

## 52. Consolidated Balance sheet and Income statement by geographic and operational segments

The segments presented are in accordance with IFRS 8. In accordance with the Group's management model, the segments presented correspond to the segments used for management purposes by the Executive Committee. The Group offers a wide range of banking activities and financial services in Portugal and abroad, with a special focus on Commercial Banking, Companies Banking and Private Banking.

### Segments description

#### A. Geographical Segments

The Group operates in the Portuguese market, and also in a few affinity markets with recognised growth potential. Considering this, the geographical segments are structured in Portugal and Foreign Business (Poland, Mozambique and Other). Portugal segment reflects, essentially, the activities carried out by Banco Comercial Português in Portugal and ActivoBank.

Portugal activity includes the following segments: i) Retail Banking; ii) Companies, Corporate & Investment Banking; iii) Private Banking and iv) Other.

Retail Banking includes the following business areas:

- Retail network, which ensures the monitoring of individual customers, entrepreneurs, merchants and small and medium enterprises with a turnover less than Euros 2.5 million. The Retail network strategic approach is to target "Mass Market" customers, who appreciate a value proposal based on innovation and speed, as well as Prestige and Small Business customers, whose specific characteristics, financial assets or income imply a value proposal based on innovation and personalisation, requiring a dedicated Account Manager;
- Retail Recovery Division that accompanies and manages the responsibilities of customers or economic groups in effective default, as well as customers with bankruptcy requirement or other similar mechanisms, looking through the conclusion of agreements or payment restructuring processes that minimizes the economic loss to the Bank; and
- ActivoBank, a bank focused on clients who are young, intensive users of new communication technologies and who prefer a banking relationship based on simplicity, offering modern products and services.

Companies, Corporate and Investment Banking segment includes:

- Companies and Corporate network, which monitors clients included in the corporate segment, economic groups and institutional entities, with a turnover higher than Euros 2.5 million, offering a wide range of traditional banking products complemented by specialised financing;
- Large Corporate network that assures the relationship and the monitoring of a set of Groups / Clients, which in addition to Portugal, develop their activity in several geographies (Poland, Angola, Mozambique and East), providing a complete range of value-added products and services;
- Specialised Monitoring Division which carries out the monitorisation of business groups that have high and complex credit exposures or that show relevant signs of impairment;
- Investment Banking unit, that ensures the offer of products and specific services, in particular financial advice, including corporate finance services, capital market transactions and analysis and financing structuring in the medium to long term;
- Trade Finance Department (from Treasury and Markets International Division), which coordinates the business with banks and financial institutions, boosting international business with the commercial networks of the Bank and institutional custody services for securities;
- Specialised Recovery Division which ensures efficient tracking of customers with predictable or effective high risk of credit, from Companies, Corporate, Large Corporate and retail networks (exposure exceeding Euros 1 million);
- Interfundos with the activity of management of real estate investment funds.

The Private Banking segment, for the purposes of geographical segments, comprises:

- Private Banking Division in Portugal, which ensures the monitoring of clients with high net worth, based on a commitment to excellence and a personalized relationship with clients;
- Wealth Management Division, which provides advisory services and portfolio management for clients in the Private Banking network and the affluent segment.

For the purposes of business segments also includes Banque Privée BCP in Switzerland and Millennium bcp Bank & Trust in Cayman Islands that are considered Foreign Business on geographical segmentation.

All other businesses not previously discriminated are allocated to the Other segment (Portugal) and include centralized management of financial investments, corporate activities and operations not integrated in the remaining business segments and other amounts not allocated to segments.

Foreign Business includes the following segments:

- Poland, where the Group is represented by Bank Millennium, a universal bank offering a wide range of financial products and services to individuals and companies nationwide;
- Mozambique, where the Group is represented by BIM - Banco Internacional de Moçambique, a universal bank targeting companies and individual customers; and
- Other, which includes other countries activity such as Switzerland where the Group is represented by Banque Privée BCP, a Private Banking platform under Swiss law and Cayman Islands by Millennium bcp Bank & Trust, a bank designed for international services in the area of Private Banking to customers with high financial assets (Affluent segment). The Other segment also includes the contribution of the associate in Angola.

## **B. Business Segments**

For the purposes of business segments reporting, Foreign Business segment comprises the Group's operations developed in other countries already mentioned excluding the activity of Banque Privée BCP in Switzerland and Millennium bcp Bank & Trust in the Cayman Islands which, in this context, are considered in Private Banking segment.

### **Business segments activity**

The figures reported for each segment resulted from aggregating the subsidiaries and business units integrated in each segment. For the business units in Portugal, the aggregation process reflects the impact from capital allocation and balancing process in the balance sheet and income statement, based on average figures. The balance sheet headings for each business unit and Portuguese subsidiaries were re-calculated, considering the replacement of the equity book values by the amounts assigned through the allocation process, based on the regulatory solvency criteria.

