



BASIC BANK ACCOUNTS

DEVELOPMENTS IN THE
1ST HALF OF 2022

SEP. 2022



BANCO DE
PORTUGAL
EUROSISTEMA



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EVOLUTION OF THE NUMBER OF ACCOUNTS





THE GROWTH OF BASIC BANK ACCOUNTS INCREASED IN THE 1ST HALF OF 2022

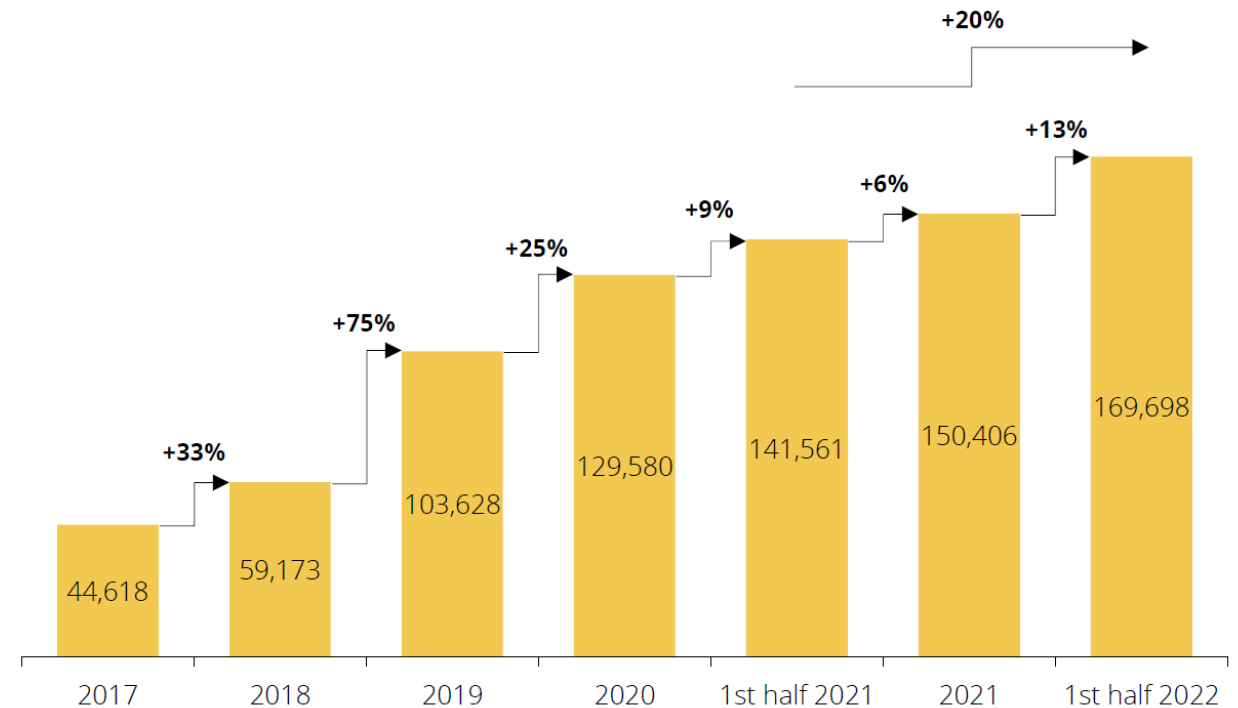
At the end of the first half of 2022, the number of basic bank accounts increased 13% compared to the end of 2021 and 20% year-on-year, reaching 169,698 accounts at the end of June 2022.

Contrary to previous periods, the growth did not result from the conversion of existing current accounts into basic bank accounts but from the opening of new accounts in the banking system.

The characteristics of the holders of new basic bank accounts changed, with a predominance of female customers aged between 25 and 45.

