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# 2023 Results presentation


29th February 2024

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# Executive summary
## 2023 Results

### Strong growth in core revenues

**+41.3%**
YoY

### Progress in market share of core businesses

### Cost of risk remains at very low levels

keeping the best relative position in asset quality metrics

CoCR
**7bps**
FY23

### Leading efficiency levels

#1 in Spain according to 2023 EU-wide EBA Transparency Exercise

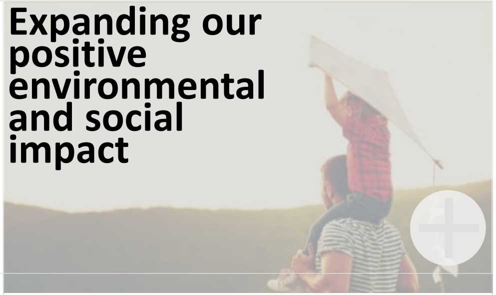
C-to-I(1)
**37.7%**
4Q23

### Business sustainability further enhanced

with increased provisioning and an improved capital position

CET1
**18.0%**
4Q23

### Expanding our positive environmental and social impact



(1) Cost-to-Income: 4Q23 data shows the efficiency level considering a twelve-month period. The efficiency ratio would improve up to 36.7% excluding the Banking tax.

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# Strong growth in core revenues

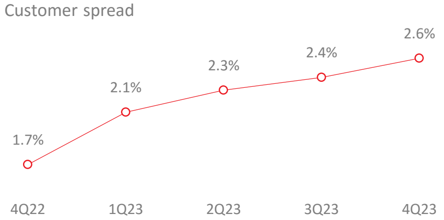
## Successful balance sheet management

Core Revenues[1]

EUR**1,792**mn

+41% YoY

## Net interest income (NII)




EUR**1,172**mn

**+82.9%** YoY

NII was 83% higher YoY for FY23 reflecting the successful balance sheet management in the face of interest rate increase, benefiting from an optimal positioning for such rate increases and cost control on the liability side of the balance sheet

## Income from services[2]

EUR**620**mn

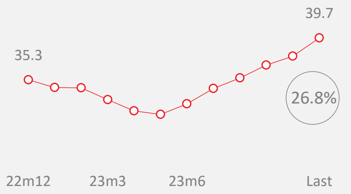
**+1.4%** YoY[3]

Progress in service revenues, with a positive contribution from the asset management business, means of payment and the insurance business. The latter grew by 4.9% YoY on a comparable basis after the application of IFRS17.

[1] Core revenues: Net interest income (NII) plus Income from services, including the Insurance business activity.
[2] Income from services includes the Insurance business activity.
[3] YoY evolution is calculated considering the portion of income from insurance business activity on a comparable like-for-like basis under IFRS17.

# Progress in market share of core businesses
## Developing long-term relationships with our customers

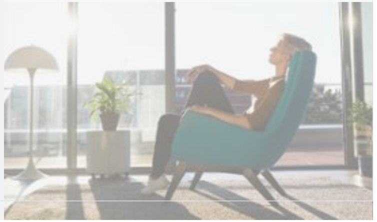
**Residential mortgages.**
New production market share
○ All across Spain
○ Basque Country
X.x% Market share of branches


Residential mortgage production rebounds **+2.5%** YoY

**Residential mortgages**
EUR**3.3**bn
FY23

>80% of new mortgages are made with Premium and Premium Plus clients



**Savings and investments.**
A management model based on a long-term vision, with deeply rooted principles such as prudence, diversification and Sustainability

**Investment net fund-takings**
EUR**2.8**bn
FY23

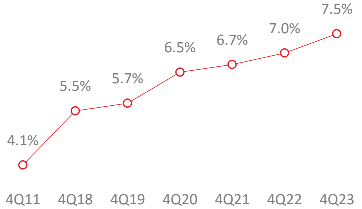
#3 by net fund-takings 2023

13% of total net fundraising of Spanish market

#4 by AuM in Spain 4Q23

#3 AM by ESG AuM
**Market share of 14.5%**

Investment funds market share[(1)]




(1) Market share in investment funds all across Spain for Kutxabank Gestión and Fineco, Kb's private banking specialised unit. Source: Inverco.

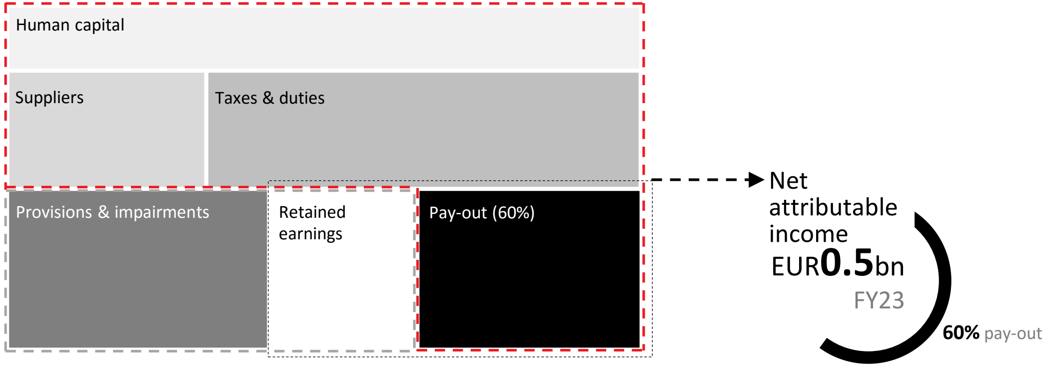
# Expanding our positive environmental and social impact

**70%** of revenues (over EUR1.3bn) **return to the society** via staff, suppliers, taxes and social dividend[2]

Total Revenue[1]

EUR**1.9**bn (over **EUR5bn** across the entire Strategic Plan)

