

## CHAIRMAN'S STATEMENT



The present Board of Directors of Banco CTT was sworn in September 2019. Our term of office is approaching its end. It is with pride in the Banco CTT team and gratitude for the trust deposited by our customers that I make a very positive assessment of this achievement-filled period.

Our term of office began with the approval of the strategic plan for Banco CTT, whose execution we have been monitoring. Since 2019, the number of accounts opened by new customers has continued to increase, including in months when the economy shut down due to the pandemic caused by Covid-19. We ended 2019 with 460,000 accounts open and we now have more than 570,000 accounts. Deposits from customers more than doubled from 1,283 million euros to 2,800 million euros at the end of 2021. 321 Crédito, a company that was integrated into the Banco CTT Group as of May 2019, went from a loan portfolio of 447 million euros at the end of 2019 to 600 million euros at the end of 2021. Savings products, another priority area of the defined strategy, also doubled in volume between 2019 and 2021, from just over 350 million euros to 700 million euros. The product

offering to customers has more than doubled, increasing choice and including an ESG-focused product. And in a very difficult context, in the midst of a pandemic, the Bank reached its break-even point in 2020.

One business area identified as strategic in the approved 2019 plan was consumer credit. Banco CTT's presence in this market was extended with the partnership with the SONAE Group within the framework of the Universo card, which already contributes around 300 million euros to the stock of credit granted by the Bank. However, Banco CTT starts 2022 with a digital personal credit offer, which was developed from scratch by the bank in partnership with Cetelem.

The development of the bank's digital capacity was substantial during this three-year period, with the multiplication of functionalities and an increasing rate of use by customers.

During this term, a Chief Risk Officer was appointed, as well as new Risk, Compliance and Data Protection Directors. The reorganisation of the bank's control functions was closely monitored by the Board of Directors and the Audit Committee.

This Board of Directors, always supported by the diligent work of the Audit Committee, paid special attention to updating the bank's policies and regulations. It worked in constant liaison with the internal audit function, following up on the resolution of any major issues identified.

I would also like to highlight, following the message from our CEO, the quality of the relationship that Banco CTT maintained with Banco de Portugal during this three-year period.

The Board of Directors ends its term with great pride in the work done by the Bank during this period, thanks to the executive committee's capacity to execute, the commitment and dedication of all employees of the Banco CTT Group and the support of its shareholder.

**João Moreira Rato**

Chairman of the Board of Directors

14 March 2022