

# WHO WE ARE

An abstract graphic consisting of several overlapping, wavy, ribbon-like bands. The bands are colored in a gradient: blue on the left, transitioning through green and yellow in the center, and ending in pink on the right. They are layered over the text 'WHO WE ARE'.

**novobanco**

## OUR MISSION & VALUES

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

### We put our **Clients First**

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

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### We embrace **Ethics & Inclusion**

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

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### We act with **Trust & Transparency**

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

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### We strive for **Simplicity** every day

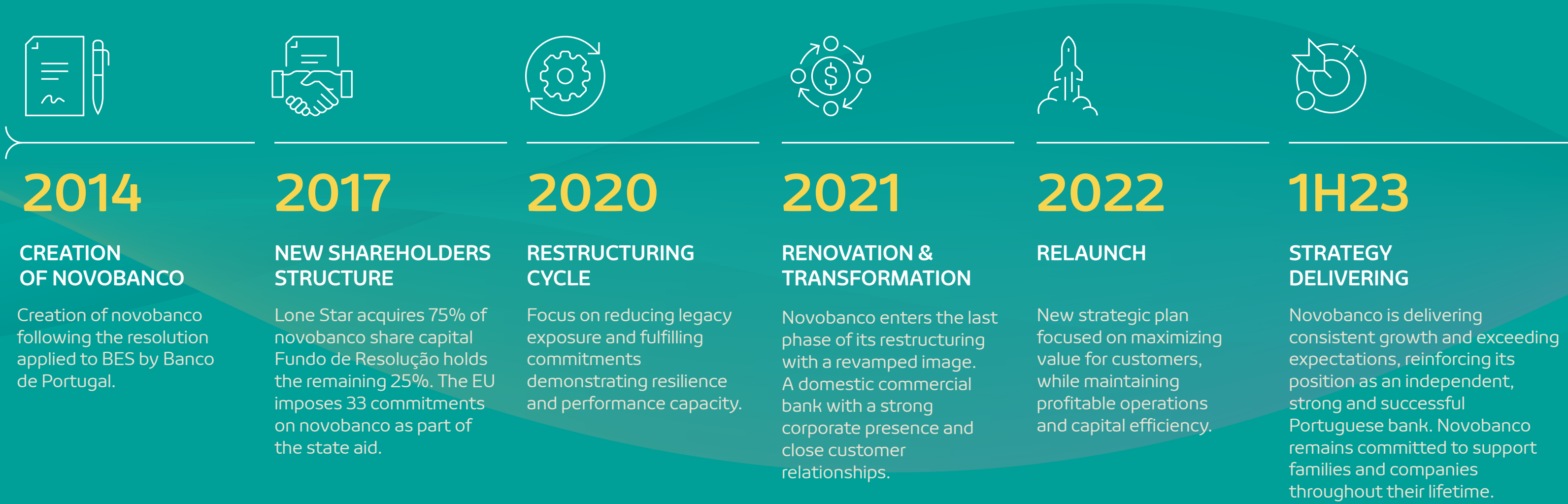
We seek simplicity to bring clarity and efficiency to complex situations.

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### We **Collaborate** with each other