EVOLUTION OF THE NUMBER OF ACCOUNTS

2017 - 1ST HALF OF 2022
(Values at end of period)



Source: Banco de Portugal

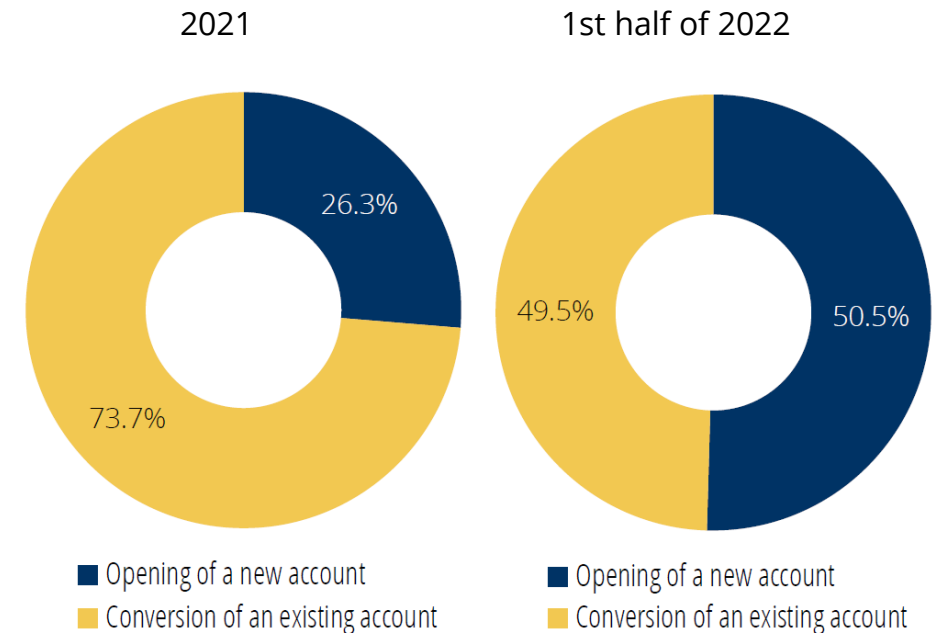


THE CHARACTERISTICS OF NEW BASIC BANK ACCOUNTS REFLECT THE OPENING OF THESE ACCOUNTS BY UKRANIAN CITIZENS

In the 1st half of 2021, 21,974 basic bank accounts were created, 50.5% of which by opening a basic bank account and 49.5% by converting an existing current account held with the institution (73.7% of accounts created in 2021).

According to the information reported by financial institutions to Banco de Portugal, the opening of basic bank accounts by displaced Ukrainian citizens explains that most basic bank accounts created in the 1st half of 2022 resulted from the opening of new accounts in the banking system.