Considering that the process of capital allocation complies with the regulatory criteria of solvency in force, as at 31 December 2020 and 31 December 2019 the risk weighted assets, and consequently the capital allocated to the business segments, are determined in accordance with the Basel III framework, pursuant to the CRD IV/CRR. The capital allocated to each segment resulted from the application of a target capital ratio to the risks managed by each segment, reflecting the application of the Basel III methodology previously referred. Each operation is balanced through internal transfers of funds, with impact on the net interest income and income taxes of each segment, hence with no impact on consolidated accounts.

Commissions and other net income, as well as operating costs calculated for each business area, are based on the amounts accounted for directly in the respective cost centres, on the one hand, and the amounts resulting from internal processes for allocating revenues and costs, for another. In this case, the allocation is based on the application of pre-defined criteria related to the level of activity of each business area.

The following information has been prepared based on the individual and consolidated financial statements of the Group prepared in accordance with international financial reporting standards (IFRS), as adopted by the European Union (EU), at the reference date and with the Organization of the Group's business areas in force on 31 December 2020. Information relating to prior periods is restated whenever it occurs changes in the internal organization of the entity susceptible to change the composition of the reportable segments (business and geographical).

The information in the financial statements of reportable segments is reconciled, at the level of the total revenue of those same segments, with the revenue from the demonstration of the consolidated financial position of the reportable entity for each date on which is lodged a statement of financial position.

As at 31 December 2020, the net contribution of the major business segments, for the income statement, is analysed as follows:

(Thousands of Euros)

	Commercial banking			Companies, Corporate and Investment banking in Portugal	Private banking	Other	Consolidated
	Retail in Portugal	Foreign business <sup>(1)</sup>	Total				
<b>INCOME STATEMENT</b>							
Interest and similar income	504,369	898,418	1,402,787	295,462	23,402	83,932	1,805,583
Interest expense and similar charges	(14,189)	(177,804)	(191,993)	(40,853)	(4,300)	(35,262)	(272,408)
<b>Net interest income</b>	<b>490,180</b>	<b>720,614</b>	<b>1,210,794</b>	<b>254,609</b>	<b>19,102</b>	<b>48,670</b>	<b>1,533,175</b>
Commissions and other income	405,814	293,383	699,197	168,741	60,683	19,189	947,810
Commissions and other costs	(42,312)	(181,361)	(223,673)	(22,916)	(8,752)	(134,334)	(389,675)
<b>Net commissions and other income <sup>(2)</sup></b>	<b>363,502</b>	<b>112,022</b>	<b>475,524</b>	<b>145,825</b>	<b>51,931</b>	<b>(115,145)</b>	<b>558,135</b>
Net gains arising from trading activity <sup>(3)</sup>	19,249	87,655	106,904	295	3,840	41,734	152,773
Share of profit of associates under the equity method	—	9,397	9,397	—	—	58,298	67,695
Gains / (losses) arising from the sale of subsidiaries and other assets	8	1,614	1,622	5	—	(7,815)	(6,188)
<b>Net operating revenue</b>	<b>872,939</b>	<b>931,302</b>	<b>1,804,241</b>	<b>400,734</b>	<b>74,873</b>	<b>25,742</b>	<b>2,305,590</b>
<b>Operating expenses</b>	<b>474,128</b>	<b>442,352</b>	<b>916,480</b>	<b>123,309</b>	<b>47,925</b>	<b>31,630</b>	<b>1,119,344</b>
Impairment for credit and financial assets <sup>(4)</sup>	(98,885)	(156,009)	(254,894)	(266,975)	(2,767)	864	(523,772)
Other impairments and provisions <sup>(5)</sup>	(43)	(212,469)	(212,512)	—	—	(104,953)	(317,465)
Net income / (loss) before income tax	299,883	120,472	420,355	10,450	24,181	(109,977)	345,009
Income tax	(91,331)	(55,147)	(146,478)	(2,303)	(5,721)	17,858	(136,644)
<b>Net income / (loss) for the year</b>	<b>208,552</b>	<b>65,325</b>	<b>273,877</b>	<b>8,147</b>	<b>18,460</b>	<b>(92,119)</b>	<b>208,365</b>
Non-controlling interests	—	(25,489)	(25,489)	—	—	136	(25,353)
<b>Net income / (loss) for the year attributable to Bank's Shareholders</b>	<b>208,552</b>	<b>39,836</b>	<b>248,388</b>	<b>8,147</b>	<b>18,460</b>	<b>(91,983)</b>	<b>183,012</b>

(1) Includes the contribution associated with the investments held in Angola, in Banco Millennium Atlântico.

(2) Includes net fees and commissions income, other operating income / (loss), net gains from insurance activity and dividends from equity instruments.

(3) Includes results from financial operations at fair value through profit or loss, results from foreign exchange, results from hedge accounting operations, results from derecognition of financial assets and financial liabilities measured at amortised cost and results from derecognition of financial assets measured at fair value through other comprehensive income.

(4) Includes impairment of financial assets at amortised cost, for loans and advances of credit institutions, for loans to customers (net of recoveries - principal and accrual) and for debt instruments related to credit operations. It also includes impairment of financial assets (at fair value through other comprehensive income and at amortised cost not associated with credit operations).

(5) Includes impairment of non-current assets held for sale, investments in associated companies, goodwill, other assets and provisions.