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

# NOVOBANCO FIRST YEARS LAY THE FOUNDATION FOR ITS RELAUNCH IN 2022

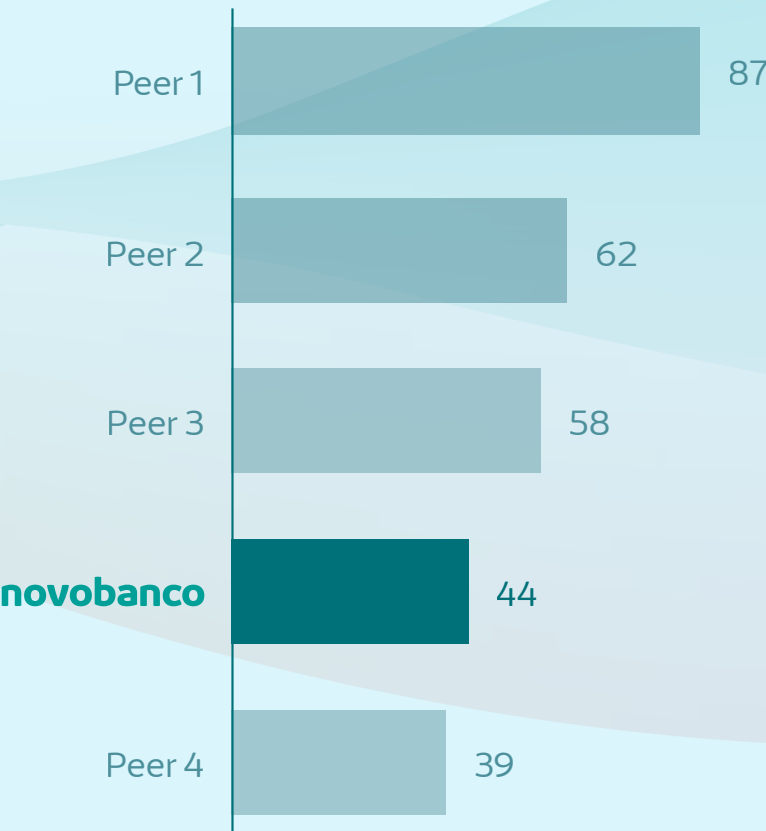


Shareholder structure on 12/31/2022:  
75% Lone Star Funds (through Nani Holdings, S.G.P.S., S.A.);  
19.31% Fundo de Resolução;  
5.69% Direcção-Geral do Tesouro e Finanças.

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

- ✓ **4<sup>th</sup> largest bank in Portugal**, in terms of total assets, serving **1.5mn clients**
- ✓ **Established presence in the Portuguese market**, with a solid commercial franchise.
- ✓ **With historical know-how in the Corporate sector and a partner for households**, developing value-added products and services.
- ✓ **Convenience and easy-to-bank experience**, to support customer holistic needs.

Concentrated market with Top-5 banks covering 73%<sup>2</sup> of total assets



**A WELL-RECOGNISED COMMERCIAL FRANCHISE...**

**98.7%**  
satisfied / very satisfied  
**corporate customers**

**91.6%**  
satisfied / very satisfied  
**retail customers**

**... FOCUSED ON 2 SEGMENTS**

**55%**  
**Corporate<sup>3</sup>**  
Focus on **corporate and SMEs** with an historical **in-depth knowledge** allowing to develop specialized approaches to clients

**45%**  
**Retail<sup>3</sup>**  
Supporting **customers' needs at the most decisive moments of their journeys**, with value-added services and innovative offering

(1) Based on reported figures for Portuguese business. Peer 1 refers to separate activity and figures for novobanco and other peers as of 2Q23;  
(2) Source: ECB; (3) % of total gross loans as of 1H23



## WE SUPPORT OUR CUSTOMERS



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



### ... on their daily lives

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



### ... fulfilling their dreams

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



### ... protecting what is most precious to them

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



### ... achieving their financial goals

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

## WE SUPPORT OUR CUSTOMERS



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



### ... as a partner for EU funds

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

#### To manage their day-to-day needs

With digital solutions for:

- cash management
- account aggregation
- financial control.



### ... with sector specific financing solutions

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

#### To ensure their financing needs

With solutions designed for specific realities:

- revenue anticipation
- treasury management
- investment financing.



### ... with sectorial initiatives and dedicated events

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

#### To expand across borders

With highly recognize Trade Finance solutions:

- market prospection
- international trade
- expansion.



### ... with HR solutions for companies

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

#### To protect their business

With an extensive insurance offer for:

- employees
- assets
- activity.