**30%**
(c.EUR0.6bn) for business growth and sustainability
(Retained earning + Provisions & impairments)




| | | Return to society | Business sustainability |
|---|---|---|---|
| Human capital[3] | 18.9% | 18.9% | - |
| Suppliers | 10.9% | 10.9% | - |
| Taxes & duties[4] | 23.8% | 23.8% | - |
| Provisions & impairments | 19.2% | - | 19.2% |
| Net attributable income | 27.2% | | |
| o/w Retained earnings | | | 10.9% |
| o/w Pay-out (60%) | | 16.3% | - |
| | 100.0% | 69.9% | 30.1% |

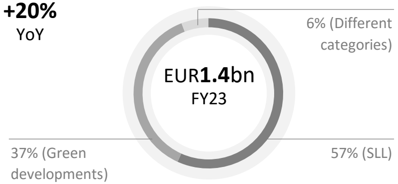
[1] Total revenue (EUR1,879.3mn): Gross margin (EUR1,735.4mn) excluding taxes and levies (EUR143.9mn).
[2] Pay-out entirely to Foundations Shareholders that generate social value through Welfare Projects.
[3] Personnel expenses not including social security contributions.
[4] Includes banking tax, contributions to DGS/SRF, deposits tax, social security contributions, supervisory fees, corporate income tax and other duties.

# Expanding our positive environmental and social impact

New Sustainable financing[1]
**EUR2,116mn**

| Green mortgage[2] | Green Consumer loans | Green insurance | Sustainable financing to Corporates |
|---|---|---|---|
| **22%** of new mortgages | **x2.4** YoY | **+20%** YoY | |






ESG Rating

Sustainalytics
*Negligible Risk*

The ESG rating agency has ranked Kutxabank in the top 1% of the world's best companies

ESG INDUSTRY TOP RATED | ESG REGIONAL TOP RATED

## Last developments in ESG Risk management

**ECB supervision.**
One of the first entities in Europe to undergo an on-site inspection (OSI) on C&E risks

**Ongoing projects.**
Leading several sectoral projects to establish standards on C&E risks (ie. EPC and climate risks in mortgage portfolio, company data for Taxonomy, emissions calculations, etc.)

**Reporting.**
Advances in regulatory reporting (NFIS, Pillar III, STE climate risk)

**Policy by sector.**
Identification of the sectors and activities that are potentially most environmentally and socially damaging and where the Entity wants to limit its exposure

**Decarbonization targets.**
Setting of intermediate decarbonization targets for the financing portfolio in order to align the portfolios with the Paris Agreement objectives

**Internal Climate Stress Testing.**
Development of the Internal Climate and Environmental Stress Testing Framework and expansion of the number and type of tests performed, as well as methodological sophistication and strengthening

[1] Mortgages, consumer loans and corporate financing. Classification of sustainable products based on internal criteria developed in the Sustainable Financing Framework.
[2] Regarding Green mortgages and Green consumer loans methodological improvements have been applied in Q4 to adapt screening criteria to the demands of supervisors and the requirements set out in the new internal Sustainable Financing Framework. Comparison with 2022 is made on a like-for-like basis.

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# Financial performance
## Highlights

### Income statement

**Core revenue up 41% YoY**
predominantly driven by higher net interest income

**Controlled cost inflation**
with labor costs and amortisations as main drivers

**Cost of risk remain subdued**
However, a very significant amount of provisions related to further reduce legacy NPE and to cover the costs of a new early retirement program

**Net interest income**
+83%
YoY

**Net attributable income**
+55%
YoY

**RoOCR[(1)]**
RoTE
14.5%
9.3%

### Balance sheet

**Customer funds**
Deposits volume show an upward trend over the last few years so far. Adding off-balance funds managed by the Group, the growth was remarkable

**Loan book**
Slightly downward, impacted by repayments

**Asset quality**
NPL dynamics remain virtually stable.

**Customer deposits**
+0.7%
YoY

**Customer deposits**
+1.6%
QoQ

**Perfoming loan book**
-0.4%
YoY

[(1)] RoOCR: Return on Overall Capital Requirement. The result of dividing the Net attributable income by the equity needed to cover the total capital requirement

# Financial performance

## FY23 results summary

### FY23 Net income

EUR**511**mn
**+54.5%**
YoY

| (EUR million) | FY23 | FY23-FY22 |
|---|---|---|
| Net interest income | 1,171.7 | 82.9% |
| Net Fees+Ins. business | 620.1 | -1.2% |
| **Core revenues** | **1,791.7** | **41.3%** |
| Equity method&Dividends&TI | 104.2 | -10.3% |
| Other operating income (OOI) | -160.6 | 40.5% |
| **Gross margin** | **1,735.4** | **36.6%** |
| Operating expenses | -653.6 | 6.6% |
| **Pre-provisioning profit** | **1,081.8** | **64.6%** |
| Provisions | -384.0 | 65.3% |
| Other income | 25.1 | -22.1% |
| Tax and others | -212.2 | 67.4% |
| **Net income** | **510.7** | **54.5%** |

**Core revenues continued to grow strongly (+41% YoY),** supported by the positive development of net interest income in the current interest rate environment and the effective management of liability costs**.** Fees and commissions declined slightly, still impacted by the implementation of IFRS17 in the Insurance business and the suppression of commissions on large deposits

Includes the payment of the bank tax (first year) and the contribution to the Single Resolution Fund

**Increase in operating expenses** mainly due to higher amortisation resulting from **significant investments in digitalisation.** Despite this increase **PPP was up 65% YoY**

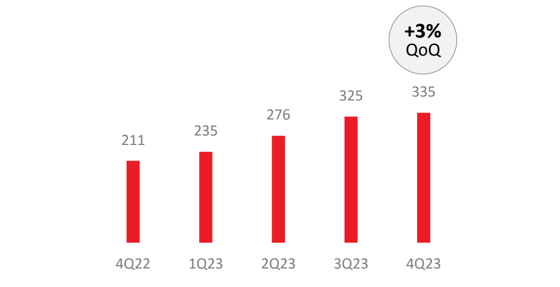
The Group maintains a high level of prudent provisioning with a focus on the impairment of foreclosed assets, including also the impact of staff renewal measures