(6) Includes the non-controlling interests of BIM Group related to SIM - Seguradora Internacional de Moçambique, SARL.

As at 31 December 2020, the net contribution of the major operational Segments, for the balance sheet, is analysed as follows:

(Thousands of Euros)

<b>BALANCE SHEET</b>							
Cash and Loans and advances to credit institutions	10,506,127	1,208,961	11,715,088	1,445,196	2,995,837	(9,574,775)	6,581,346
Loans and advances to customers <sup>(1)</sup>	23,493,301	16,734,248	40,227,549	11,989,542	629,549	1,226,439	54,073,079
Financial assets <sup>(2)</sup>	720,892	4,876,098	5,596,990	—	64,838	13,198,762	18,860,590
Other assets	52,027	721,363	773,390	5,958	16,302	5,502,756	6,298,406
<b>Total Assets</b>	<b>34,772,347</b>	<b>23,540,670</b>	<b>58,313,017</b>	<b>13,440,696</b>	<b>3,706,526</b>	<b>10,353,182</b>	<b>85,813,421</b>
Resources from other credit institutions <sup>(3)</sup>	426,640	304,873	731,513	3,520,818	2	4,646,426	8,898,759
Resources from customers <sup>(4)</sup>	31,763,585	19,397,541	51,161,126	8,603,654	3,116,443	378,134	63,259,357
Debt securities issued <sup>(5)</sup>	1,316,912	122,483	1,439,395	1,430	93,592	1,195,309	2,729,726
Other financial liabilities <sup>(6)</sup>	—	536,722	536,722	—	218	1,432,849	1,969,789
Other liabilities <sup>(7)</sup>	45,055	732,758	777,813	68,905	17,280	705,522	1,569,520
<b>Total Liabilities</b>	<b>33,552,192</b>	<b>21,094,377</b>	<b>54,646,569</b>	<b>12,194,807</b>	<b>3,227,535</b>	<b>8,358,240</b>	<b>78,427,151</b>
Total Equity	1,220,155	2,446,293	3,666,448	1,245,889	478,991	1,994,942	7,386,270
<b>Total Liabilities and Equity</b>	<b>34,772,347</b>	<b>23,540,670</b>	<b>58,313,017</b>	<b>13,440,696</b>	<b>3,706,526</b>	<b>10,353,182</b>	<b>85,813,421</b>
Number of employees	4,447	10,236	14,683	583	232	1,837	17,335

(1) Includes loans to customers at amortised cost net of impairment, debt instruments at amortised cost associated to credit operations net of impairment and balance sheet amount of loans to customers at fair value through profit or loss.

(2) Includes debt instruments at amortised cost not associated with credit operations (net of impairment), financial assets at fair value through profit or loss (excluding the ones related to loans to customers), financial assets at fair value through other comprehensive income, assets with repurchase agreement and hedging derivatives.

(3) Includes resources and other financing from central banks and resources from other credit institutions.

(4) Corresponds to deposits and other resources from customers (including resources from customers at amortised cost and customer deposits at fair value through profit or loss).

(5) Includes non subordinated debt securities at amortized cost and financial liabilities at fair value through profit or loss (debt securities and certificates).

(6) Includes financial liabilities held for trading, subordinated debt and hedging derivatives.

(7) Includes provisions, current and deferred tax liabilities and other liabilities.

As at 31 December 2019, the net contribution of the major business segments, for the income statement, is analysed as follows:

(Thousands of Euros)