# WITH INNOVATIVE AND RECOGNIZED DIGITAL SOLUTIONS



## Online Account Opening

With Digital Mobile Key (CMD) or Video Call.  
**Seamless. Fast and safe.**



## Online Business Loans

Availability of funds in less than 48 hours.  
**Autonomous. Seamless.  
Fast and safe.**



## App

A revolutionary way to engage  
with the bank.  
**Adapts. Anticipates. Evolves.**



## novobanco Online

Financial aggregation and treasury  
management, for commercial customers.  
**Aggregate accounts. Ensure financial  
control. Manage payments.**



## Life Insurance

100% digital solution.  
**Simple, intuitive and efficient.**



## Personal Credit

Immediate response solution, integrated with  
insurance underwriting and data update.  
**Dynamic, simple and transparent.**



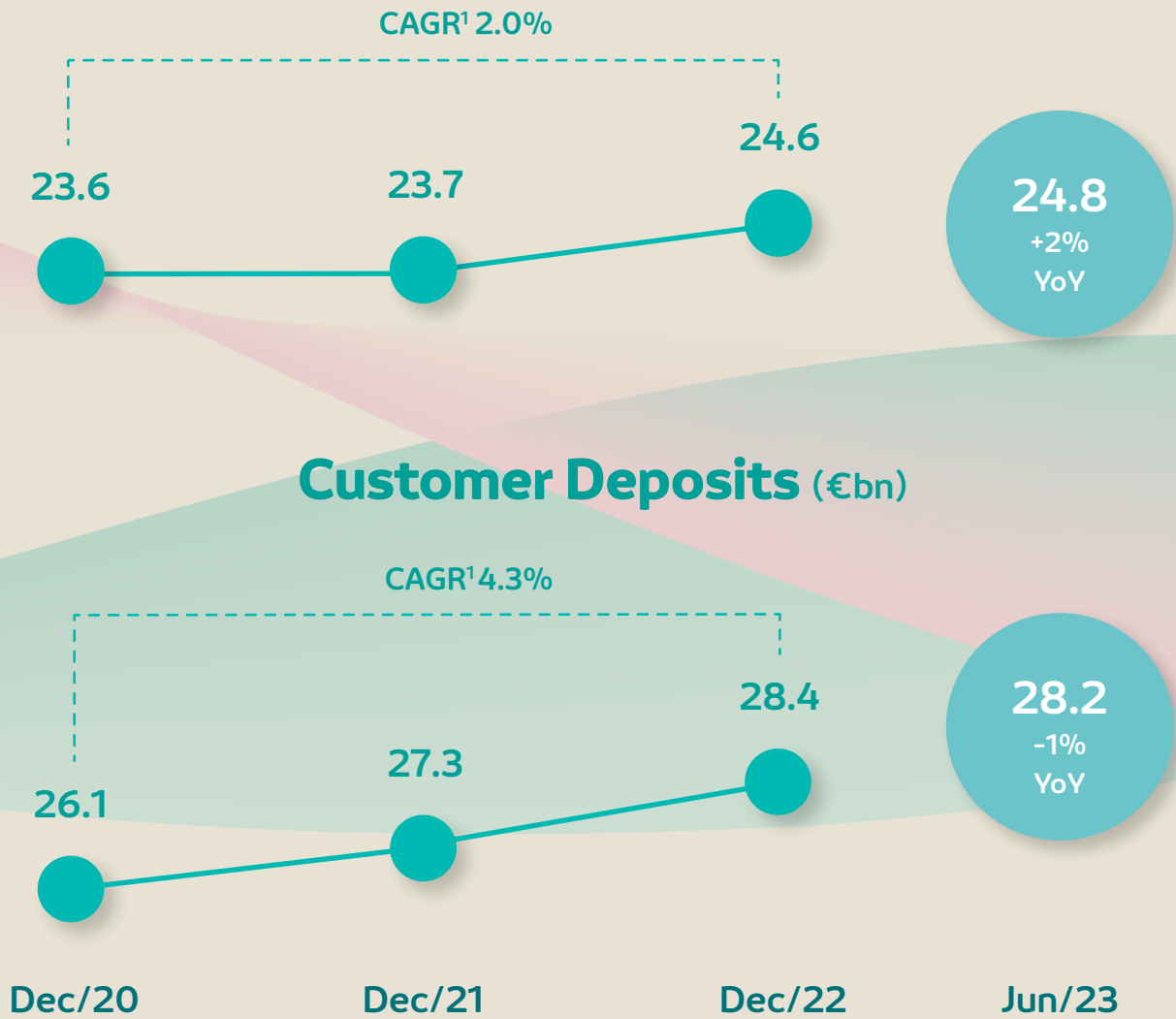
## novobanco Online Empresas

Homebanking for the corporate segment, with  
new features and a better customer experience.  
**Intuitive, simple and efficient.**

