



1833

BANCO
CARREGOSA

Market Discipline

2023

Reference date : 31.12.2023

30 June 2024

v. 1.2

< This page intentionally left blank >

Table of Contents

Versions Index.....	v
Properties	v
Legislative Sources and Reference Documents.....	vi
A. Introduction	1
B. Scope of Application.....	2
B.1. Banco L. J. Carregosa S.A.....	2
B.2. Scope of Consolidation.....	3
C. Public Disclosure of Information under Pillar 3 of the CRR.....	4
D. Statement.....	5

Table of Figures

Figure 1 Holdings in the capital of Banco Carregosa.....	2
Figure 2 Business Entities of Banco Carregosa	3
Table 1 Template EU KM1 – Key Metrics Template.....	4

< This page intentionally left blank >

Market Discipline 2023

Board of Directors

Versions Index

Date	Version	Description
Jun.2023	1.0	Initial version.
Jun.2024	1.1	Document update – December 2023
Dec.2024	1.2	Document update – December 2023, to the version published on June 2024

Properties

Proprietorship

Board of Directors

Proponent

Risk Department

Contributors

Accounting and Management Information Department

Approval

30 December 2024

Banco Carregosa Code

Not applicable

Entry into Effect

31 DEcemeber 2024

Scope of Disclosure

Public

Legislative Sources and Reference Documents

1.24 Global Risk Management Policy

1.47 Risk Communication Manual

BCBS Corporate Governance Principles for Banking.

Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.

Regulation (EU) No 575/2013 of the European Parliament and of the Council, of 26 June 2013, on prudential requirements for credit institutions and investment firms and amending Regulation (EU) 2019/876 of the European Parliament and of the Council.

Regulation (EU) No 2021/637 of the European Commission, of 15 March 2021, laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council.

Definitions, Abbreviations, and Acronyms

Banco Carregosa or Banco: Banco L. J. Carregosa S.A.

CRD IV: Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC

CRR: Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June on prudential requirements for credit institutions and investment firms and amending Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019.

IAS: International Accounting Standards

IFRS: International Financial Reporting Standards Accounting Standards

LEI: Legal Entity Identifier

SNCI: Small and Non Complex Institution

SREP: Supervisory Review and Evaluation Process

A. Introduction

Within the legal framework provided by the Basel III framework established through Regulation (EU) No 575/2013 (CRR) and Directive 213/36/EU (CRD IV), as well as Implementing Regulation (EU) No 2021/637, Banco L. J. Carregosa S.A. publishes the document "Market Discipline" under Pillar 3 which brings together all of the BCBS's requirements of information and transparency to the market.

In compliance with Article 19 of Implementing Regulation (EU) No 2021/637, it should be noted that unless expressly stated otherwise, the information disclosed has as reference date 31 December 2022 and the reference period corresponds to the financial year 2022. The reporting currency is the euro and amounts are presented in units (euros). The report was prepared on a consolidated basis in accordance with financial reporting standards IAS 28, IFRS 3 and IFRS 10. We also note that Banco L. J. Carregosa S.A.'s LEI (Legal Entity Identifier code) is 213800UFLAA5SS55IZ10.

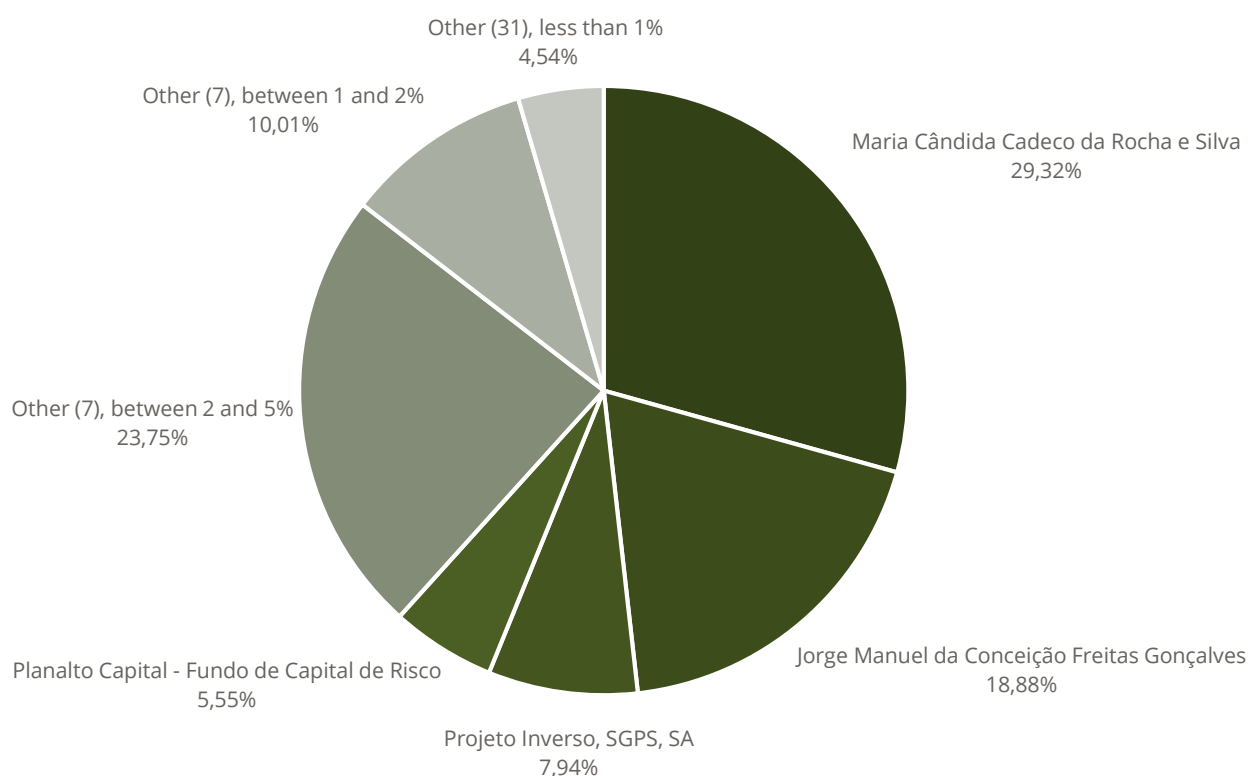
Banco L. J. Carregosa S.A. is classified as a "Small and Non Complex Institution", and therefore complies with its disclosure obligations set out in Part VIII of Regulation (EU) No 575/2013, pursuant to Article 433-B of said Regulation, to which the derogation provided for in Article 433-B(2) applies, since it is a non-listed institution.