	Commercial banking			Companies, Corporate and Investment banking in Portugal	Private banking	Other	Consolidated
	Retail in Portugal	Foreign business <sup>(1)</sup>	Total				
<b>INCOME STATEMENT</b>							
Interest and similar income	501,354	1,033,548	1,534,902	328,785	27,867	99,891	1,991,445
Interest expense and similar charges	(26,135)	(284,166)	(310,301)	(53,738)	(7,855)	(71,023)	(442,917)
<b>Net interest income</b>	<b>475,219</b>	<b>749,382</b>	<b>1,224,601</b>	<b>275,047</b>	<b>20,012</b>	<b>28,868</b>	<b>1,548,528</b>
Commissions and other income	426,328	285,123	711,451	162,345	57,555	16,997	948,348
Commissions and other costs	(43,919)	(163,886)	(207,805)	(26,920)	(7,526)	(134,450)	(376,701)
<b>Net commissions and other income <sup>(2)</sup></b>	<b>382,409</b>	<b>121,237</b>	<b>503,646</b>	<b>135,425</b>	<b>50,029</b>	<b>(117,453)</b>	<b>571,647</b>
Net gains arising from trading activity <sup>(3)</sup>	16,798	88,247	105,045	396	3,998	33,874	143,313
Share of profit of associates under the equity method	—	2,518	2,518	—	—	40,471	42,989
Gains / (losses) arising from the sale of subsidiaries and other assets	—	4,335	4,335	—	9	27,563	31,907
<b>Net operating revenue</b>	<b>874,426</b>	<b>965,719</b>	<b>1,840,145</b>	<b>410,868</b>	<b>74,048</b>	<b>13,323</b>	<b>2,338,384</b>
<b>Operating expenses</b>	<b>488,002</b>	<b>468,816</b>	<b>956,818</b>	<b>126,073</b>	<b>46,513</b>	<b>40,068</b>	<b>1,169,472</b>
Impairment for credit and financial assets <sup>(4)</sup>	(25,237)	(111,122)	(136,359)	(270,784)	1,602	17,413	(388,128)
Other impairments and provisions <sup>(5)</sup>	(8)	(59,458)	(59,466)	15	—	(94,067)	(153,518)
<b>Net income / (loss) before income tax</b>	<b>361,179</b>	<b>326,323</b>	<b>687,502</b>	<b>14,026</b>	<b>29,137</b>	<b>(103,399)</b>	<b>627,266</b>
Income tax	(111,661)	(92,690)	(204,351)	(3,452)	(7,711)	(23,764)	(239,278)
<b>Income / (loss) after income tax from continuing operations</b>	<b>249,518</b>	<b>233,633</b>	<b>483,151</b>	<b>10,574</b>	<b>21,426</b>	<b>(127,163)</b>	<b>387,988</b>
Income arising from discontinued operations	—	—	—	—	—	13,412	13,412
<b>Net income / (loss) for the year</b>	<b>249,518</b>	<b>233,633</b>	<b>483,151</b>	<b>10,574</b>	<b>21,426</b>	<b>(113,751)</b>	<b>401,400</b>
Non-controlling interests	—	(99,756)	(99,756)	—	—	359	(99,397)
<b>Net income / (loss) for the year attributable to Bank's Shareholders</b>	<b>249,518</b>	<b>133,877</b>	<b>383,395</b>	<b>10,574</b>	<b>21,426</b>	<b>(113,392)</b>	<b>302,003</b>

(1) Includes the contribution associated with the investments held in Angola, in Banco Millennium Atlântico.

(2) Includes net fees and commissions income, other operating income / (loss), net gains from insurance activity and dividends from equity instruments.

(3) Includes results from financial operations at fair value through profit or loss, results from foreign exchange, results from hedge accounting operations, results from derecognition of financial assets and financial liabilities measured at amortised cost and results from derecognition of financial assets measured at fair value through other comprehensive income.

(4) Includes impairment of financial assets at amortised cost, for loans and advances of credit institutions, for loans to customers (net of recoveries - principal and accrual) and for debt instruments related to credit operations. It also includes impairment of financial assets (at fair value through other comprehensive income and at amortised cost not associated with credit operations).

(5) Includes impairment of non-current assets held for sale, investments in associated companies, goodwill, other assets and provisions.

As at 31 December 2019, the net contribution of the major operational segments, for the balance sheet, is analysed as follows:

(Thousands of Euros)

<b>BALANCE SHEET</b>							
Cash and Loans and advances to credit institutions	9,488,042	1,425,056	10,913,098	1,678,262	2,706,079	(8,917,036)	6,380,403
Loans and advances to customers <sup>(1)</sup>	22,028,660	17,065,043	39,093,703	11,971,158	645,486	564,358	52,274,705
Financial assets <sup>(2)</sup>	384,926	6,220,579	6,605,505	—	5,389	9,725,291	16,336,185
Other assets	197,446	778,715	976,161	49,208	25,060	5,601,686	6,652,115
<b>Total Assets</b>	<b>32,099,074</b>	<b>25,489,393</b>	<b>57,588,467</b>	<b>13,698,628</b>	<b>3,382,014</b>	<b>6,974,299</b>	<b>81,643,408</b>
Resources from other credit institutions <sup>(3)</sup>	616,186	443,268	1,059,454	4,413,047	512	893,945	6,366,958
Resources from customers <sup>(4)</sup>	28,855,517	20,842,418	49,697,935	7,882,707	2,793,225	473,273	60,847,140
Debt securities issued <sup>(5)</sup>	1,399,948	278,290	1,678,238	1,797	94,973	1,300,890	3,075,898
Other financial liabilities <sup>(6)</sup>	—	546,892	546,892	—	67	1,604,603	2,151,562
Other liabilities <sup>(7)</sup>	46,786	688,540	735,326	67,409	18,811	999,050	1,820,596
<b>Total Liabilities</b>	<b>30,918,437</b>	<b>22,799,408</b>	<b>53,717,845</b>	<b>12,364,960</b>	<b>2,907,588</b>	<b>5,271,761</b>	<b>74,262,154</b>
Total Equity	1,180,637	2,689,985	3,870,622	1,333,668	474,426	1,702,538	7,381,254
<b>Total Liabilities and Equity</b>	<b>32,099,074</b>	<b>25,489,393</b>	<b>57,588,467</b>	<b>13,698,628</b>	<b>3,382,014</b>	<b>6,974,299</b>	<b>81,643,408</b>
Number of employees	4,635	11,295	15,930	597	230	1,828	18,585

(1) Includes loans to customers at amortised cost net of impairment, debt instruments at amortised cost associated to credit operations net of impairment and balance sheet amount of loans to customers at fair value through profit or loss.