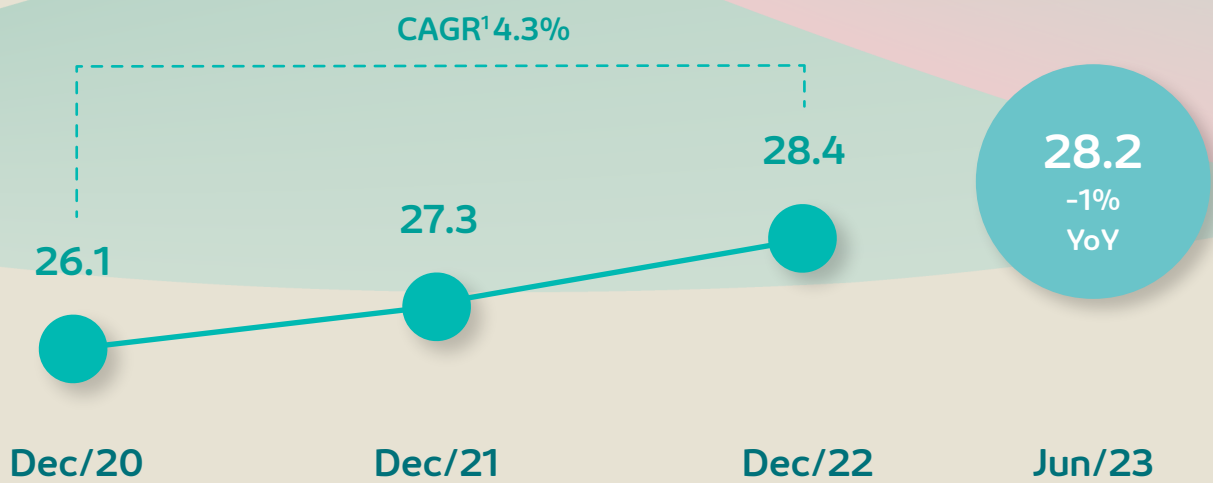
OUR RELATIONSHIP WITH CUSTOMERS  
IS BASED ON MUTUAL TRUST...