ACCOUNTS CREATED, OPENING AND CONVERSION



Source: Banco de Portugal



THE CHARACTERISTICS OF NEW BASIC BANK ACCOUNTS REFLECT THE OPENING OF THESE ACCOUNTS BY UKRANIAN CITIZENS

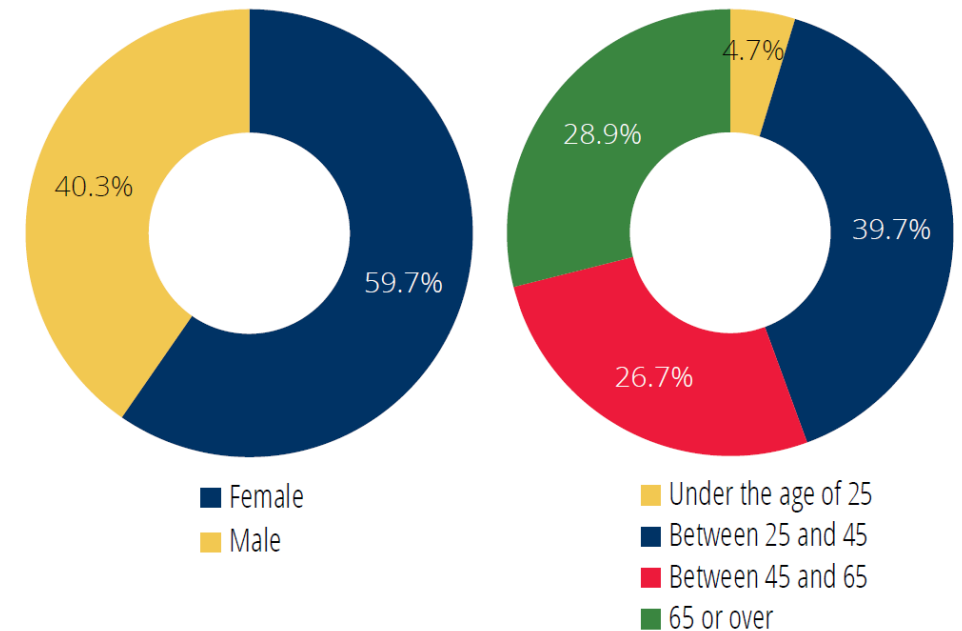
The opening of basic bank accounts by Ukrainian citizens in the first half of 2022 also explains the greater weight of accounts held by female customers and in the 25-45 age group.

Female customers hold 59.7% of the basic bank accounts created in the first half of 2022 (51.1% in 2021).

Around 40% of basic bank accounts were held by people aged between 25 and 45 years (28.8% in 2021).

In 26.7% of cases, account holders were aged between 45 and 65. Holders aged 65 or over represented 28.9% and those under the age of 25 had a weight of 4.7%.

ACCOUNTS CREATED,
BY GENDER AND AGE
1st half of 2022



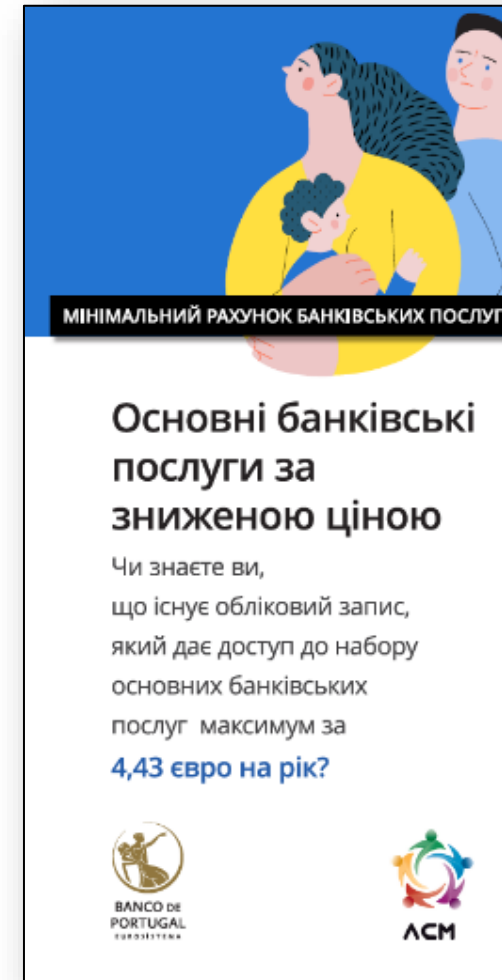
Source: Banco de Portugal



BANCO DE PORTUGAL PROMOTED THE DISCLOSURE OF BASIC BANK ACCOUNTS TO DISPLACED UKRAINIAN CITIZENS

In March 2022, Banco de Portugal and the High Commission for Migration (ACM) held training sessions on opening a basic bank account, with the aim of promoting it among migrant populations to facilitate their financial inclusion.

To support the disclosure of basic bank accounts among displaced Ukrainian citizens and the migrant population in general, Banco de Portugal, in cooperation with the ACM, developed explanatory leaflets, including in Ukrainian.