# Financial performance
## Top-line results

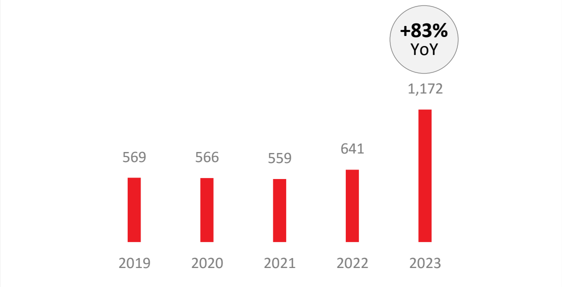
### Net interest income (NII)

EUR**1,172**mn
**+82.9%**
YoY

NII QoQ evolution (EUR million)



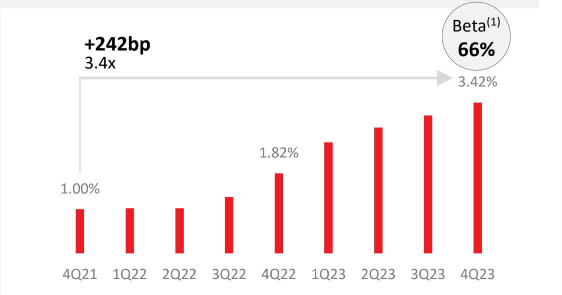

NII YoY evolution (EUR million)



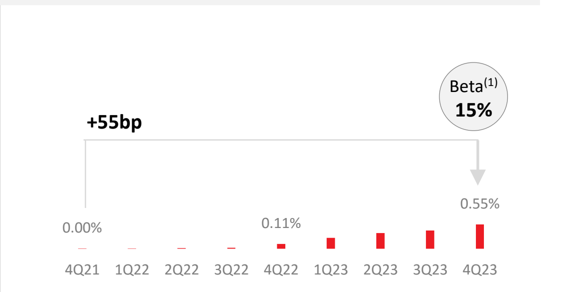

### Highlights

- Strong net interest income growth driven by sustained loan book contribution and controlled cost of liabilities
- Loan book yield has increased by 3.4x since 4Q21, with an absolute variation of 242bp over the same period. Beta analysis on the deposit side also shows that appreciation of deposit rates has been limited.

Loan book yield QoQ evolution




Deposit yield QoQ evolution[2]




(1) Calculated as the ratio of the difference between the increase in the loan/deposit yield in the observation period vs the Eur12m at the end of that period.
(2) Deposit yield of private sector deposits. Including also Public sector deposits, deposit beta would increase by 7pbs.

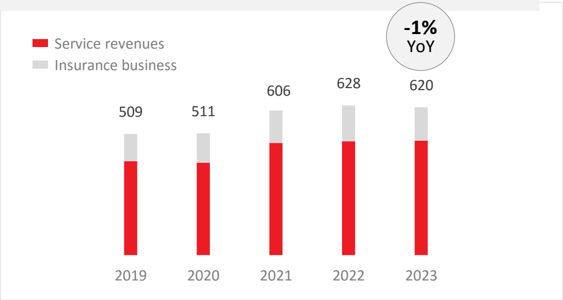
# Financial **performance**

## Top-line results

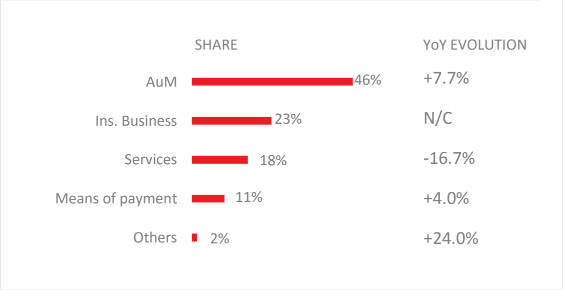
### Income from services & Insurance business

EUR**620**mn
**-1.2%**
YoY(1)

Total Services revenues YoY evolution (EUR million)




Total Services revenues distribution




### Highlights

- Sound Income from services leveraged on AuM. The suppression of fees on large deposits in the wholesale segments still has a negative impact on the Specific Services line, reducing the overall revenue volume.
- Additionally, the application of IFRS17 also pushes down this headline on a YoY basis.

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- Despite the negative impact derived from the IFRS17 application Insurance business continues to provide stable and recurring revenues
- Close to 117,000 new policies have been commercialised during the year

| Life | Auto | Business | Home |
|---|---|---|---|
| +8% | +40% | +20% | +5% |

(1) This headline would result in a +1.4% YoY evolution considering the Income from Insurance business activity on a comparable like-for-like basis under IFRS17.

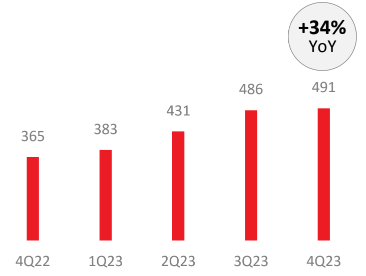
# Financial performance

## Top-line results

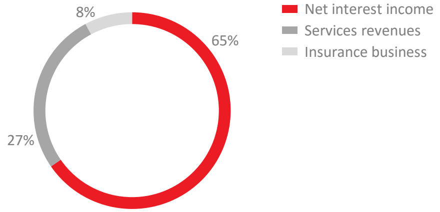
### Core revenues

EUR**1,792**mn
**+41.3%**
YoY

Core banking income QoQ evolution (EUR million)




Income source diversification (2023)




### Highlights

- Banking business net revenues were significantly higher YoY reflecting the increase in Net interest income while Service revenues continue to be a solid and reliable source of income.
- The revenue diversification structure of the banking business continues to provide stability and soundness to the Group's results.
- Total services revenues cover 1.03 times administrative expenses