B. Scope of Application

B.1. Banco L. J. Carregosa S.A.

Banco Carregosa is a private bank dedicated to the provision of services, products and advisory in the areas of private banking (wealth management) and savings and investment. With a limited body of shareholders, as shown in Figure 1 | Holdings in the capital of Banco Carregosa, Banco Carregosa has the duty to honour the legacy of so many generations of shareholders, employees and clients who have followed L. J. Carregosa, an almost two hundred year old institution established in Porto in 1833, which was originally dedicated to foreign exchange trading. This continuity is reflected in a very stable shareholding structure, with its current main shareholders at the helm of the institution since the 1990s, corresponding to the period when the institution mostly reinvented itself.

Figure 1 | Holdings in the capital of Banco Carregosa



Throughout the 20th century, while maintaining the traditional values of 19th century banking, so rooted in the institution by its founders, L. J. Carregosa was able to adapt to the needs of clients and to changes in the financial sector. In the last decades of the 20th century, it guided its activity to the capital market, becoming successively a Brokerage Firm and Brokerage Financial Company, and pioneered activities in online securities trading. This technological advantage also contributed to leading the derivatives trading market share for many consecutive years, as shown by the official statistics for the 1990s.

At the start of the 21st century, the Bank entered into a partnership with Saxo Bank, which developed, for Portugal, a cutting-edge platform for trading in the capital markets, today used throughout the world by the most diverse financial institutions. Following this technological partnership, a pioneering step was taken in 2001 with the launch of the first online brokerage service in Portugal. The evolution of online trading led to the launch of the GoBulling

brand in 2007, the first broker to charge zero brokerage commission on all the Euronext markets. That same year, GoBulling became leader of the futures market with a 36.5% share. In 2008, after extensive preparatory work, L. J. Carregosa finally became a bank.

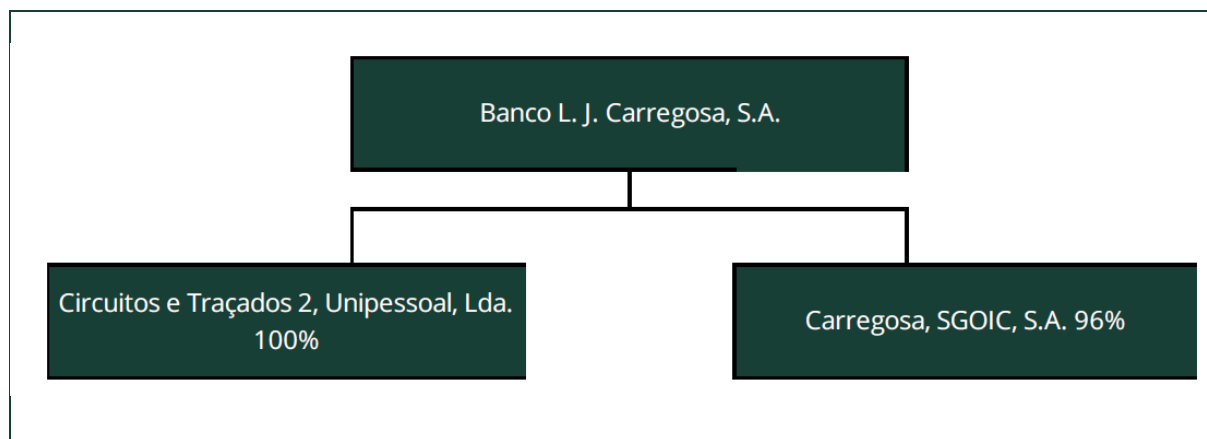
Banco Carregosa stands out by pooling conservatism and modernity, tradition and innovation, covering a wide range of solutions for private, institutional and corporate investors, including investment advisory solutions, asset management, wealth advisory, corporate, risk management and hedging, execution (in trading rooms or through electronic platforms), custody and depositary services of various kinds of investment funds.