(2) Includes debt instruments at amortised cost not associated with credit operations (net of impairment), financial assets at fair value through profit or loss (excluding the ones related to loans to customers), financial assets at fair value through other comprehensive income (net of impairment), assets with repurchase agreement and hedging derivatives.

(3) Includes resources and other financing from central banks and resources from other credit institutions.

(4) Corresponds to deposits and other resources from customers (including resources from customers at amortised cost and customer deposits at fair value through profit or loss).

(5) Includes non subordinated debt securities at amortised cost and financial liabilities at fair value through profit or loss (debt securities and certificates);

(6) Includes financial liabilities held for trading, subordinated debt and hedging derivatives.

(7) Includes provisions, current and deferred tax liabilities and other liabilities.

(8) Foreign Business segment considers 8,615 employees from Poland corresponding to 8,464 FTE - Full-time equivalent.

As at 31 December 2020, the net contribution of the major geographic segments, for the income statement, is analysed as follows:

(Thousands of Euros)

	Portugal				Total	Poland	Mozambique	Other <sup>(1)</sup>	Consolidated
	Retail banking	Companies, Corporate and Investment banking	Private banking	Other					
<b>INCOME STATEMENT</b>									
Interest and similar income	504,369	295,462	16,236	83,932	899,999	693,755	204,663	7,166	1,805,583
Interest expense and similar charges	(14,189)	(40,853)	(4,192)	(35,262)	(94,496)	(121,949)	(55,764)	(199)	(272,408)
<b>Net interest income</b>	<b>490,180</b>	<b>254,609</b>	<b>12,044</b>	<b>48,670</b>	<b>805,503</b>	<b>571,806</b>	<b>148,899</b>	<b>6,967</b>	<b>1,533,175</b>
Commissions and other income	405,814	168,741	27,796	19,189	621,540	242,242	51,141	32,887	947,810
Commissions and other costs	(42,312)	(22,916)	(1,660)	(134,334)	(201,222)	(168,655)	(12,705)	(7,093)	(389,675)
<b>Net commissions and other income <sup>(2)</sup></b>	<b>363,502</b>	<b>145,825</b>	<b>26,136</b>	<b>(115,145)</b>	<b>420,318</b>	<b>73,587</b>	<b>38,436</b>	<b>25,794</b>	<b>558,135</b>
Net gains arising from trading activity <sup>(3)</sup>	19,249	295	201	41,734	61,479	72,877	14,778	3,639	152,773
Share of profit of associates under the equity method	–	–	–	58,298	58,298	–	–	9,397	67,695
Gains / (losses) arising from the sale of subsidiaries and other assets	8	5	–	(7,815)	(7,802)	1,329	285	–	(6,188)
<b>Net operating revenue</b>	<b>872,939</b>	<b>400,734</b>	<b>38,381</b>	<b>25,742</b>	<b>1,337,796</b>	<b>719,599</b>	<b>202,398</b>	<b>45,797</b>	<b>2,305,590</b>
<b>Operating expenses</b>	<b>474,128</b>	<b>123,309</b>	<b>21,226</b>	<b>31,630</b>	<b>650,293</b>	<b>352,416</b>	<b>89,937</b>	<b>26,698</b>	<b>1,119,344</b>
Impairment for credit and financial assets <sup>(4)</sup>	(98,885)	(266,975)	(2,810)	864	(367,806)	(125,399)	(30,610)	43	(523,772)
Other impairments and provisions <sup>(5)</sup>	(43)	–	–	(104,953)	(104,996)	(194,458)	(1,384)	(16,627)	(317,465)
<b>Net income / (loss) before income tax</b>	<b>299,883</b>	<b>10,450</b>	<b>14,345</b>	<b>(109,977)</b>	<b>214,701</b>	<b>47,326</b>	<b>80,467</b>	<b>2,515</b>	<b>345,009</b>
Income tax	(91,331)	(2,303)	(4,518)	17,858	(80,294)	(42,206)	(12,970)	(1,174)	(136,644)
<b>Net income / (loss) for the year</b>	<b>208,552</b>	<b>8,147</b>	<b>9,827</b>	<b>(92,119)</b>	<b>134,407</b>	<b>5,120</b>	<b>67,497</b>	<b>1,341</b>	<b>208,365</b>
Non-controlling interests	–	–	–	136	136	(2,554)	(22,935)	–	(25,353)
<b>Net income / (loss) for the year attributable to Bank's Shareholders</b>	<b>208,552</b>	<b>8,147</b>	<b>9,827</b>	<b>(91,983)</b>	<b>134,543</b>	<b>2,566</b>	<b>44,562</b>	<b>1,341</b>	<b>183,012</b>

(1) Includes the contribution associated with the investments held in Angola, in Banco Millennium Atlântico.

(2) Includes net fees and commissions income, other operating income / (loss), net gains from insurance activity and dividends from equity instruments.

(3) Includes results from financial operations at fair value through profit or loss, results from foreign exchange, results from hedge accounting operations, results from derecognition of financial assets and financial liabilities measured at amortised cost and results from derecognition of financial assets measured at fair value through other comprehensive income.