# Financial **performance**

## Other Income and Expenses

### Equity method & Dividends

EUR**98**mn
FY23

### Other operating income (OOI)

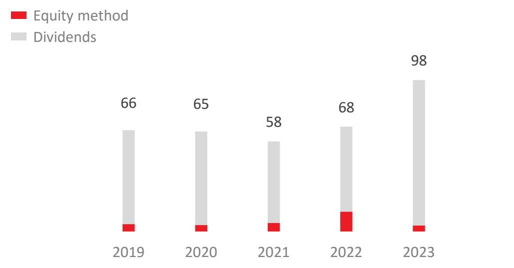
EUR-**161**mn
FY23

Including the payment of EUR 47.2 million of the banking tax

Pro-forma P&L summary *ex*Banking tax

| (EUR million) | FY23 | FY23 *Pro-forma* |
|---|---|---|
| Core revenues | 1,792 | N/A |
| Gross margin | 1,735 | 1,783 |
| Pre-provisioning profit | 1,082 | 1,129 |
| Net income | 511 | >555 |

Revenues from the equity portfolio (EUR million)




### New banking tax

- 4.8% on interest and commissions amount
- Estimated aggregate impact of EUR123Mn (2023-2024), exceeding 15% of annual profit for each year

**47**mn 2023 | **~75**mn 2024e

- Kb has filed an appeal against the order that develops the new bank levy, requesting the suspension of its execution

### Efficiency Ratio[(1)]

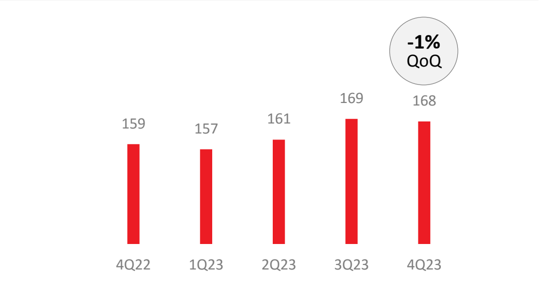
**37.7%**
4Q23

[(1)] The efficiency ratio would improve up to 36.7% excluding the Banking tax.

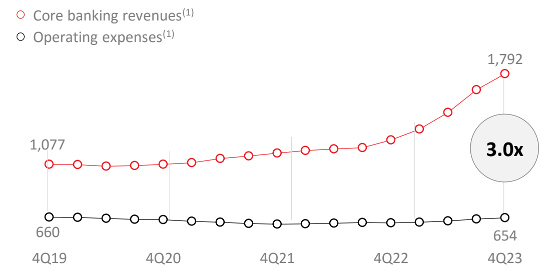
# Financial performance
## Costs
### Operating expenses

EUR**654**mn
**+6.6%**
YoY

Operating costs QoQ evolution (EUR million)




Core banking revenues vs Operating expenses (EUR million)




### Highlights

- Administrative expenses were EUR603.7mn, up 5.2% YoY. Increases in labor costs and other general expenses were the main drivers.
- Sharp increase in amortisations (+26.6% YoY) due to accelerated digitalization.
- Pure banking business margin (difference between Core banking revenues and Operating expenses) has tripled in the last 3 years.

[1] Revenues and expenses for each period are calculated as the moving sum of the last four quarters.

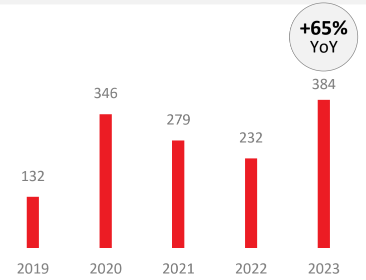
# Financial **performance**

## Costs

### Credit risk impairments and other provisions

**EUR384mn**
**+65.3%**
YoY

#### Total provisions & impairments YoY evolution (EUR million)




#### Total provisions & impairments in detail (EUR million)

| | FY23 |
|---|---|
| Credit risk | 34.3 |
| Other provisions&cont. | 142.6 |
| Impairments on RE assets | 207.0 |
| **TOTAL provisions** | **384.0** |

**CoCR**
**7bp**

## Highlights

- A significant level of provisioning effort is maintained in the face of geopolitical risk and macroeconomic uncertainties, even though there are still no signs of deterioration.
- The major part of total provisions for FY23 are impairments on legacy RE assets in order to keep reducing NPA. Other provisions and Contingencies include provisions to cover the impact of an early retirement scheme.

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# Financial performance
## Outlook 2024

**Volumes**
Lending balances maintenance and Deposit growth

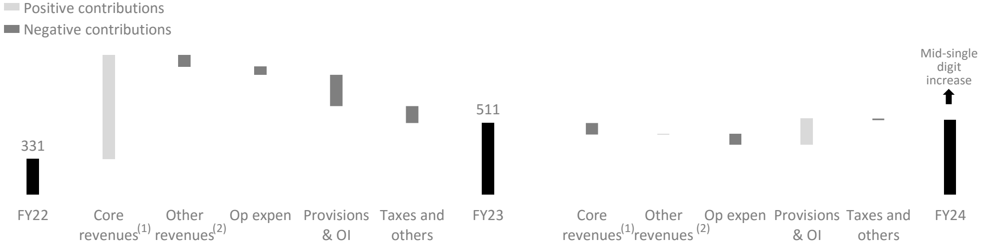
**Asset quality**
NPL ratio virtually unchanged. CoCR close to current levels

**Core revenues**
NII will gradually decline due to the evolution of rates and projected increase in the cost of liabilities, although overall performance for the year will be stable versus FY23.
Service income would perform flat to slightly negative

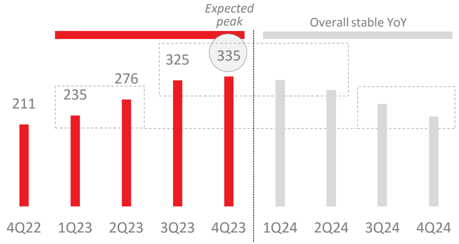
**Expenses**
Higher impact of tax on banks, offset by lower contribution to the DGS/SRF.
Increased Operating expenses as a result of persistent inflation.
Lower pressure on provisions

**Net income**
Mid-single digit FY24 NI growth expected

Net income breakdown by main drivers




Focus on Net interest income outlook




[1] Core revenues: Net interest income (NII) plus Income from services, including the Insurance business activity.
[2] Other revenues: the sum of (i) Equity method income+Dividends+Trading Income and (ii) Other Operating Income (OOI).