As a result of the foregoing, the Bank has a simple and transparent organisational structure that supports an adequate and effective internal control system to ensure that management and control of operations are carried out in a prudent manner, ensuring that the management and supervisory bodies have a full knowledge and understanding of the Bank's operational structure, enabling them to promote and ensure that the institution has an appropriate structure and that the reporting lines, entrustment and powers are clear, well-defined, consistent and respected, thus ensuring that such bodies are capable of effectively overseeing and/or managing the risks affecting the bank.

B.2. Scope of Consolidation

The Bank has a simple corporate structure, holding only two subsidiaries, namely Carregosa, SGOIC, SA, with a 96% stake, and Circuitos e Traçados II, Unipessoal, Lda, (a 100% holding), as shown in Figure 2 | Business Entities of Banco Carregosa:

Figure 2 | Business Entities of Banco Carregosa



C. Public Disclosure of Information under Pillar 3 of the CRR

In accordance with Article 433b(2) of the CRR, the information disclosed corresponds to the basic indicators referred to in Article 447 of the CRR.

The information is organised according to the model provided for in Commission Implementing Regulation (EU) No 2021/637 and presented in Table 1 | Template EU KM1 — Key Metrics Template.

Table 1 | Template EU KM1 — Key Metrics Template

		as at	and
		31/12/2023	31/12/2022
	Available own funds (amounts)		
1	Common Equity Tier 1 (CET1) capital	39 838 190	33 858 673
2	Tier 1 capital	39 838 190	33 858 673
3	Total capital	39 838 190	33 858 673
	Risk-weighted exposure amounts		
4	Total risk-weighted exposure amount	205 448 693	192 056 203
	Capital ratios (as a percentage of risk-weighted exposure amount)		
5	Common Equity Tier 1 ratio (%)	19,39%	17,63%
6	Tier 1 ratio (%)	19,39%	17,63%
7	Total capital ratio (%)	19,39%	17,63%
	Additional own funds requirements to address risks other than excessive leverage risk (as a percentage of risk-weighted exposure)		
EU 7a	Additional own funds to address risks other than excessive leverage risk (%)	3,75%	3,75%
EU 7b	Of which CET1 requirements (%)	2,11%	2,11%
EU 7c	Of which to cover Tier 1 capital (%)	2,81%	2,81%
EU 7d	Total SREP own funds requirements (%)	11,75%	11,75%
	Combined overall buffer and own funds reserve (as a percentage of risk-weighted amount)		
8	Capital conservation buffer	2,50%	2,50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0,00%	0,00%
9	Institution specific countercyclical capital buffer (%)	0,00%	0,00%
EU 9a	Systemic risk buffer (%)	0,00%	0,00%
10	Global systemically important institution buffer (%)	0,00%	0,00%
EU 10a	Other systemically important institution buffer (%)	0,00%	0,00%
11	Combined buffer requirement (%)	2,50%	2,50%
EU 11a	Overall capital requirements (%)	14,25%	14,25%
12	CET1 available after meeting the total SREP own funds requirements (%)	7,64%	5,88%
	Leverage ratio		
13	Total exposure measure	300 860 912	313 816 038
14	Leverage ratio (%)	13,24%	10,79%
	Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)		
EU 14a	Additional own funds requirement to address the risks of excessive leverage (%)	0	0
EU 14b	Of which from CET1 own funds (%)	0	0
EU 14c	Overall SREP leverage ratio (%)	0	0
	Leverage ratio requirement buffer and overall leverage ratio requirement (as a percentage)		
EU 14d	Leverage ratio requirement buffer (%)	3,00%	3,00%
EU 14e	Overall leverage ratio requirement (%)	3,00%	3,00%
	Liquidity Coverage Ratio		
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	289 912 633	209 151 096
EU 16a	Cash outflows - Total weighted value	216 176 142	187 715 165
EU 16b	Cash inflows - Total weighted value	15 241 375	58 494 594
16	Total net cash outflows (adjusted value)	200 934 767	129 220 571
17	Liquidity coverage ratio (%)	147,13%	171,05%
	Net Stable Funding Ratio (NSFR)		
18	Total available stable funding	269 556 940	251 200 380
19	Total required stable funding	167 925 928	150 006 375
20	NSFR ratio (%)	160,52%	167,46%

D. Statement

In accordance with Article 431(3) of the CRR, the Board of Directors of Banco L. J. Carregosa, S.A. declares that all procedures deemed necessary to comply with the disclosure obligations set out in Part VIII of Regulation (EU) No 575/2013 have been developed and that, to the best of its knowledge, all information disclosed in this document is true, reliable and in accordance with the Bank's formal policies and internal processes, systems and controls

