by clients

Available liquidity: 288,319,484 Euros.

Liabilities: 418,988,641 Euros.

Under this scenario, it would be necessary to obtain additional funding in a total amount of 57,242,888 Euros. Based on the assumption of simultaneously adverse market conditions and on the stress assumptions (30% stock market decline and a 100 b.p. shock to the interest rate curve), the Group's assets would experience a devaluation of 41,457,335 Euros.

Scenario 3 – 50% of demand deposits (“DO’s”) and term deposits (“PD’s”) are withdrawn by clients

Available liquidity: 288,319,484 Euros.

Liabilities: 1,137,921,817 Euros.

Under this scenario, it would be necessary to sell assets or obtain additional funding in a total amount of 825,874,754 Euros.

Based on the assumption of simultaneously adverse market conditions and on the stress assumptions (a 30% drop in the equity market and a 100 basis point shock in the interest rate curve), the Group’s assets would experience a devaluation of 41,457,335 Euros.

Liquidity risk versus Reputational risk versus Credit risk:

(Scenario of debt securities downgrades and massive withdrawal of deposits due to reputational risk)

- ▲ Aaa – Aa2: rating unchanged
- ▲ Aa3 – A3: downgrade by 2 notches
- ▲ Baa1 and lower ratings: downgrade by 4 notches

The results of the scenarios below (scenarios 1, 2 and 3) relate to 31 December 2025, the impact of which is described below:

Scenario 1 – 33% of demand deposits (“DO’s”) are withdrawn by clients

Available liquidity: 288,319,484 Euros.

Liabilities: 279,325,761 Euros.

Under this scenario, it would not be necessary to sell assets in order to meet liabilities. Based on the assumption of simultaneously adverse market conditions (downgrade of debt securities), the Group’s assets would experience a devaluation of 22,707,199 Euros.

Scenario 2 – 50% of demand deposits (“DO’s”) are withdrawn by clients

Available liquidity: 288,319,484 Euros.

Liabilities: 418,988,641 Euros.

Under this scenario, it would be necessary to obtain funding in a total amount of 130,669,157 Euros through repos with a maturity of more than one month, for which the assets pledged as collateral would not be eligible for the liquidity ratio. Based on the assumption of simultaneously adverse market conditions (downgrade of debt securities), the Group’s assets would experience a devaluation of 22,707,199 Euros.

Scenario 3 – 50% of demand deposits (“DO’s”) and term deposits (“PD’s”) are withdrawn by clients

Available liquidity: 288,319,484 Euros.

Liabilities: 1,137,921,817 Euros.

Under this scenario, it would be necessary to sell assets or request additional funding, for a total amount of 849,602,333 Euros. Based on the assumption of simultaneously adverse market conditions (downgrade of debt securities), the Group would have a maximum potential loss of 22,707,199 Euros.

NOTE 45 ENCUMBRANCE OF ASSETS

As at 31 December 2025 and 2024, asset encumbrance can be analysed as follows:

2025	Book value of encumbered assets	Fair value of encumbered assets	Book value of unencumbered assets	Fair value of unencumbered assets
Securities				
Bonds and other fixed return securities	37,257,713	37,257,713	2,144,069,434	2,138,809,929
Shares	-	-	8,704,591	8,704,591
Other securities	-	-	183,233	183,233
Other assets	18,700,000		682,168,332	
	55,957,713		2,835,125,590	

2024	Book value of encumbered assets	Fair value of encumbered assets	Book value of unencumbered assets	Fair value of unencumbered assets
Securities				
Bonds and other fixed return securities	47,653,834	47,653,834	2,221,366,491	2,205,047,097
Shares	-	-	7,472,927	7,472,926
Other securities	-	-	1,780,986	1,780,986
Other assets	8,200,000	-	517,327,760	-
	55,853,834		2,747,948,164	

In 2025 and 2024, the encumbered securities are recorded within the portfolios of “Financial assets at fair value through other comprehensive income”.

As at 31 December 2025, the amount of liabilities associated with encumbered assets was 26,414,951 Euros (31 December 2024: 32,674,257 Euros) and primarily relates to the balances relating to repurchase agreements (Note 32).