... SHOWING SIGNS OF GROWTH MOMENTUM  
ACCELERATION AND MARKET SHARE GAINS

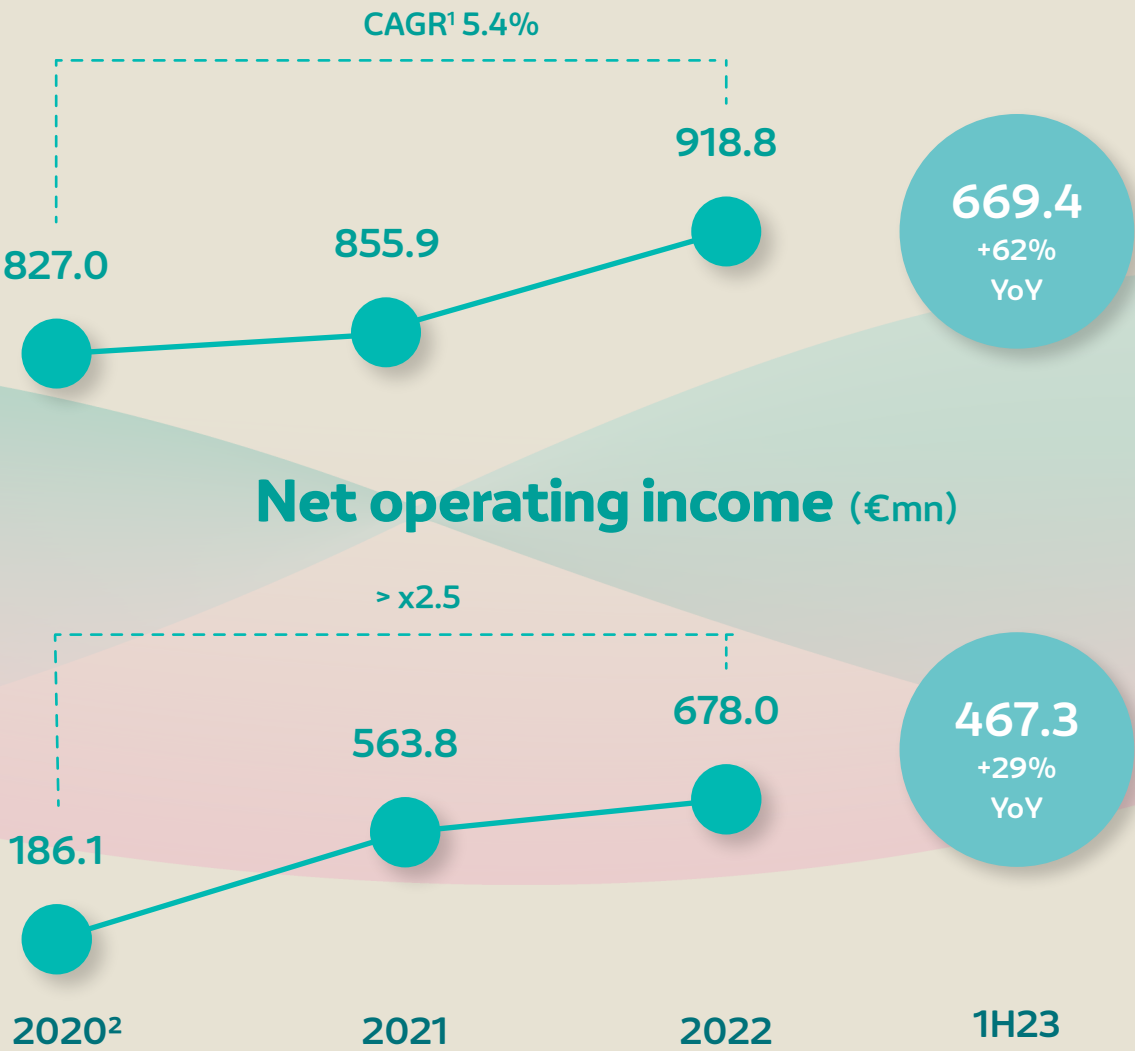
Customer loans – Net (€bn)



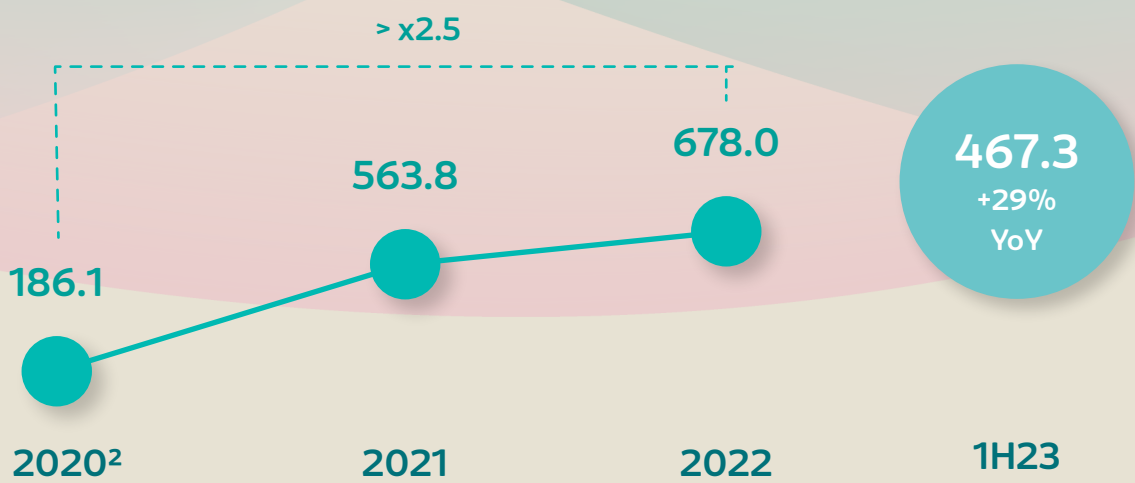
Customer Deposits (€bn)



