

BASIC BANK ACCOUNTS

DEVELOPMENTS IN 2021

APR. 2022



BANCO DE
PORTUGAL
EUROSYSTEM



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EVOLUTION OF THE NUMBER OF ACCOUNTS

01

THE NUMBER OF BASIC BANK ACCOUNTS INCREASED IN 2021



At the end of 2021, there were 150,405 basic bank accounts, 16.1% more than at the end of 2020.

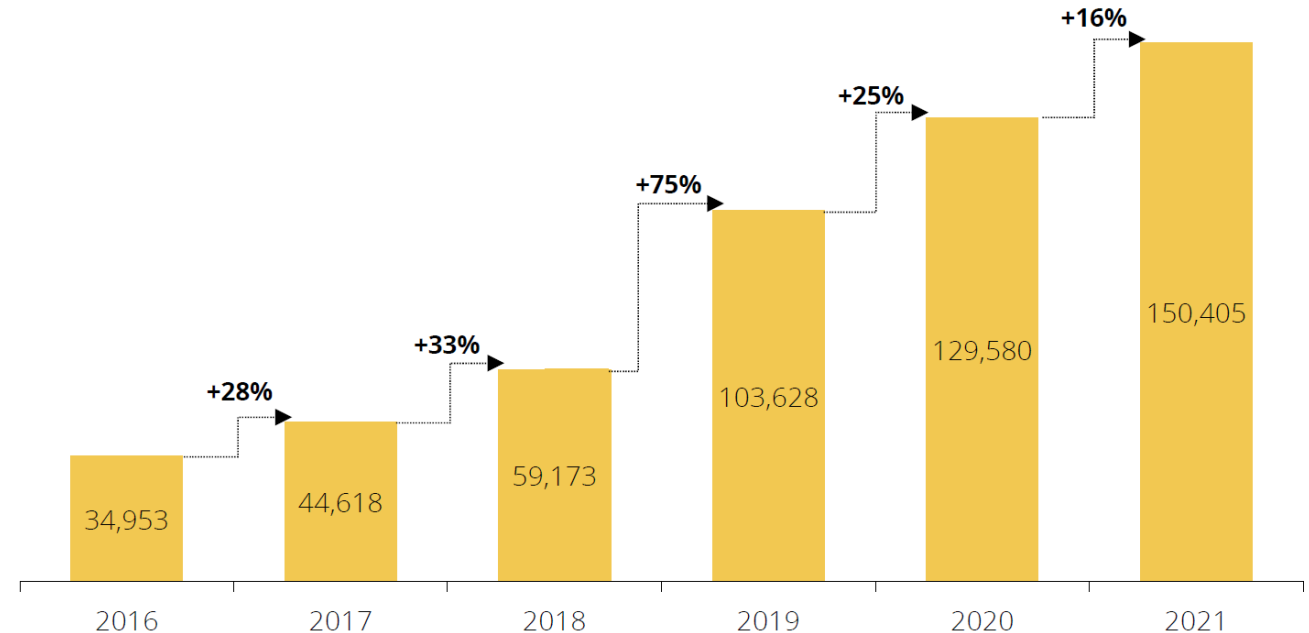
This increase in basic bank accounts comes after the very significant growths seen in 2020 (+25%) and 2019 (+75%).

The rise in the number of basic bank accounts was chiefly associated with the conversion of existing current accounts into basic bank accounts.

EVOLUTION OF THE NUMBER OF ACCOUNTS

2016-2021

(Values at end of period)