(4) Includes impairment of financial assets at amortised cost, for loans and advances of credit institutions, for loans to customers (net of recoveries - principal and accrual) and for debt instruments related to credit operations. It also includes impairment of financial assets (at fair value through other comprehensive income and at amortised cost not associated with credit operations).

(5) Includes impairment of non-current assets held for sale, investments in associated companies, goodwill, other assets and provisions.

(6) Includes the non-controlling interests of BIM Group related to SIM - Seguradora Internacional de Moçambique, SARL.

As at 31 December 2020, the net contribution of the major geographic segments, for the balance sheet is analysed as follows:

(Thousands of Euros)

<b>BALANCE SHEET</b>									
Cash and Loans and advances to credit institutions	10,506,127	1,445,196	2,368,614	(9,574,775)	4,745,162	471,914	737,012	627,258	6,581,346
Loans and advances to customers <sup>(1)</sup>	23,493,301	11,989,542	275,817	1,226,439	36,985,099	16,246,374	487,874	353,732	54,073,079
Financial assets <sup>(2)</sup>	720,892	–	–	13,198,762	13,919,654	4,249,321	626,811	64,804	18,860,590
Other assets	52,027	5,958	1,292	5,502,756	5,562,033	472,161	182,682	81,530	6,298,406
<b>Total Assets</b>	<b>34,772,347</b>	<b>13,440,696</b>	<b>2,645,723</b>	<b>10,353,182</b>	<b>61,211,948</b>	<b>21,439,770</b>	<b>2,034,379</b>	<b>1,127,324</b>	<b>85,813,421</b>
Resources from other credit institutions <sup>(3)</sup>	426,640	3,520,818	–	4,646,426	8,593,884	286,432	5,574	12,869	8,898,759
Resources from customers <sup>(4)</sup>	31,763,585	8,603,654	2,475,887	378,134	43,221,260	17,873,943	1,523,599	640,555	63,259,357
Debt securities issued <sup>(5)</sup>	1,316,912	1,430	93,592	1,195,309	2,607,243	122,483	–	–	2,729,726
Other financial liabilities <sup>(6)</sup>	–	–	–	1,432,849	1,432,849	536,722	–	218	1,969,789
Other liabilities <sup>(7)</sup>	45,055	68,905	1,084	705,522	820,566	626,687	93,271	28,996	1,569,520
<b>Total Liabilities</b>	<b>33,552,192</b>	<b>12,194,807</b>	<b>2,570,563</b>	<b>8,358,240</b>	<b>56,675,802</b>	<b>19,446,267</b>	<b>1,622,444</b>	<b>682,638</b>	<b>78,427,151</b>
Equity and non-controlling interests	1,220,155	1,245,889	75,160	1,994,942	4,536,146	1,993,503	411,935	444,686	7,386,270
<b>Total Liabilities, Equity and Non-controlling interests</b>	<b>34,772,347</b>	<b>13,440,696</b>	<b>2,645,723</b>	<b>10,353,182</b>	<b>61,211,948</b>	<b>21,439,770</b>	<b>2,034,379</b>	<b>1,127,324</b>	<b>85,813,421</b>
Number of employees	4,447	583	146	1,837	7,013	7,645	2,591	86	17,335

(1) Includes loans to customers at amortised cost net of impairment, debt instruments at amortised cost associated to credit operations net of impairment and balance sheet amount of loans to customers at fair value through profit or loss.

(2) Includes debt instruments at amortised cost not associated with credit operations (net of impairment), financial assets at fair value through profit or loss (excluding the ones related to loans to customers), financial assets at fair value through other comprehensive income, assets with repurchase agreement and hedging derivatives.

(3) Includes resources and other financing from central banks and resources from other credit institutions.

(4) Corresponds to deposits and other resources from customers (including resources from customers at amortised cost and customer deposits at fair value through profit or loss).

(5) Includes non subordinated debt securities at amortized cost and financial liabilities at fair value through profit or loss (debt securities and certificates).

(6) Includes financial liabilities held for trading, subordinated debt and hedging derivatives.

(7) Includes provisions, current and deferred tax liabilities and other liabilities.

As at 31 December 2019, the net contribution of the major geographic segments, for the income statement, is analysed as follows:

(Thousands of Euros)