Commercial banking income (€mn)



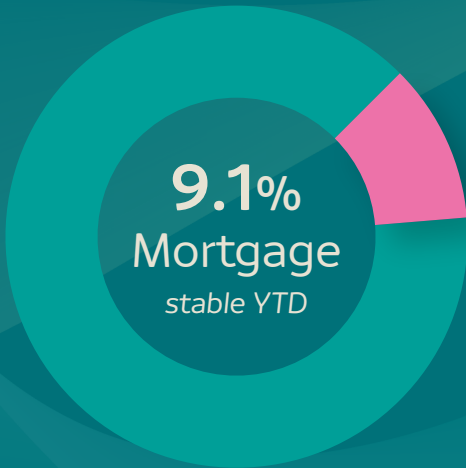
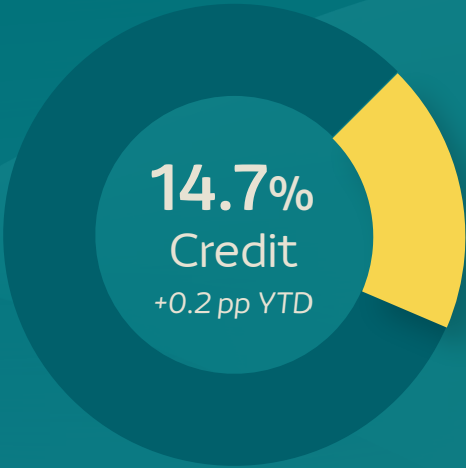
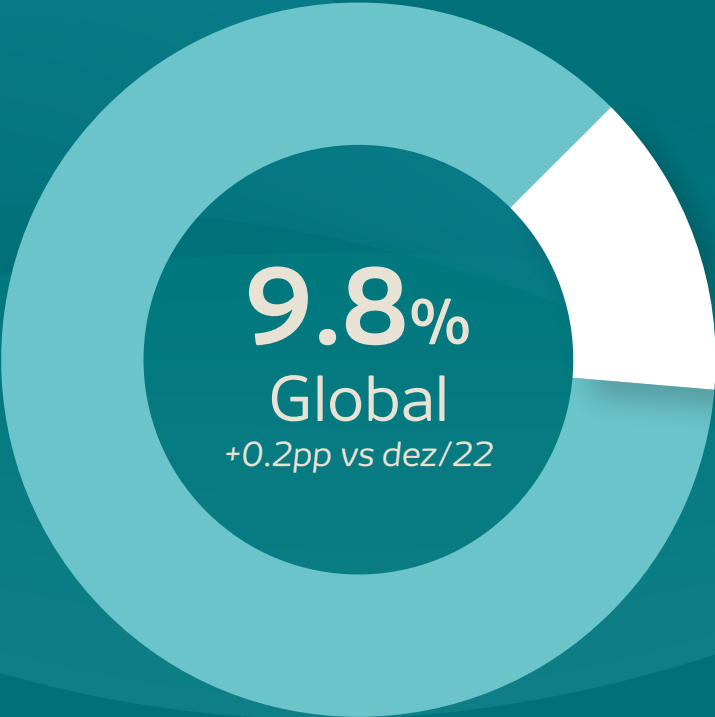
Net operating income (€mn)



<sup>1</sup>Compound annual growth rate  
<sup>2</sup>Reexpressed excluding Spain

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

Market share:



CORPORATE

HOUSEHOLDS

# CONSISTENTLY FOCUSING ON DELIVERING ON OUR STRATEGY



## Customer-Centric Bank

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



**1.5mn clients**

Including 55% of SMEs in Portugal



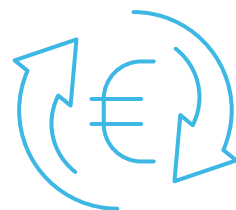
**€1.8bn**

Loans originated in 1H23



**99%**

Satisfied corporate clients – Quality of Service



## Simple & Efficient Operations

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



**79%**

Of household interactions are digital



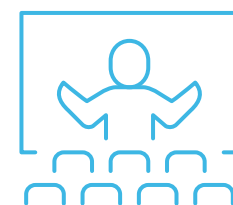
**~90%**

Of branches under new distribution model



**32%**

Cost to Income (recurrent basis)