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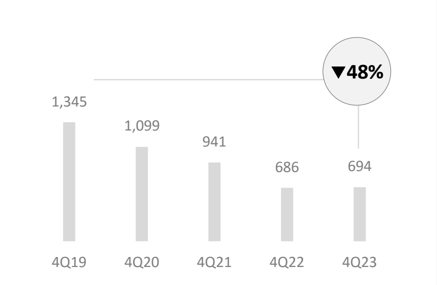
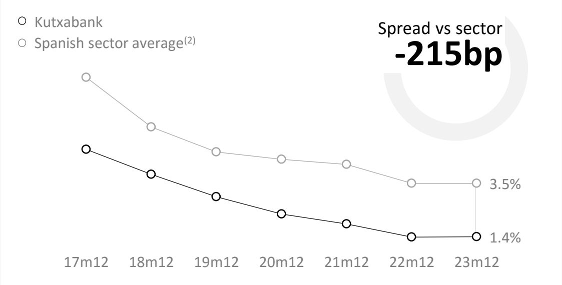
# Asset quality
## Stock of doubtful loans remains fairly stable

Despite the challenging context there are **no major signs of deterioration or trend change in any business segment**[(1)]

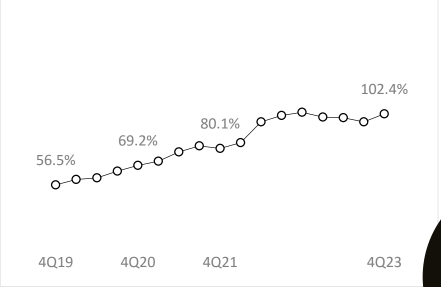
### Stock of NPL[(1)] YoY evolution (EUR million)




### Kutxabank relative position: NPL ratio (%)




### NPL Coverage level evolution



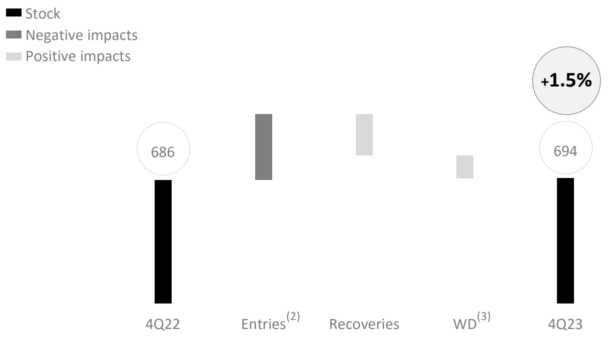

Total coverage including prudential provisioning of NPE according to ECB calendar

**120.9%**

(1) Doubtful loan stock includes contingent risks.
(2) Source: BoS.

# Asset quality
## Stock of doubtful loans remains fairly stable

Doubtful-loan stock[1] evolution in 2023 (EUR million)




**Risk migration**: 4Q23 vs 4Q22

Loans and advances by segments and stages

| | T | | | | T vs T-1 | | | |
|---|---|---|---|---|---|---|---|---|
| | S1 | S2 | S3 | Cov | S1 | S2 | S3 | Cov |
| Households | 93% | 5% | 1% | 75% | -1.4% | 1.4% | 0.0% | +7% |
| Non-FIN Corporates | 90% | 8% | 3% | 139% | 1.7% | -1.6% | -0.1% | -25% |
| *o/w SME* | *77%* | *15%* | *8%* | *108%* | *0.7%* | *-0.6%* | *-0.0%* | *-29%* |
| Public sector | 100% | 0% | 0% | ns | 0.0% | 0.0% | 0.0% | - |
| FIN Corporates | 100% | 0% | 0% | ns | 0.0% | 0.0% | 0.0% | - |

[1] Doubtful loan stock includes contingent risks. Contingent risks were down EUR1.6 million in the year.
[2] Some singular exposures have been classified as subjective doubtful.
[3] WD: Write-downs.

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# Capital & Funding
## Liquidity risk management

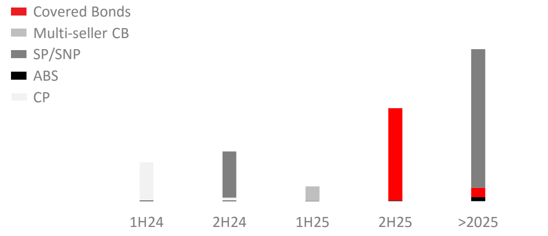
### TLTRO repayments

- Repayments will be made on the scheduled date of each borrowing.
- The bulk of the position already repaid in 2023.

