

# We make our path fully committed to deliver

Assembleia Geral de Acionistas

Shareholders General Meeting

2024



**ctt**

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This presentation contains forward-looking statements. All the statements herein which are not historical facts, including, but not limited to, statements expressing our current opinion or, as applicable, those of our directors regarding the financial performance, the business strategy, the management plans and objectives concerning future operations and investments are forward-looking statements. Statements that include the words “expects”, “estimates”, “foresees”, “predicts”, “intends”, “plans”, “believes”, “anticipates”, “will”, “targets”, “may”, “would”, “could”, “continues” and similar statements of a future or forward-looking nature identify forward-looking statements.

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## Strategy Review

### 2023 Review

#### Logistics

 Express & Parcels: Iberian e-commerce growth engine

 Mail & Others: Leveraging new USO Contract

#### Retail

 Financial Services & Retail: Profitability enhancer

 Banco CTT: Fastest growing retail bank franchise in Portugal

#### Real Estate

 ESG: Committed to the environment, while caring about our people and the community

## 2024 Priorities

## Outlook 2024-25

An aerial photograph of a road junction next to a large body of water. The road is paved and has a central triangular island with some landscaping. A red car is visible on the road. The water is a deep green color. A large red semi-transparent shape is overlaid on the left side of the image.

Strategy review

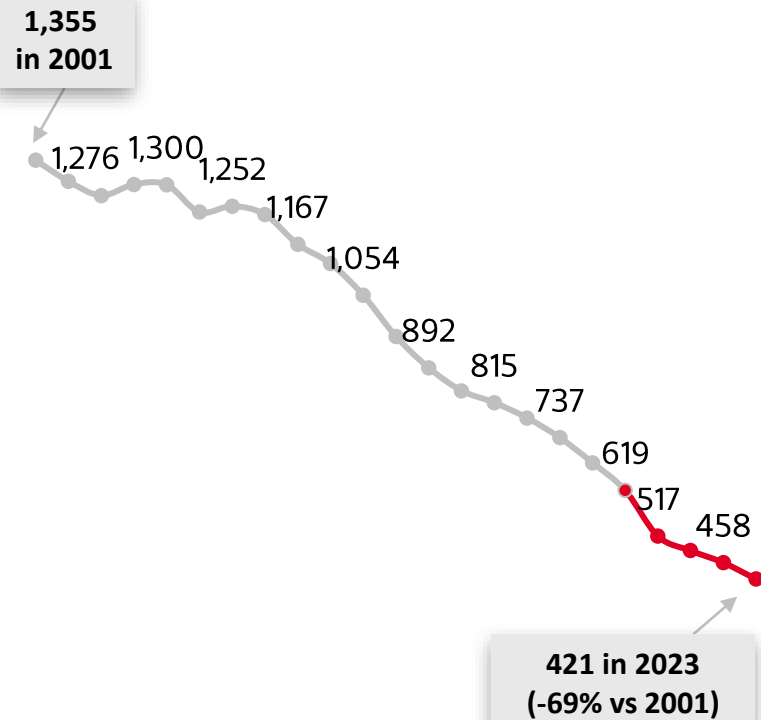
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# With declining mail volumes, diversifying was the only choice