## Developing People & Culture

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



**4,132**

Employees of Grupo novobanco



**54%**

Women



**~19.2 yrs**

Average seniority of employees



## Sustainable Performance

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



**+200 bps**

CET1 YTD on a fully loaded basis



**21.2%**

MREL ratio (above linear progression)



**€500mn**

Financing in green investment<sup>1</sup> (EU taxonomy)

Source: Company information as of 1H23;  
(1) 2022 – 1H23 cumulative figure as per defined target.



# OUTPERFORMING KEY FINANCIAL TARGETS WITH UPWARD REVISION OF 2023 GUIDANCE

	Previous 2023 Guidance	1H23 Achievements	New 2023 Guidance
Net interest margin	> 2.2%	2.50% ✓	>2.50% <sup>1</sup>
Cost-to-income	< 40%	33.6% ✓	~35%
Cost-of-Risk	~50 bps	38 bps ✓	~50 bps
NPL ratio	< 4.5%	4.4% ✓ (w/80% coverage)	<4.5%
Profit before tax <sup>2</sup>	> €600mn	€377mn ✓ (above 1H23E)	>€700mn
Capital Generation	> 250 bps	+200 bps ✓ (CET1: 15.1%)	>350bps

**Sound commercial activity**  
backed improved customer experience.

**Protecting NIM from a lower interest rate environment**  
by increasing hedges to lock in current rates and reduce sensitivity.

**Strict cost control**  
efficient operations with revenue growth offsetting cost inflation and investment in people and culture.

**De-risking strategy**  
with strong and reinforced coverage levels.

Consistent execution of the strategic plan, reiterating the focus to achieve investment grade rating in the medium-term.

(1) Considers average Deposits Facility Rate of 3.3% vs previous 2.7%;

(2) Recurrent PBT deducted by Special Tax on Banks.

# OUR ESG ACTION PRIORITIES



## PILLAR 1 SUSTAINABLE BUSINESS

### Indirect impact on the environment and climate

Contribute to a sustainable economy and society. Support clients sustainability journey and incorporate ESG factors into investment decisions.

- ✓ To promote "green investment", through dedicated products and services, supporting clients in taxonomy – aligned investments;
- ✓ To support investment in the Circular Economy, Climate Transition, Renewable Energies, and Low-Carbon Mobility at both corporate and individual level.

### Direct impact on the environment and climate

Operate within a model that minimises direct environment impact, reducing consumptions and CO<sub>2</sub> emissions.

- ✓ To promote the continuous reduction of paper consumption, becoming an increasingly digital bank;
- ✓ To reduce electricity consumption and use of renewable energy sources;
- ✓ To promote green and sustainable mobility, both through fleet vehicles and available infrastructures, and through travel policies.



## PILLAR 2 SOCIAL AND FINANCIAL WELL-BEING

Promote the social and financial well-being of our employees and contribute to the social and financial well-being of our customers and communities.



- ✓ To promote the development and fulfilment of our employees' potential and their physical and mental well-being;
- ✓ To contribute to increasing the digital skills of the population in the day-to-day management of financial services;
- ✓ To provide our customers with skills on how to deal with finances in our daily lives and a range of products suited to each family budget.