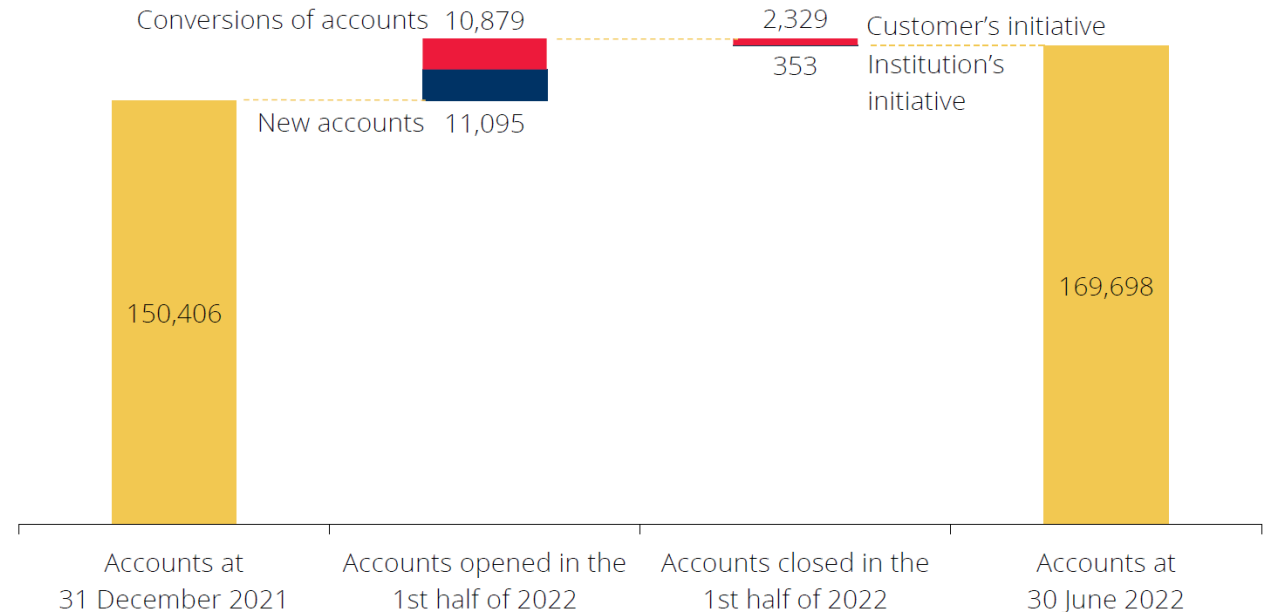


MOST OF THE BASIC BANK ACCOUNTS THAT WERE CLOSED CONTINUED TO BE ON THE CUSTOMER'S INITIATIVE

In the first half of the year, 2,682 basic bank accounts were closed, 2,329 (86.8%) of which were closed at the customer's request.

Institutions closed 353 accounts on their own initiative, the main reason (46%) being that the holder held other current accounts. In the remaining cases, institutions closed the account because the account had not been used in the last 24 months, the account holder ceased to be a resident of the European Union, the customer died or the customer fulfilled preventive obligations related to anti-money laundering.

NUMBER OF ACCOUNTS OPENED AND CLOSED 1st half of 2022



Source: Banco de Portugal



CHARACTERISTICS OF ACCOUNTS

02



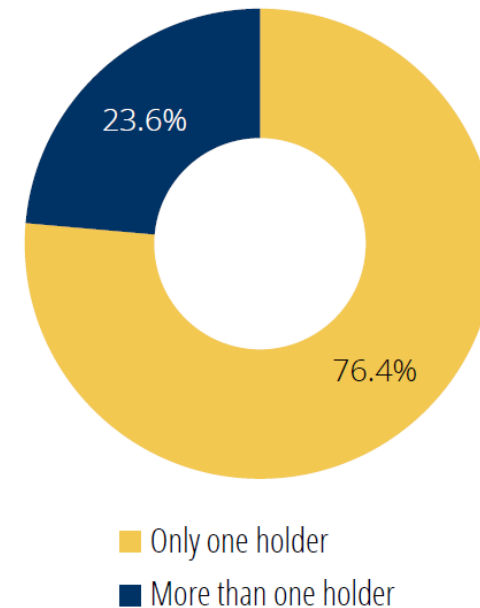
MOST BASIC BANK ACCOUNTS WERE ONLY HELD BY ONE PERSON.