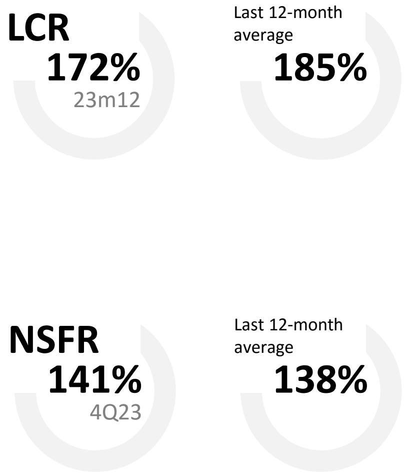
TLTRO maturity calendar

| | Repayment date | Amount (EUR bn) | Status |
|---|---|---|---|
| TLTRO III.3 (03/2020) | 03/2023 | 0.6 | Repaid |
| TLTRO III.4 (06/2020) | 06/2023 | 4.9 | Repaid |
| TLTRO III.7 (03/2021) | 03/2024 | 0.6 | Pending |

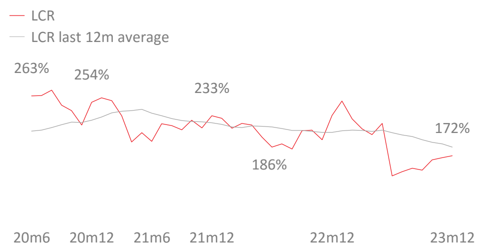
Capital market funding maturity profile (EUR million)



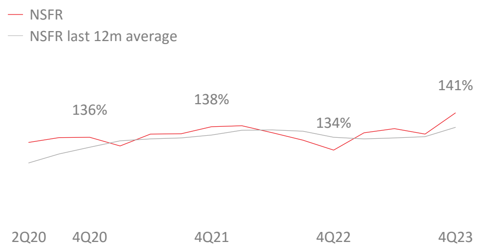

### Regulatory liquidity ratios




LCR% evolution



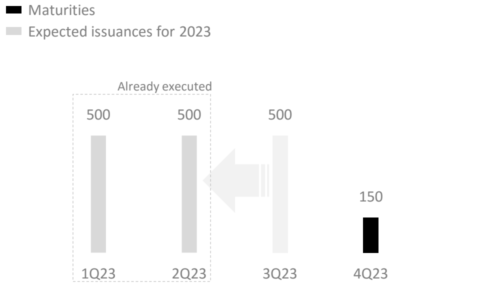

NSFR% evolution



# Capital & Funding
## Funding plan

- 2023 Funding Plan considered two transactions of bail-inable debt instruments. Both of them were materialized in 1H23.
- Persistence of uncertainties regarding the second half of the year was the driver for bringing forward the second of the planned issues.

### Debt maturities vs new issuances




- Financial plans for the next two years will focus on existing debt maturities (c.EUR1bn per year) while monitoring the evolution of the MREL's management buffer.
- Current expectation for the commercial gap points toward a moderately positive liquidity contribution.
- Resulting funding needs will be covered predominantly by covered bonds. 1 or 2 benchmark transactions per year in the coming might be expected, market dependent.
- There are still uncertainties about the potential effects of the implementation of the new ECB operational framework and new regulatory requirements.

### Outstanding bailinable debt instrument (4Q23)

| ISIN code | Format | Amount (EUR bn) | Maturity date | Call date | MREL eligibility loss |
|---|---|---|---|---|---|
| ES0343307015 | SNP | 0.5 | 09/2024 | - | 09/2023 |
| ES0243307016 | SNP | 0.5 | 10/2027 | 10/2026 | 10/2026 |
| ES0343307023 | SP | 0.5 | 02/2028 | 02/2027 | 02/2027 |
| ES0343307031 | SNP | 0.5 | 06/2027 | 06/2026 | 06/2026 |

### Outstanding tradeable covered bonds

| ISIN code | Format | Amount (EUR bn) | Maturity date | LCR status | European Premium |
|---|---|---|---|---|---|
| ES0443307063 | Bullet | 1.0 | 09/2025 | L1B | ✓ |
| ES0443307022 | Bulet | 0.1 | 12/2026 | N/A | ✓ |

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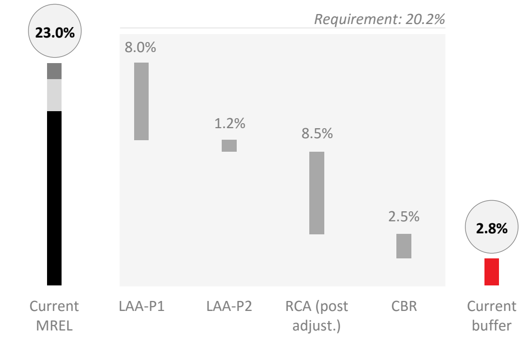
# Capital & Funding
## MREL position

**MREL 23.0%**
4Q23
**20.2%** required

MREL: current position vs requirement




| | Amount (EUR million) | % o/TREA |
|---|---|---|
| Current position | 6,934 | 23.0% |
| *o/w CET1* | *5,434* | *18.0%* |
| *o/w SNP* | *1,000* | *3.3%* |
| *o/w SP* | *500* | *1.7%* |
| Loss Absorption Amount | 2,772 | 9.2% |
| Recapitalisation Amount | 2,772 | 9.2% |
| RCA post adjustments | 2,564 | 8.5% |
| 2022 MREL target | 5,751 | 19.1% |
| 2024 MREL target | 6,089 | 20.2% |
| Current excess vs applicable target | 1,183 | 3.9% |
| Current excess vs Final target | 845 | 2.8% |

## MREL strategy

- The Group will keep working on designing a MREL-management buffer consistent with its business model and risk profile which will involve raising the MREL to a certain level above the regulatory requirement.
- Although no subordination requirement applies, in the building blocks of MREL Kutxabank will seek to maintain at all times a level of subordination sufficient to provide the necessary support for the quality of the risk currently assumed by bondholders and depositors. The excess might be filled with senior preferred.

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# Capital & Funding
## Another step further forward

### Highlights

- After deducting the 60% pay-out, retained earnings contribute +68bp during the year.
- Decrease in Prudential provisioning after relevant efforts made in accounting to provision these assets and the favorable evolution of unrealized capital gains on fixed income and equity investments added an extra 23bps.
- The one-off impact of IFRS17 together with RWA inflation and the increase in deductions were the main impacts absorbed during the year.