## PILLAR 3 RESPONSIBLE BANKING

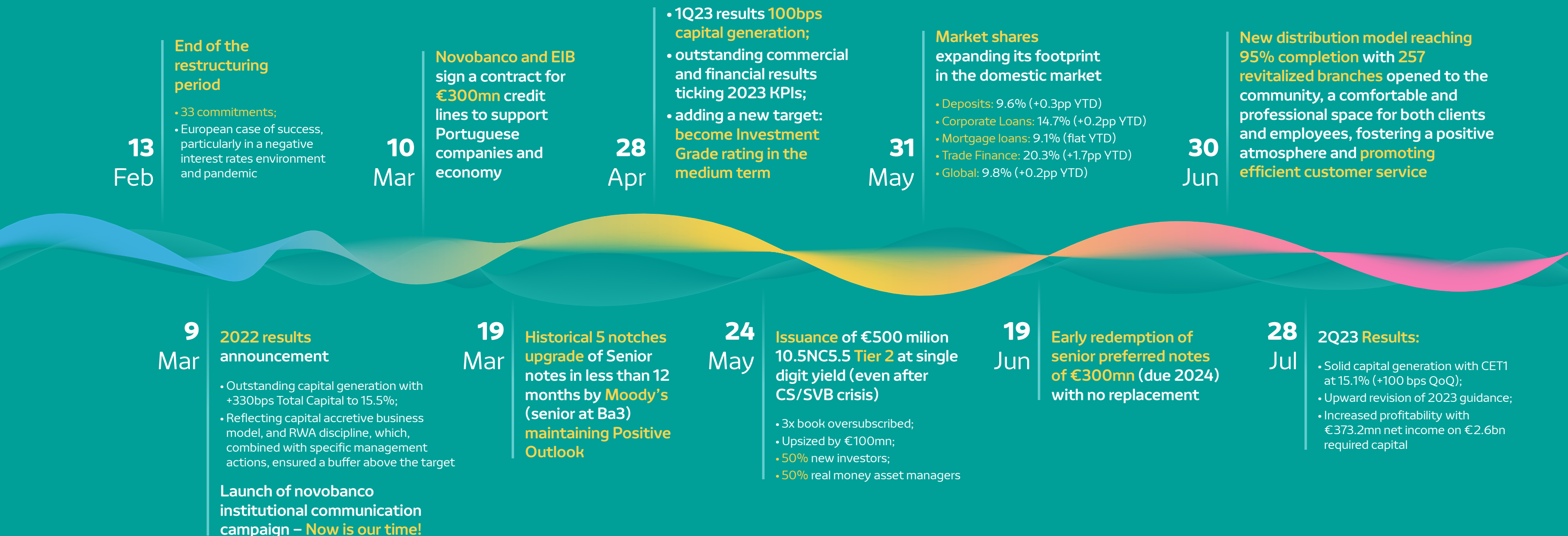
Maximises long-term financial sustainability and promotes a culture of diversity and inclusion through responsible, ethical and transparent banking.



- ✓ To promote gender equality;
- ✓ To respect ESG conduct principles and demand respect for them from suppliers and partners;
- ✓ To select our suppliers with a responsible attitude and based on ESG criteria;
- ✓ To ensure the integration of ESG risks in the Bank's management and performance assessment models.

# OUR ACHIEVEMENTS IN THE FIRST SEMESTER 2023

Novobanco is delivering consistent growth and exceeding expectations, reinforcing its position as an independent and strong Portuguese bank.



# THE MARKET RECOGNIZES OUR PERFORMANCE WITH AWARDS AND DISTINCTIONS



## THE DIGITAL BANKER

Novobanco wins at the Digital CX Awards for its digital underwriting solution for Life Insurance



## HR AWARDS

Novobanco was the winner at the HR Awards in the "Use of Technology" category with robotics solutions applied to human resources processing and management tasks. This award is the result of teamwork among several departments with the aim of continuously improving and innovating our processes.



## GLOBAL FINANCE

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



## D-RATING

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



## BANKING TECH AWARDS 2022

For the second year running, novobanco App won an award at the Banking Tech Awards, for Best Mobile Initiative



## APFIPP GNB GESTÃO DE ATIVOS

Awards for asset management performance in 2021:

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



## RANKIA PORTUGAL 2022 AWARDS

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



## GLOBAL FINANCE

Novobanco was voted, once again and for the fifth consecutive year, the best bank in the area of Trade Finance, in Portugal, by the international magazine "Global Finance".



## BEST DISTRIBUTOR PORTUGAL AT THE SRP EUROPE

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



## NB EURO BOND FROM GNB GESTÃO DE ATIVOS

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

# SHAPING THE FUTURE TOGETHER.



**novobanco**

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