Source: Banco de Portugal

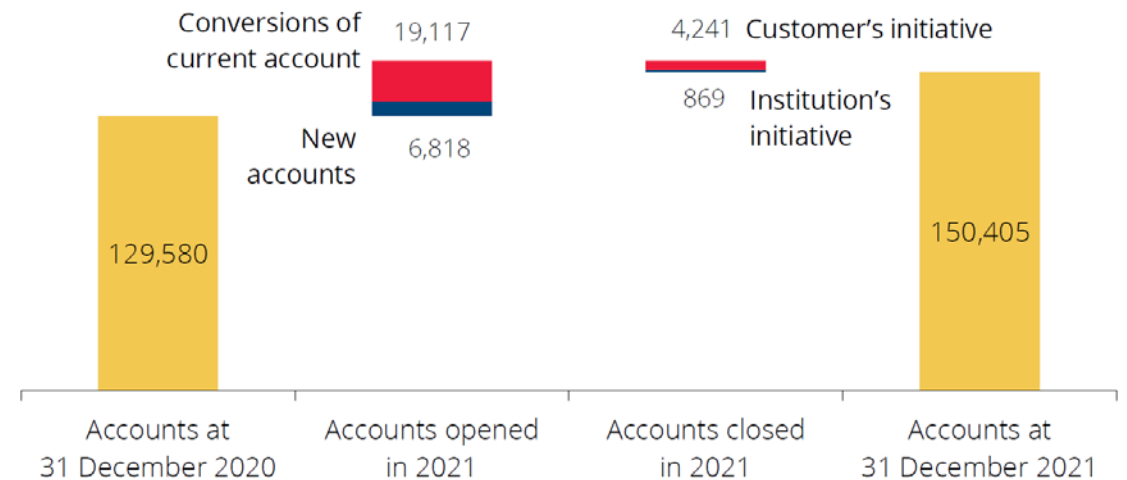


MOST NEW BASIC BANK ACCOUNTS RESULTED FROM THE CONVERSION OF A CURRENT ACCOUNT

In 2021, 25,935 basic bank accounts were created, 19,117 (74%) of which resulted from the conversion of an existing current account held with the institution and 6818 (26%) from the opening of basic bank accounts.

In total, 5,110 basic bank accounts were closed, 4,241 (83%) of which were at the customer's request. The closing of 869 accounts on the institution's own initiative was due to the customer holding other current accounts (413), the account having had no transactions in the last 24 months (56), the account holder ceasing to be a legal resident of the European Union (38) or other reasons (362).

NUMBER OF ACCOUNTS OPENED AND CLOSED 2021



Source: Banco de Portugal



CHARACTERISTICS OF THE ACCOUNTS

02



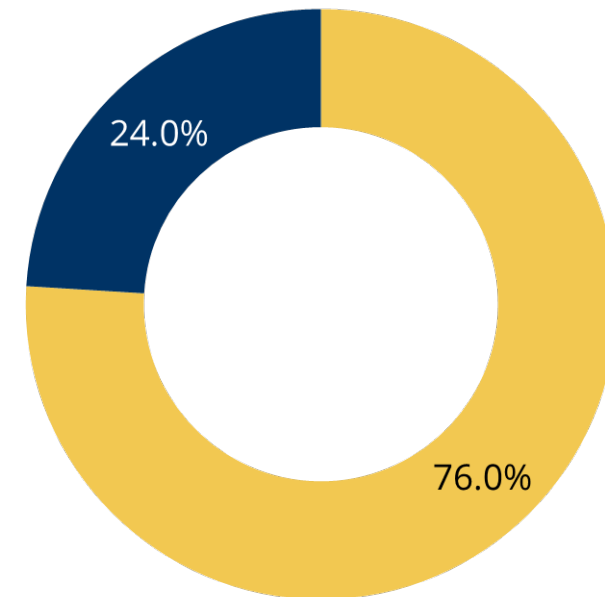
MOST BASIC BANK ACCOUNTS ARE HELD BY ONLY ONE PERSON

At the end of 2021, 76% of the 150,405 existing basic bank accounts were held by only one person.

Basic bank accounts held by more than one person accounted for about a quarter (24%) of the total number of accounts.

Anyone who does not hold another current account can have access to a basic bank account. Basic bank accounts can be held by more than one person if both holders only have this account or if one of the holders is covered by the exceptions provided by law.

NUMBER OF BASIC BANK ACCOUNT HOLDERS
2021 (End of period)



■ Only one holder
■ More than one holder

Source: Banco de Portugal



THE USE OF THE EXCEPTIONS PROVIDED FOR BY LAW IS RELATIVELY LOW

At the end of 2021, there were 7029 basic bank accounts (4.7% of the total) co-held by holders of other current accounts with a person aged over 65 or with a degree of disability of 60% or more. In 2021, 1647 (6.4%) accounts with these characteristics were opened.

At the end of 2021, there were 2012 basic bank accounts (1.3% of the total) in which the customers held another basic bank account with a person aged over 65 or with 60% disability or more. In 2021, there were 240 (0.9%) basic bank accounts with these characteristics.