Strategy review

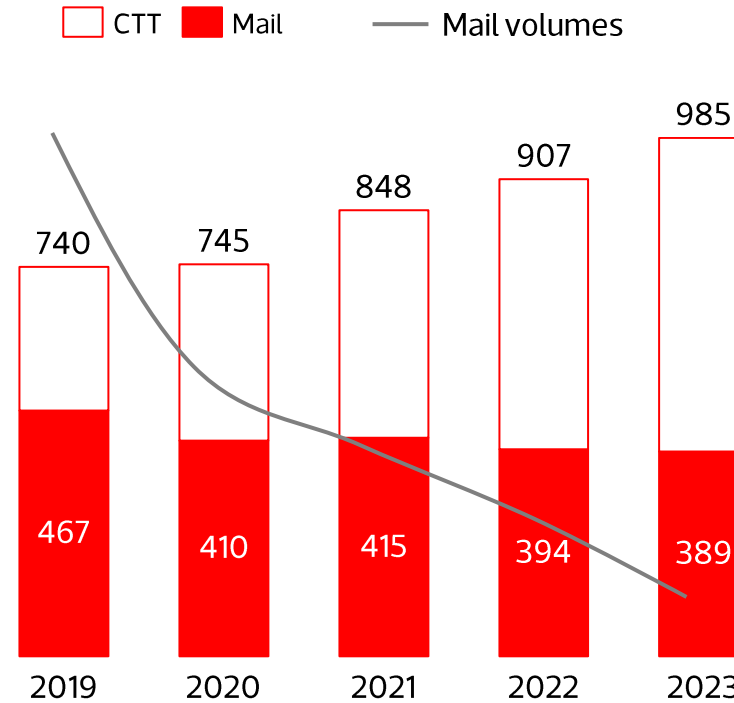
## Mail volumes

Million objects



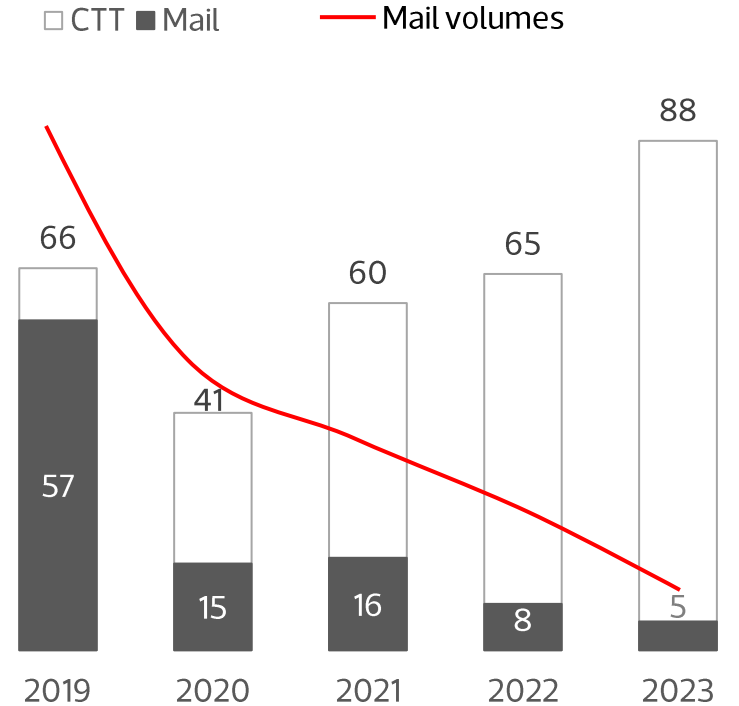
## Revenues

€ million



## Recurring EBIT

€ million



**Successful transformation with growth**

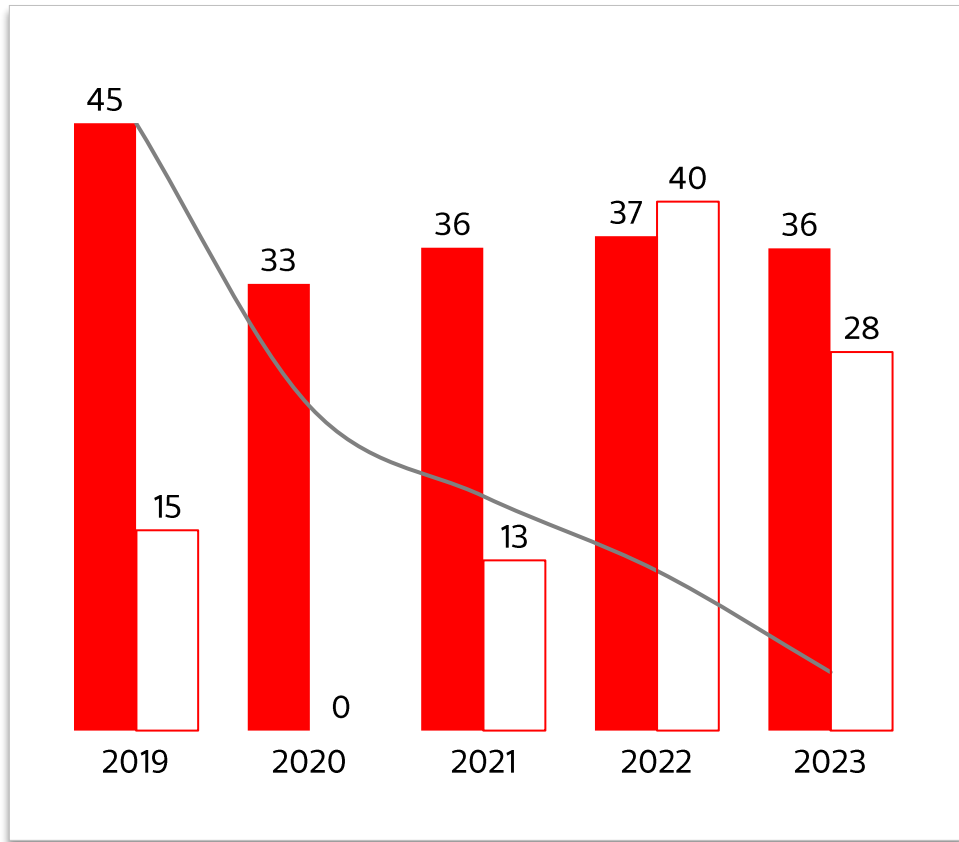
# but also **sustainable** transformation