NOTE 46 GROUP COMPANIES

The accounts of the Group companies as at 31 December 2025 and 2024 are presented below:

	2025			2024		
	Total Assets	Total Equity	Net profit of the year	Total Assets	Total Equity	Net profit of the year
BiG Serviços Financeiros, S.A.	1,213,237	1,182,601	17,993	1,532,081	1,372,430	207,822
Banco BIG Moçambique, S.A.	51,989,603	30,996,030	2,521,242	74,156,631	36,142,911	4,086,218
Onetier Partners, SCR, S.A.	8,832,126	8,147,511	1,139,838	7,504,553	7,007,673	(611,293)
DIF Broker - Empresa de Investimento S.A.	26,679,995	5,041,188	335,328	21,285,479	4,841,616	137,896

Investments in subsidiaries, associates, and investment funds are made up as follows:

Activity	Consolidation method	2025		2024		
		% economic interest	% of voting rights	% economic interest	% of voting rights	
Subsidiaries						
BiG Serviços Financeiros, S.A.	Financial assistant	Full	100.0%	100.0%	100.0%	100.0%
Banco BiG Moçambique, S.A.	Bank	Full	82.6%	82.6%	82.6%	82.6%
Onetier Partners, SCR, S.A.	Venture capital company	Full	100.0%	100.0%	100.0%	100.0%
DIF Broker - Empresa de Investimento S.A.	Financial brokerage firm	Full	100.0%	100.0%	100.0%	100.0%

	Consolidation method	Head Office	Year of acquisition	Year of incorporation	2025		2024	
					% economic interest	% of voting rights	% economic interest	% of voting rights
Investment Funds								
BiG Diversified Macro Fund	Full	Ireland	2018	2018	38.1%	38.1%	50.8%	50.8%
Onetier Fundo Capital de Risco	Full	Portugal	2021	2021	55.3%	55.3%	55.3%	55.3%

BiG Serviços Financeiros, S.A., fully held by the Bank, was incorporated on 11 September 2008, with its registered office in Lisbon and its main objective is to provide financial advisory services, as well as holding or managing real estate.

BiG Moçambique was incorporated on 8 October 2014, with its registered office in Maputo, and its main objective is to carry out any operations and provide any services permitted for banks in Mozambique, with no legal restriction.

Onetier Partners, Sociedade de Capital de Risco, S.A. was incorporated on 20 April 2004 and its main objective is to make temporary investments in companies with high potential for growth and appreciation. Since 2016, the company's investment policy has favoured the acquisition of equity stakes in, or the granting of convertible debt, to early-stage start-up companies that operate preferably in the Fintech, Insurtech and Cybersecurity segments.

On 7 September 2021, the Bank acquired 100% of the share capital of DIF Broker – Empresa de Investimento, S.A., an investment firm incorporated in 1999, whose corporate purpose is the provision of investment services and ancillary services for which it is authorized, in accordance with its bylaws.

The acquisition cost of the capital of DIF Broker consists of: (i) a fixed component, amounting to 10.9 million Euros and (ii) a variable component, dependent on the performance of the business acquired by BiG during 2021-2023 period, which amounted to 2.7 million Euros.

The BiG Diversified Macro Fund is an open-ended collective investment scheme incorporated on 25 April 2018, based in Dublin, Ireland, and regulated under the Alternative Investment Fund Managers Directive (AIFMD).

Onetier – Fundo Capital de Risco is a venture capital fund managed by Onetier Partners, Sociedade de Capital de Risco, S.A. having been incorporated in December 2021.

There are no significant restrictions over the control of subsidiaries, except for those provided for in Article 101 of the General Regime of Credit Institutions and Financial Companies. As at the reporting date, none of the companies that composes the Group is in the situation provided for in paragraph 1 of that Article.

▲ NOTE 47 RECENTLY ISSUED STANDARDS

The accounting standards and interpretations recently issued that came into effect and were applied by the Bank in the preparation of its financial statements are as follows:

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

On 15 August 2023, the IASB issued Lack of Exchangeability (Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates) (the amendments).