At the end of the first half of the year, 76.4% of the 169,698 existing basic bank accounts were held by only one person.

Basic bank accounts held by more than one customer accounted for almost a quarter of the total (23.6%).

Basic bank accounts can have more than one holder if both holders only have this account or if one of the holders is covered by the exceptions provided by law (see point 04 "What is a basic bank account?" in this publication).

NUMBER OF HOLDERS OF BASIC BANK ACCOUNTS SMB
1st half of 2022 (End of period)



Source: Banco de Portugal



THE NUMBER OF CUSTOMERS BENEFITING FROM THE SPECIAL CONDITIONS FOR ACCESS TO BASIC BANK ACCOUNTS IS LOW

In the 1st half of 2022, 1,095 basic bank accounts (5%) were opened by holders of other current accounts with a person over the age of 65 or with a degree of disability of 60% or more. At the end of this period, there were 8183 basic bank accounts (4.8%) with these characteristics.

There were also 257 basic bank accounts (1.2%) in which the customers co-held another basic bank account with a person over the age of 65 or with a disability of 60% or more, so that at the end of the first half of the year there were 2332 basic bank accounts (1.4%) with these characteristics.

CHARACTERISTICS OF BASIC BANK ACCOUNTS 30 June 2022

Characteristics of accounts	Number of accounts	Percentage of total number of accounts
More than one holder	40 129	23.6%
Of which:		
Co-held by holders of other current accounts	8183	4.8%
Accounts of holders that co-hold other basic bank accounts	2332	1.4%

Source: Banco de Portugal



MOST HOLDERS OF BASIC BANK ACCOUNTS CONTINUED TO NOT HAVE OTHER BANKING PRODUCTS IN THE SAME INSTITUTION

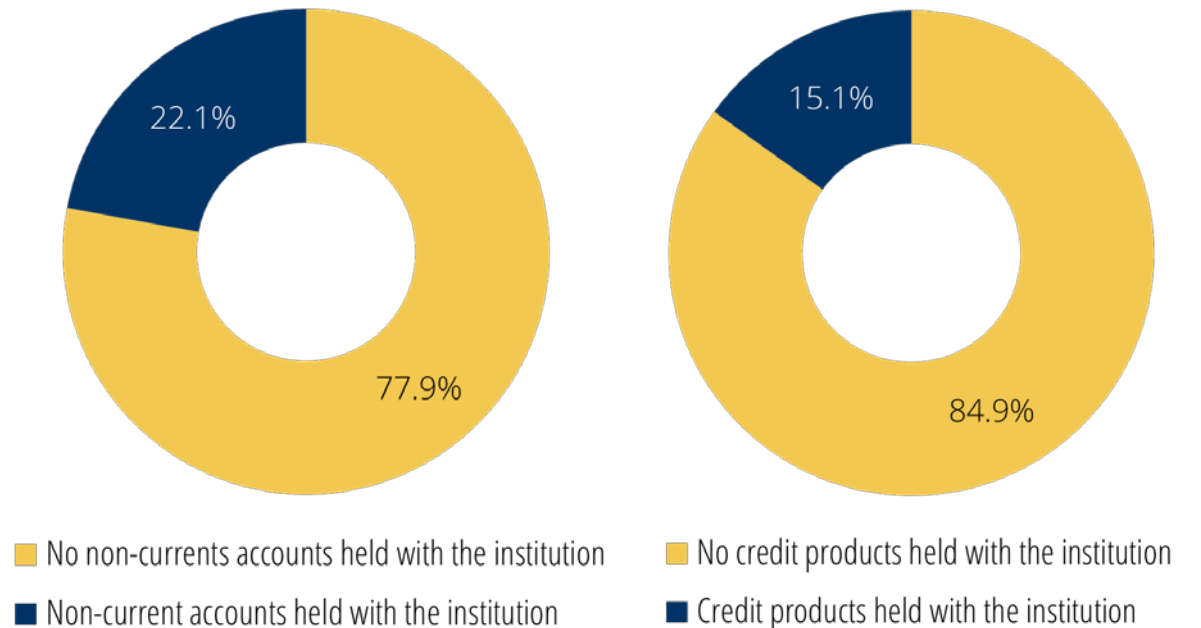
At the end of the 1st half of 2022, 22.1% of basic bank accounts were held by customers who held current accounts with the same institution (21.4% in 2021) and 15.1% were held by customers who held credit products with the institution (16% in 2021).