**CET1** Phased-in **18.0%** 4Q23

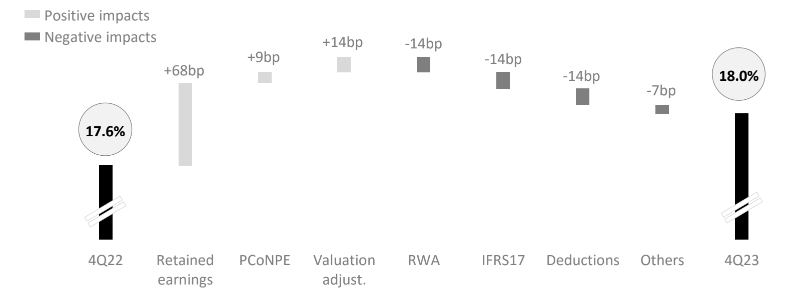
Fully-loaded CET1 ratio **17.9%** 4Q23 **+70bp** YoY

RWA calculation method: STANDARD **100%**

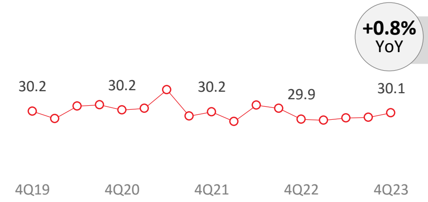
Main impacts on capital (Phased-in; EUR mn)

| | Impact vs4Q22 | Impact (bp) vs4Q22 | |
|---|---|---|---|
| Valuation adjustments | 42 | 14 | ▲ |
| Prudential provisions | 26 | 9 | ▲ |
| IFRS17 | 41 | 14 | ▼ |
| Deductions | 41 | 14 | ▼ |
| Risk-weighted assets | 228 | 14 | ▼ |
| Total earnings | 511 | | |
| *o/w retained* | *204* | *68* | ▲ |

CET1 phased-in FY23 evolution by components




RWA evolution (Phased-in; EUR billion)




RWA inflation driven by operational risk following the increase of pure banking revenues, while RWA related to credit exposure declined during the year

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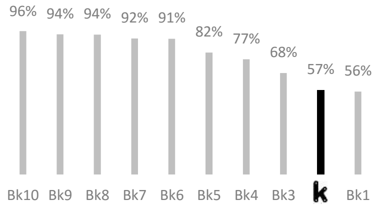
# Annex
## ALCO portfolio

Following the recent sharp increase in market interest rates, banks could have suffered investment losses on their fixed income portfolios, especially with respect to its Hold to Maturity portfolios where such losses are not crystallized until the bonds are sold.

Weight of Kb's HTC portfolio is one of the lowest in the sector[1], combining a moderate duration with a highly conservative credit profile




Therefore, Kb's unrecognized losses from the HTC portfolio are certainly modest

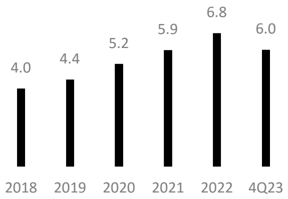
The smallest unrealized losses in the Spanish banking sector

**Unrealised losses[2] to RWA**
**10bp**
4Q23

**ALCO portfolio size to CET1 capital**
**1.1x**
4Q23

ALCO portfolio (4Q23)

### Evolution and breakdown by type of counterparty



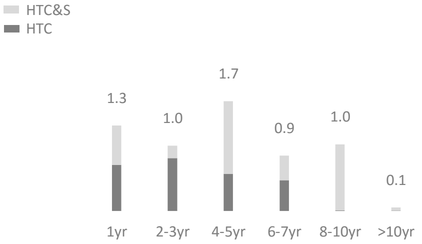

| | EURbn | % |
|---|---|---|
| Govies | 4.6 | 77% |
| SSA | 0.4 | 6% |
| Covered | 0.3 | 4% |
| Corporate | 0.2 | 4% |
| Fin-unsec | 0.5 | 9% |
| **TOTAL** | **6.0** | **100%** |

Govies: ES 85%, Other EU 15%

### Portfolio breakdown

| Portfolio | Amount (EURbn) | WAL | Duration |
|---|---|---|---|
| HTC&S | 2.57 | 2.69 | 1.54 |
| HTC | 3.38 | 5.07 | 3.77 |
| **Blended** | **5.95** | **4.04** | **2.81** |

### Maturity profile

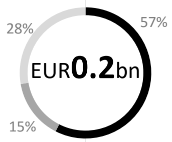



[1] Own elaborated based on data publicly disclosed by entities. Sample of banks: Santander, BBVA, Caixabank, B. Sabadell, Unicaja, Bankinter, Abanca, Ibercaja and Cajamar. Data as of September 2023 for all the sample including Kb.
[2] Without the tax effect, the estimated gross impact would be 13bp.

# Annex
## NPAs in detail

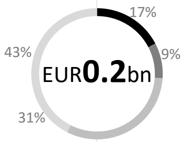
### Floreclosed asset (FA) breakdown by origin (4Q23; EUR million)

| | Gross | Provisions | Cov% | NAV |
|---|---|---|---|---|
| Developers | 850.3 | 715.7 | 84% | 134.6 |
| Residential | 96.0 | 61.5 | 64% | 34.6 |
| Others | 91.5 | 26.7 | 29% | 64.9 |
| TOTAL | ↓ 1,037.9 | ↑ 803.8 | 77% | ↓ 234.1 |



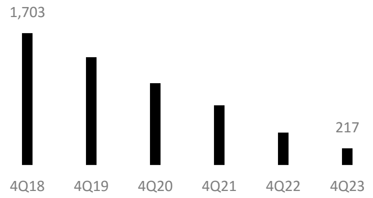

### FA breakdown by type of asset (4Q23; EUR million)

| | Gross | Provisions | Cov% | NAV |
|---|---|---|---|---|
| Finished properties | 86.8 | 46.0 | 53% | 40.7 |
| Ongoing developments | 70.7 | 50.3 | 71% | 20.4 |
| Land | 692.9 | 619.4 | 89% | 73.5 |
| Others | 187.6 | 88.1 | 47% | 99.5 |
| TOTAL | 1,037.9 | 803.8 | 77% | 234.1 |