The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

A currency is exchangeable into another currency when an entity is able to exchange that currency for another currency at the measurement date and for a specified purpose. When a currency is not exchangeable, the entity is required to estimate a spot exchange rate.

Under the amendments, entities are required to provide new disclosures to help users assess the impact of using an estimated exchange rate in the financial statements. Such disclosures may include:

- ▲ The nature of, and financial effects arising from, the currency not being exchangeable;
- ▲ The spot exchange rate used;
- ▲ The estimation process; and
- ▲ The risks to the entity arising from the currency not being exchangeable.

The amendments apply to annual reporting periods beginning on or after 1 January 2025. Early application is permitted.

No significant changes were identified following adoption of these amendments.

The Bank decided not to early adopt the following standard and/or interpretations, as endorsed by the European Union:

On 18 July 2024, the IASB issued limited amendments to IFRS Accounting Standards and related guidance, arising from the Board's regular maintenance of the Standards.

The amendments include clarifications, simplifications, corrections and modifications intended to improve consistency across various IFRS Accounting Standards.

The IASB amended:

- ▲ IFRS 1 First-time Adoption of International Financial Reporting Standards, to clarify certain aspects related to the application of hedge accounting by an entity preparing IFRS financial statements for the first time;
- ▲ IFRS 7 Financial Instruments: Disclosures and its accompanying Implementation Guidance, to clarify:
 - ▲ The Application Guidance relating to Gain or loss on derecognition; and
 - ▲ The Implementation Guidance, namely its Introduction, the Fair value paragraph (disclosures relating to the difference between fair value and transaction price) and credit risk disclosures;
- ▲ IFRS 9 Financial Instruments, to:
 - ▲ Require that entities initially measure a receivable without a significant financing component at the amount determined by applying IFRS 15, and
 - ▲ Clarify that, when a lease liability is recognised, derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases. The amendment specifies that, when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss;
- ▲ IFRS 10 Consolidated Financial Statements, a clarification regarding the determination of a “de facto agent”; and
- ▲ IAS 7 Statement of Cash Flows, a minor amendment to the paragraph relating to investments in subsidiaries, associates and joint ventures.

The amendments apply to annual reporting periods beginning on or after 1 January 2025. Early application is permitted.

The Bank did not recognise any significant changes upon adoption of these amendments.

Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity

On 18 December 2024, the IASB issued amendments to help entities better report the financial effects of contracts referencing nature-dependent electricity production, which are often structured as power purchase agreements (PPAs).

Nature-dependent electricity contracts help entities secure their electricity supply from sources such as wind and solar energy. The quantity of electricity generated under these contracts may vary depending on factors outside the entity's control, such as weather conditions. Existing accounting requirements may not adequately reflect how these contracts affect an entity's performance.

To enable entities to better reflect these contracts in their financial statements, the IASB introduced targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments include:

- ▲ Clarification of the application of the "own-use" requirements;
- ▲ Permitting hedge accounting where these contracts are used as hedging instruments; and
- ▲ Introducing new disclosure requirements to enable investors to understand the effect of these contracts on an entity's financial performance and cash flows.

The amendments are effective for annual periods beginning on or after 1 January 2026. Early application is permitted.

These amendments are not applicable to the Bank.

Standards, amendments and interpretations issued but not yet effective for the Bank

IFRS 18 Presentation and Disclosure in Financial Statements

On 9 April 2024, the International Accounting Standards Board (IASB or the Board) issued a new standard, IFRS 18 Presentation and Disclosure in Financial Statements.

The principal changes introduced by this Standard are:

- ▲ Promoting a more structured statement of profit or loss. In particular, it introduces a new "operating profit" subtotal, and requires that all income and expenses be classified into three new distinct categories based on a company's main business activities: Operating, Investing, and Financing.
- ▲ Requiring entities to analyse their operating expenses directly on the face of the statement of profit or loss – whether by nature, by function, or a mixed approach.
- ▲ Requiring certain "non-GAAP" measures used by the Bank be reported in the financial statements. The standard defines Non-GAAP Performance Measures (NPMs) as subtotals of income and expenses that:
 - ▲ are used in public communications outside the financial statements; and
 - ▲ convey management's view of financial performance.