	Portugal				Total	Poland	Mozambique	Other <sup>(1)</sup>	Consolidated
	Retail banking	Companies, Corporate and Investment banking	Private banking	Other					
<b>INCOME STATEMENT</b>									
Interest and similar income	501,354	328,785	18,093	99,891	948,123	785,688	247,860	9,774	1,991,445
Interest expense and similar charges	(26,135)	(53,738)	(7,695)	(71,023)	(158,591)	(218,355)	(65,465)	(506)	(442,917)
<b>Net interest income</b>	<b>475,219</b>	<b>275,047</b>	<b>10,398</b>	<b>28,868</b>	<b>789,532</b>	<b>567,333</b>	<b>182,395</b>	<b>9,268</b>	<b>1,548,528</b>
Commissions and other income	426,328	162,345	26,936	16,997	632,606	226,526	58,597	30,619	948,348
Commissions and other costs	(43,919)	(26,920)	(1,928)	(134,450)	(207,217)	(148,993)	(14,893)	(5,598)	(376,701)
<b>Net commissions and other income <sup>(2)</sup></b>	<b>382,409</b>	<b>135,425</b>	<b>25,008</b>	<b>(117,453)</b>	<b>425,389</b>	<b>77,533</b>	<b>43,704</b>	<b>25,021</b>	<b>571,647</b>
Net gains arising from trading activity <sup>(3)</sup>	16,798	396	395	33,874	51,463	73,382	14,865	3,603	143,313
Share of profit of associates under the equity method	–	–	–	40,471	40,471	–	–	2,518	42,989
Gains / (losses) arising from the sale of subsidiaries and other assets	–	–	–	27,563	27,563	(2,082)	6,417	9	31,907
<b>Net operating revenue</b>	<b>874,426</b>	<b>410,868</b>	<b>35,801</b>	<b>13,323</b>	<b>1,334,418</b>	<b>716,166</b>	<b>247,381</b>	<b>40,419</b>	<b>2,338,384</b>
Operating expenses	488,002	126,073	20,154	40,068	674,297	369,753	97,817	27,605	1,169,472
Impairment for credit and financial assets <sup>(4)</sup>	(25,237)	(270,784)	1,563	17,413	(277,045)	(93,542)	(17,581)	40	(388,128)
Other impairments and provisions <sup>(5)</sup>	(8)	15	–	(94,067)	(94,066)	(58,397)	(1,062)	1	(153,518)
<b>Net income / (loss) before income tax</b>	<b>361,179</b>	<b>14,026</b>	<b>17,210</b>	<b>(103,399)</b>	<b>289,016</b>	<b>194,474</b>	<b>130,921</b>	<b>12,855</b>	<b>627,266</b>
Income tax	(111,661)	(3,452)	(5,421)	(23,764)	(144,298)	(63,931)	(28,868)	(2,181)	(239,278)
<b>Income / (loss) after income tax from continuing operations</b>	<b>249,518</b>	<b>10,574</b>	<b>11,789</b>	<b>(127,163)</b>	<b>144,718</b>	<b>130,543</b>	<b>102,053</b>	<b>10,674</b>	<b>387,988</b>
Income arising from discontinued operations	–	–	–	13,412	13,412	–	–	–	13,412
<b>Net income / (loss) for the year</b>	<b>249,518</b>	<b>10,574</b>	<b>11,789</b>	<b>(113,751)</b>	<b>158,130</b>	<b>130,543</b>	<b>102,053</b>	<b>10,674</b>	<b>401,400</b>
Non-controlling interests	–	–	–	359	359	(65,141)	(34,615)	–	(99,397)
<b>Net income / (loss) for the year attributable to Bank's Shareholders</b>	<b>249,518</b>	<b>10,574</b>	<b>11,789</b>	<b>(113,392)</b>	<b>158,489</b>	<b>65,402</b>	<b>67,438</b>	<b>10,674</b>	<b>302,003</b>

(1) Includes the contribution associated with the investments held in Angola, in Banco Millennium Atlântico.

(2) Includes net fees and commissions income, other operating income / (loss), net gains from insurance activity and dividends from equity instruments.

(3) Includes results from financial operations at fair value through profit or loss, results from foreign exchange, results from hedge accounting operations, results from derecognition of financial assets and financial liabilities measured at amortised cost and results from derecognition of financial assets measured at fair value through other comprehensive income.

(4) Includes impairment of financial assets at amortised cost, for loans and advances of credit institutions, for loans to customers (net of recoveries - principal and accrual) and for debt instruments related to credit operations. It also includes impairment of financial assets (at fair value through other comprehensive income and at amortised cost not associated with credit operations).

(5) Includes impairment of non-current assets held for sale, investments in associated companies, goodwill, other assets and provisions.

As at 31 December 2019, the net contribution of the major geographic segments, for the balance sheet, is analysed as follows:

(Thousands of Euros)