CHARACTERISTICS OF BASIC BANK ACCOUNTS 31 December 2021

Characteristics of accounts	Number of accounts	Percentage of total number of accounts
More than one holder	36 126	24.0%
Of which:		
Co-held by holders of other current accounts	7029	4.7%
Accounts of holders that co-hold other basic bank accounts	2012	1.3%

Source: Banco de Portugal



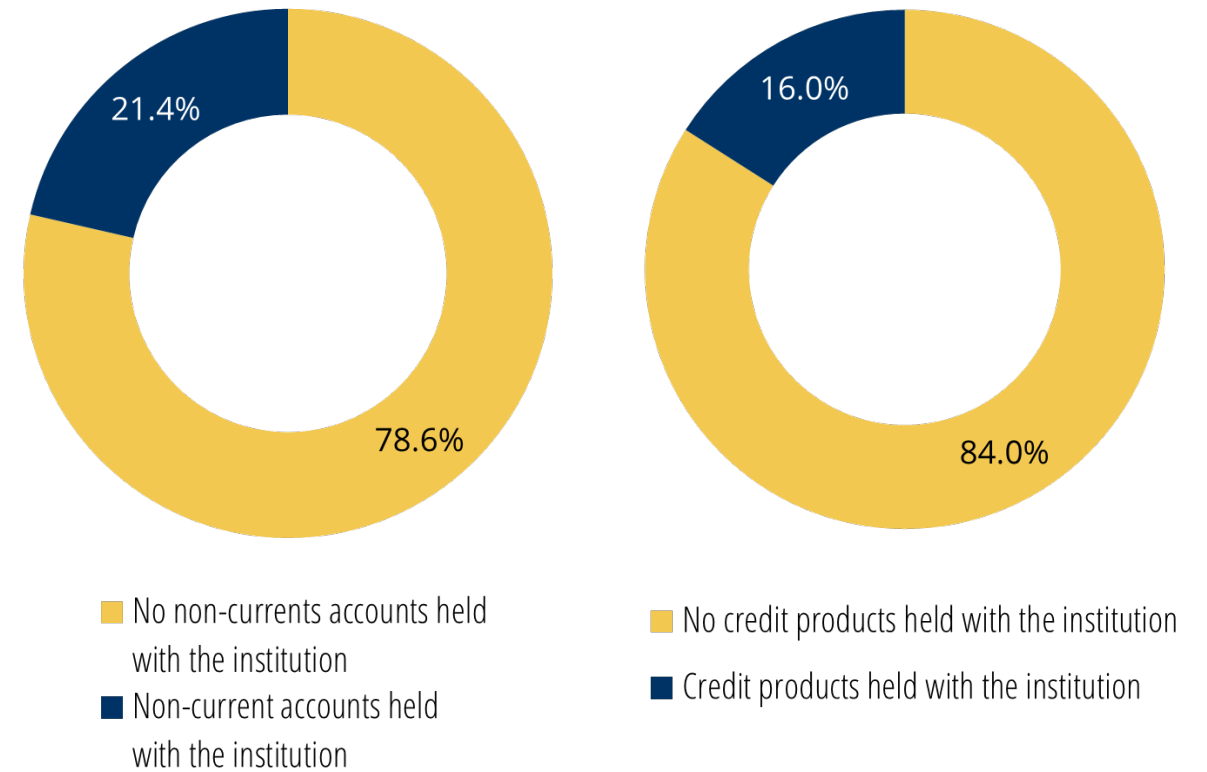
THE PERCENTAGE OF HOLDERS OF BASIC BANK ACCOUNTS THAT HAVE OTHER BANKING PRODUCTS INCREASED

At the end of 2021, 21.4% of basic bank accounts were held by customers who had term deposit accounts with the same institution (20.2% in 2020) and 16% were held by customers who held credit products with that institution (15.5% in 2020).