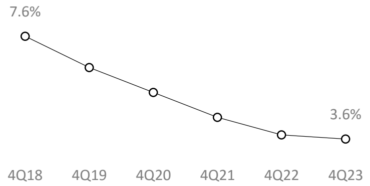



### Total NPA: FA+NPL (4Q23; EUR million)

| | Gross | Provisions | Cov% | NAV |
|---|---|---|---|---|
| Total NPLs | 694.5 | 711.5 | 102% | - |
| Foreclosed assets | 1,037.9 | 803.8 | 77% | 234.1 |
| TOTAL | 1,732.4 | 1,515.3 | 87% | 217.1 |




### NPA% YoY evolution

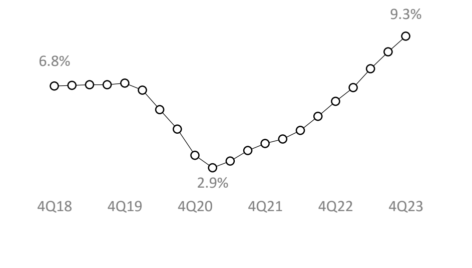



**Texas ratio**
**23.0%**
4Q23

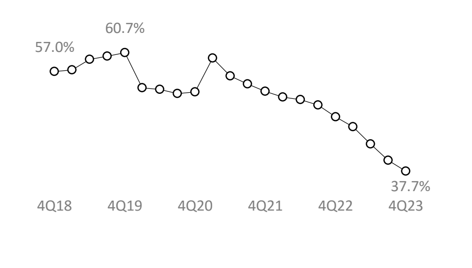
# Annex
## Key indicators

| | 4Q23 | 4Q22 | 4Q23 vs 4Q22 | 3Q23 | 4Q23 vs 3Q23 |
|---|---|---|---|---|---|
| ROE | 8.58% | 5.67% | 291 bp | 7.88% | 70 bp |
| ROTE | 9.26% | 6.10% | 316 bp | 8.50% | 76 bp |
| ROA | 0.79% | 0.50% | 29 bp | 0.71% | 8 bp |
| RORWA | 1.71% | 1.10% | 61 bp | 1.55% | 15 bp |
| Cost to Income | 37.66% | 48.26% | -1,060 bp | 39.77% | -210 bp |
| LCR | 172.34% | 233.48% | -26.2% | 150.83% | 14.3% |
| NSFR | 141.22% | 133.55% | 5.7% | 136.86% | 3.2% |
| LtD | 94.66% | 95.04% | -0.4% | 96.98% | -2.4% |
| # of customers | 2,320,082 | 2,345,738 | -1.1% | 2,329,180 | -0.4% |
| # of employees | 5,053 | 5,023 | 0.6% | 5,025 | 0.6% |
| # of branches | 685 | 709 | -3.4% | 693 | -1.2% |
| # of ATMs | 1,401 | 1,491 | -6.0% | 1,433 | -2.2% |

ROTE% evolution



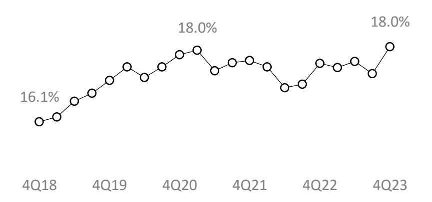

Cost to income% evolution



# Annex
## Solvency

| | 4Q23 | 4Q22 | 4Q23 vs 4Q22 | 3Q23 | 4Q23 vs 3Q23 |
|---|---|---|---|---|---|
| Capital | 2,060.0 | 2,060.0 | 0.0% | 2,060.0 | 0.0% |
| Reserves | 3,667.1 | 3,610.4 | 1.6% | 3,667.6 | 0.0% |
| Retained earnings | 204.3 | 132.2 | 54.5% | 89.1 | 129.3% |
| Prudential Coverage of NPE | -128.2 | -154.1 | -16.8% | -143.4 | -10.6% |
| Minority interests | 0.4 | 2.0 | -82.2% | 2.6 | -86.4% |
| Valuation adjustments | 512.8 | 456.1 | 12.4% | 391.2 | 31.1% |
| Intangible assets | -419.8 | -366.8 | 14.5% | -383.8 | 9.4% |
| Deductions | -462.4 | -474.9 | -2.6% | -488.7 | -5.4% |
| CET I capital | 5,434.2 | 5,264.8 | 3.2% | 5,194.5 | 4.6% |
| Tier I capital | 5,434.2 | 5,264.8 | 3.2% | 5,194.5 | 4.6% |
| Total capital | 5,434.2 | 5,264.8 | 3.2% | 5,194.5 | 4.6% |
| RWA | 30,127.2 | 29,899.3 | 0.8% | 29,951.7 | 0.6% |
| *o/w Credit risk* | 27,381.9 | 27,490.9 | -0.4% | 27,552.4 | -0.6% |
| CET I ratio | 18.04% | 17.61% | 43 bp | 17.34% | 69 bp |
| Tier I ratio | 18.04% | 17.61% | 43 bp | 17.34% | 69 bp |
| Total Capital ratio | 18.04% | 17.61% | 43 bp | 17.34% | 69 bp |
| Leverage ratio | 8.32% | 7.71% | 61 bp | 8.14% | 18 bp |
| *Pro-forma: CET I ratio fully loaded* | 17.91% | 17.21% | 70 bp | 17.27% | 63 bp |
| *Pro-forma: Total Capital fully loaded ratio* | 17.91% | 17.21% | 70 bp | 17.27% | 63 bp |
| *Pro-forma: Leverage fully loaded ratio* | 8.27% | 7.56% | 71 bp | 8.11% | 15 bp |
| MREL | 23.02% | 20.95% | 206 bp | 22.35% | 67 bp |

CET1% evolution (Phased-in)



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