<b>BALANCE SHEET</b>									
Cash and Loans and advances to credit institutions	9,488,042	1,678,262	2,075,021	(8,917,036)	4,324,289	724,030	701,026	631,058	6,380,403
Loans and advances to customers <sup>(1)</sup>	22,028,660	11,971,158	273,602	564,358	34,837,778	16,432,968	632,075	371,884	52,274,705
Financial assets <sup>(2)</sup>	384,926	–	–	9,725,291	10,110,217	5,436,994	783,585	5,389	16,336,185
Other assets	197,446	49,208	13,234	5,601,686	5,861,574	468,044	217,627	104,870	6,652,115
<b>Total Assets</b>	<b>32,099,074</b>	<b>13,698,628</b>	<b>2,361,857</b>	<b>6,974,299</b>	<b>55,133,858</b>	<b>23,062,036</b>	<b>2,334,313</b>	<b>1,113,201</b>	<b>81,643,408</b>
Resources from other credit institutions <sup>(3)</sup>	616,186	4,413,047	–	893,945	5,923,178	392,671	12,192	38,917	6,366,958
Resources from customers <sup>(4)</sup>	28,855,517	7,882,707	2,193,470	473,273	39,404,967	19,157,713	1,684,705	599,755	60,847,140
Debt securities issued <sup>(5)</sup>	1,399,948	1,797	94,973	1,300,890	2,797,608	278,290	–	–	3,075,898
Other financial liabilities <sup>(6)</sup>	–	–	–	1,604,603	1,604,603	546,892	–	67	2,151,562
Other liabilities <sup>(7)</sup>	46,786	67,409	1,060	999,050	1,114,305	583,474	105,066	17,751	1,820,596
<b>Total Liabilities</b>	<b>30,918,437</b>	<b>12,364,960</b>	<b>2,289,503</b>	<b>5,271,761</b>	<b>50,844,661</b>	<b>20,959,040</b>	<b>1,801,963</b>	<b>656,490</b>	<b>74,262,154</b>
Equity and non-controlling interests	1,180,637	1,333,668	72,354	1,702,538	4,289,197	2,102,996	532,350	456,711	7,381,254
<b>Total Liabilities, Equity and Non-controlling interests</b>	<b>32,099,074</b>	<b>13,698,628</b>	<b>2,361,857</b>	<b>6,974,299</b>	<b>55,133,858</b>	<b>23,062,036</b>	<b>2,334,313</b>	<b>1,113,201</b>	<b>81,643,408</b>
Number of employees	4,635	597	144	1,828	7,204	8,615	2,680	86	18,585

(1) Includes loans to customers at amortised cost net of impairment, debt instruments at amortised cost associated to credit operations net of impairment and balance sheet amount of loans to customers at fair value through profit or loss.

(2) Includes debt instruments at amortised cost not associated with credit operations (net of impairment), financial assets at fair value through profit or loss (excluding the ones related to loans to customers), financial assets at fair value through other comprehensive income (net of impairment), assets with repurchase agreement and hedging derivatives.

(3) Includes resources and other financing from central banks and resources from other credit institutions.

(4) Corresponds to deposits and other resources from customers (including resources from customers at amortised cost and customer deposits at fair value through profit or loss).

(5) Includes non subordinated debt securities at amortized cost and financial liabilities at fair value through profit or loss (debt securities and certificates).

(6) Includes financial liabilities held for trading, subordinated debt and hedging derivatives.

(7) Includes provisions, current and deferred tax liabilities and other liabilities.

(8) In Poland, the number of employees presented corresponds to 6,132 FTE - Full-time equivalent

## Reconciliation of net income of reportable segments with the net income attributable to shareholders

	(Thousands of euros)	
	2020	2019
<b>Net contribution</b>		
Retail banking in Portugal	208,552	249,518
Companies, Corporate and Investment banking	8,147	10,574
Private Banking	9,827	11,789
Foreign business (continuing operations)	73,958	243,270
Non-controlling interests <sup>(1)</sup>	(25,489)	(99,756)
	<b>274,995</b>	<b>415,395</b>
<b>Amounts not allocated to segments</b>		
Net interest income of the bond portfolio	(8,563)	(10,034)
Net interest income - TLTRO	46,424	10,162
Foreign exchange activity	43,029	8,576
Gains / (losses) arising from sales of subsidiaries and other assets	(7,815)	27,563
Equity accounted earnings	58,298	40,471
Impairment and other provisions <sup>(2)</sup>	(104,089)	(76,654)
Operational costs <sup>(3)</sup>	(31,629)	(40,068)
Gains on sale of Portuguese public debt	57,548	69,543
Mandatory contributions	(70,042)	(66,627)
Loans sale	(28,234)	(28,897)
Income from other financial assets not held for trading mandatorily at fair value through profit or loss <sup>(4)</sup>	(71,183)	(28,806)
Taxes <sup>(5)</sup>	17,858	(23,764)
Income from discontinued operations	—	13,412
Non-controlling interests	136	359
Others <sup>(6)</sup>	6,279	(8,628)
<b>Total not allocated to segments</b>	<b>(91,983)</b>	<b>(113,392)</b>
<b>Consolidated net income</b>	<b>183,012</b>	<b>302,003</b>

(1) Corresponds mainly to the income attributable to third parties related to the subsidiaries in Poland, and in Mozambique.

(2) Includes impairments for non-current assets held for sale, impairments for other assets, provisions for administrative infractions, various contingencies and other impairments and/or provisions not allocated to business segments.

(3) In 2020 and 2019, corresponds to restructuring costs and compensation for temporary salary cuts. In 2020, it also includes a positive impact resulting from the agreement signed with a former Board of Directors member.

(4) Includes gains/(losses) from corporate restructuring funds.

(5) Includes deferred tax revenue, net of current non-segment tax expense, namely the tax effect associated with the impacts of the previous items, calculated based on a marginal tax rate.

(6) Includes the non-controlling interests of BIM Group related to SIM - Seguradora Internacional de Moçambique, SARL.

(7) It includes other operations not allocated previously namely funding for non-interest bearing assets and strategic financial investments, net commissions and other operating income / expenses and other income from financial operations.