For each NPM presented, companies will be required to explain in a single note within the financial statements the reason why the measure provides useful information, how it is calculated, and to reconcile it to an amount determined in accordance with IFRS.

- ▲ Introducing enhanced guidance on how entities aggregate information in the financial statements. This includes guidance on whether material information should be presented in the primary financial statements or provided in more detail in the notes.

The standard applies to annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively. Early adoption is permitted.

The Bank is currently assessing the impact of the Standard on its financial statements.

IFRS 19 Presentation and Disclosure in Financial Statements

On 9 May 2024, the International Accounting Standards Board (IASB or the Board) issued a new standard, IFRS 19 Subsidiaries without Public Accountability: Disclosures, which allows eligible subsidiaries to apply IFRS with reduced disclosure requirements. The application of IFRS 19 is expected to reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of the financial statements.

A subsidiary may elect to apply the new standard in its consolidated, individual, or separate financial statements provided that, at the reporting date:

- ▲ it does not have public accountability; and
- ▲ its parent company prepares consolidated financial statements in accordance with IFRS.

A subsidiary applying IFRS 19 is required to clearly state, in its explicit and unreserved statement of compliance with IFRS, that IFRS 19 has been adopted.

The standard applies to annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively. Early adoption is permitted.

The Bank is currently assessing the impacts that the standard will have on its financial statements.

Amendments relating to the translation of financial information from a non-hyperinflationary currency into a hyperinflationary currency

On 13 November 2025, the International Accounting Standards Board (IASB) issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates, which clarify how entities should translate financial statements from a non-hyperinflationary currency into a hyperinflationary currency.

The amendments are effective for annual reporting periods beginning on or after 1 January 2027 and are to be applied retrospectively. Early adoption is permitted.

The Bank is currently assessing the impacts that these amendments may have on its financial statements.

NOTE 48 SUBSEQUENT EVENTS

On 28 February 2026, a new military conflict began in the Middle East, triggered by joint attacks by the United States and Israel on Iran, followed by retaliatory actions by Iran against several countries in the region. The episode had an immediate impact on financial markets, notably on oil and natural gas prices on the valuations of a number of more highly exposed sectors and has been affecting market sentiment by heightening uncertainty and risk aversion on a global scale.

In this context, the risks of renewed inflationary pressures have increased, with repercussions on benchmark yield curves, and the possibility is anticipated that adjustments to the monetary policy stance of major central banks may be required.

As at the date of this report, there remains a high degree of uncertainty regarding the duration of the conflict and its ultimate impact.

In light of the geopolitical disruptions in the Middle East, with potential adverse effects on energy prices and, through that channel, on the inflation trajectory in the Euro Area, it is contemplated that the European Central Bank may adopt a more restrictive monetary policy stance, including increases in policy rates. Market analyses have generally highlighted the plausibility of this scenario should the energy shock persist, while the ECB's recent communication underscores a highly uncertain environment and the maintenance of a strictly data-dependent and meeting-by-meeting approach.



CORPORATE BODIES

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João Manuel de Jesus Rufino

Secretary

Board of Directors

Carlos Adolfo Coelho Figueiredo Rodrigues

Chairman

José Fernando Catarino Galamba de Oliveira

Member of the Board of Directors

Maria Teresa Corrêa de Barros Cardoso de Menezes

Member of the Board of Directors

Mário João Abreu Galhardo Bolota

Chief Executive Officer (CEO),

Member of the Board of Directors

and President of the Executive Committee

Vítor Manuel Carvalho Luís

Member of the Board of Directors

and of the Executive Committee

Ana Rita da Costa Gil Simões

Member of the Board of Directors

and of the Executive Committee

João Miguel Barrier Henrique

Member of the Board of Directors

and of the Executive Committee

Sara Agar Carbonell Suarez-Ibaseta

Member of the Board of Directors

and of the Executive Committee

Supervisory Board

Maria Aline Bastos Moreira Veloso de Almeida (President)

Pedro Rogério Barata do Ouro Lameira (Member)

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Effective Portuguese Statutory Auditor

KPMG & Associados

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IT Project Management

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Human Resources

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