Customers with access to basic bank accounts may contract other banking products or services not included in this range of services.

The products or services contracted that are not part of basic bank accounts are subject to the fees and expenses set out in the price list of the credit institution.

HOLDERS OF BASIC BANK ACCOUNTS WITH OTHER PRODUCTS

1st half of 2022 (End of period)



Source: Banco de Portugal

ACCOUNTS BY INSTITUTION

03



MOST BASIC BANK ACCOUNTS WERE DOMICILED IN 5 INSTITUTIONS

At the end of the 1st half of 2021, 87.3% of basic bank accounts were domiciled with five institutions.

However, the remaining institutions increased their weight from 10.6% in 2021 to 12.7% in the 1st half of 2022.

At the end of the 1st half of 2022, there were two institutions that exempted their clients from paying the basic bank account maintenance fee: Banco Activobank and Banco Atlântico Europa.

BASIC BANK ACCOUNTS BY INSTITUTION (End of period)

Institution	2021 (year)	2022 (1 st half)
A	40.5%	38.9%
B	20.6%	20.8%
C	10.4%	10.8%
D	10.7%	10.1%
E	7.2%	6.7%
Remaining institutions	10.6%	12.7%
Total	100.0%	100.0%

Source: Banco de Portugal

WHAT IS A BASIC BANK ACCOUNT?



04



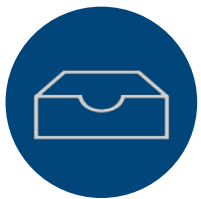
WHAT IS A BASIC BANK ACCOUNT?

A basic bank account is a current account that allows its holder access to a range of essential banking services at a reduced cost.

Besides the services of opening and maintaining the basic bank account, this account includes the provision of a debit card and access to homebanking, as well as over-the-counter withdrawals, direct debits, national intrabank

transfers and transfers to other banks through homebanking.

Basic bank accounts also include the possibility of making five transfers per month, with a limit of 30 euros per operation, through payment applications operated by third parties (e.g. MBWay).



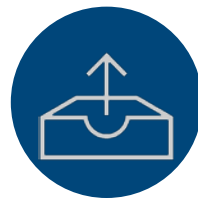
current account



debit card



over-the-counter withdrawals



direct debits



intrabank transfers



national interbank transfers
(max. 24/year via homebanking)



transfers through apps operated by third parties, e.g. MBway (max. 30€/transf. and 5 transf./month)



WHAT IS A BASIC BANK ACCOUNT?

Individuals may access a basic bank account if they do not hold a current account or if they only hold one current account, which may be converted into a basic bank account.

People aged 65 or over or with a degree of disability of 60% or more may co-hold a basic bank account with individuals who hold other current deposit accounts. The current account of such other persons may also be a basic bank account.

The availability of basic bank accounts is mandatory for all credit institutions that provide the services included in the minimum banking services to the public, i.e. banks, savings banks, central banks and mutual agricultural credit banks.

The maximum annual fee charged for basic bank accounts is 1% of the Social Support Index (4.43 euros, according to the IAS for 2022).

More information available on the Bank Customer Website at <https://cliente bancario.bportugal.pt/en>