Customers with access to basic bank accounts may contract other banking products or services not included in this package 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
2021 (End of period)



Source: Banco de Portugal

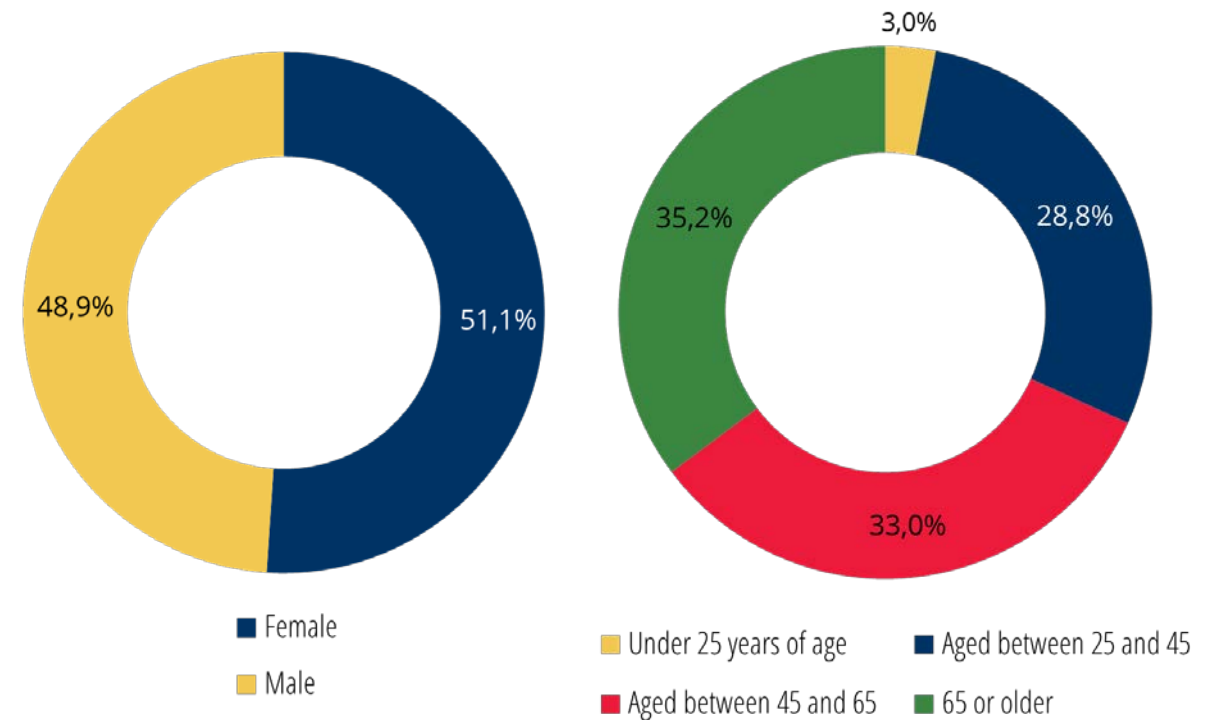


BASIC BANK ACCOUNTS OPENED MOSTLY BY WOMAN AND PEOPLE OVER THE AGE OF 45

Basic bank accounts were opened in 68.2% of the cases by people over the age of 45 and in 35.2% of the cases by people over the age of 65. In 28.8% of the cases, the account holders were aged between 25 and 45 years. Accounts opened by young people under the age of 25 represented 3%.

A total of 51.1% of 25,935 basic bank accounts opened during the year were held by women.

ACCOUNTS OPENED,
BY GENDER AND AGE
2021



Source: Banco de Portugal

A woman with dark hair, wearing a grey cardigan over a white top, is focused on writing in a notebook. She is holding a pen. In the background, other students are visible, some also writing, creating a classroom atmosphere. The entire image is overlaid with a semi-transparent blue filter.

ACCOUNTS BY INSTITUTION

03



MOST BASIC BANK ACCOUNTS WERE DOMICILED IN 5 INSTITUTIONS

At the end of 2021, 89% of basic bank accounts were domiciled with five institutions.

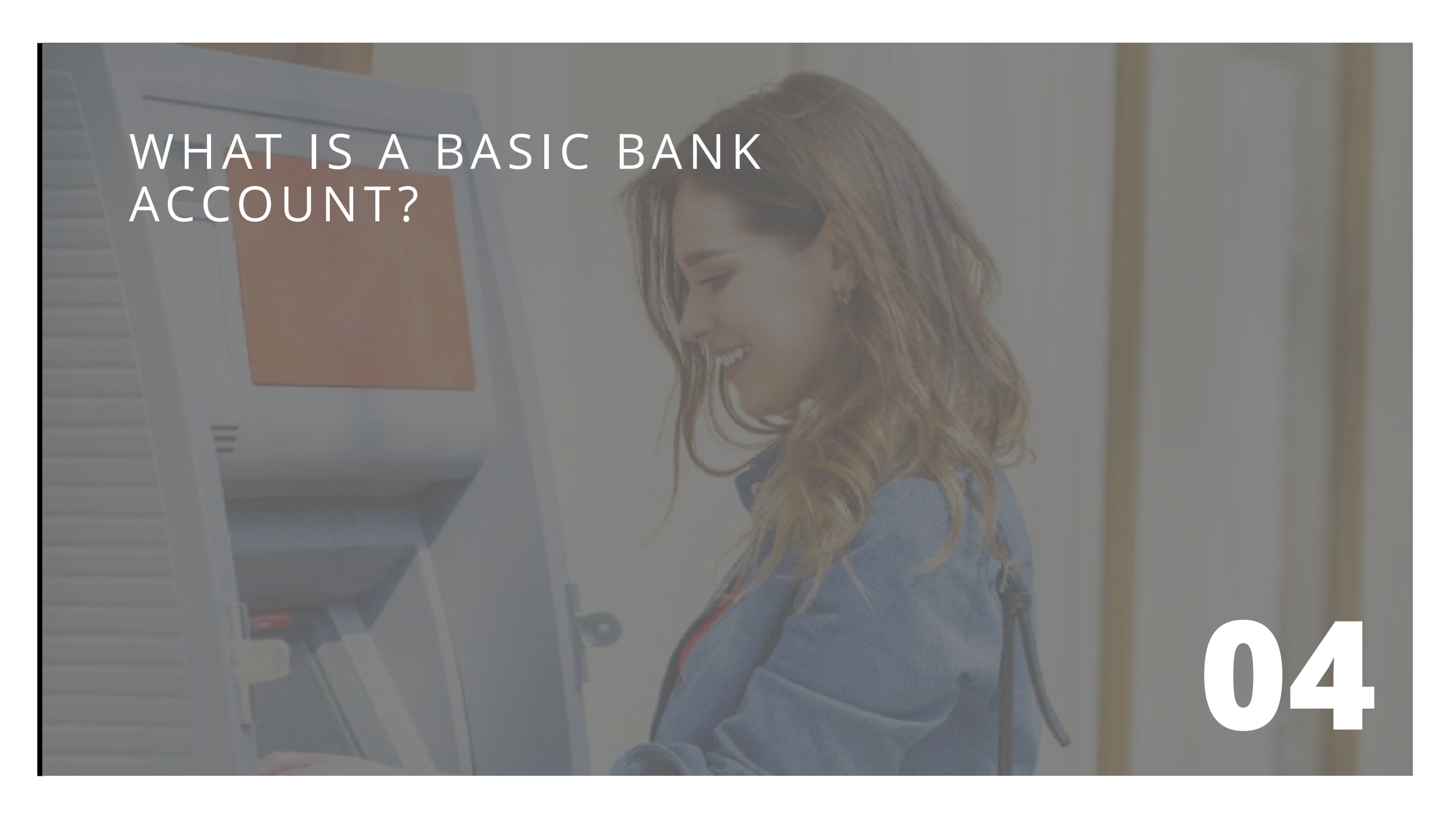
Three institutions exempted their customers from paying the basic bank account maintenance fee: Banco Activobank, Banco Atlântico Europa and Banco CTT.

In 2021, the list of basic bank account services was extended to include five transfers/month up to a limit of 30 euros through payment applications operated by third parties, with the maximum fee remaining equivalent to 1% of the value of the social support index (IAS).

BASIC BANK ACCOUNTS BY INSTITUTION 2021 (End of period)

Institution	Percentage
A	40.5%
B	20.6%
C	10.7%
D	10.4%
E	7.2%
Remaining institutions	10.6%
Total	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.

Since 1 January 2021, basic bank accounts include also the possibility of making five transfers per month, with a limit of 30 euros per operation, through payment applications operated by third parties.

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).



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 over the age of 65 or with a degree of disability of 60% or more may hold a basic bank account for themselves or with individuals who hold other current 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.