Strategic review

## Investment compatible with shareholder remuneration

€ million

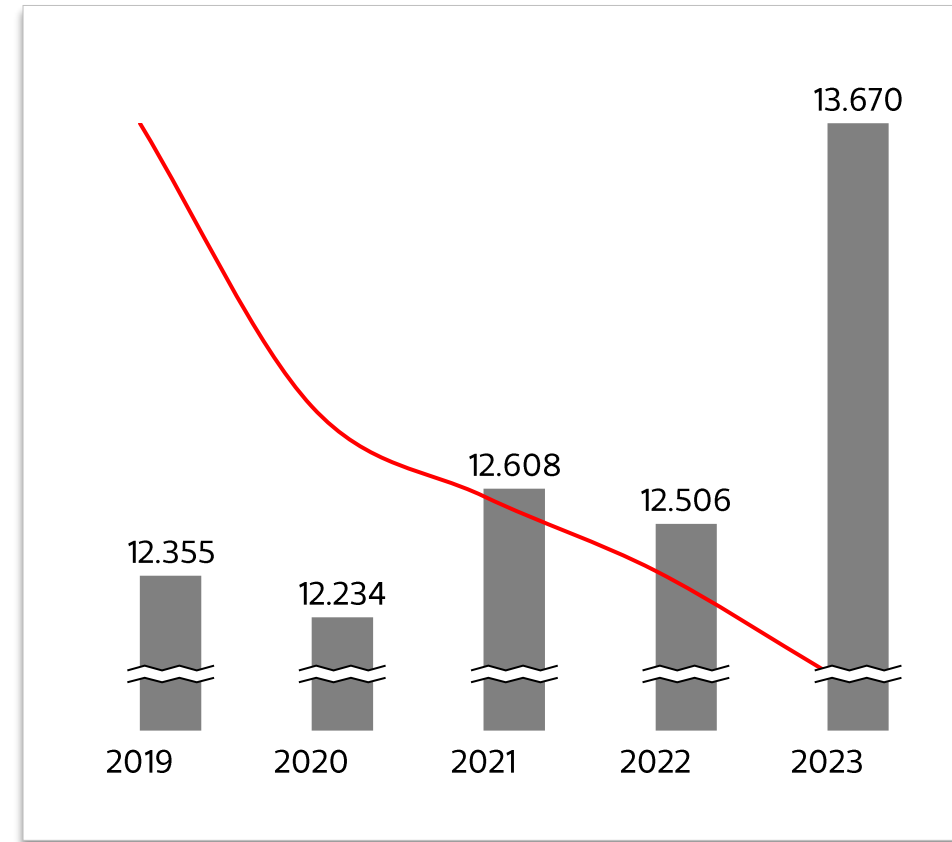
■ Capex □ Shareholder Remuneration — Mail Volumes



## and with jobs creation

number of employees

■ Employees — Mail volumes



# Investment, shareholder remuneration and job creation

# Our positioning: a company in transformation, exposed to sustained growth



Strategy review

## Leveraging strategic assets...

- Strong and trusted **brand** for people and businesses
- Unique **sales force**, underpinned by **universal access to B2B** customers
- Unique **last-mile distribution network**, increasingly integrated at Iberian level
- Unparalleled **retail network** in Portugal

## ... as a highly synergic platform

- Retail network **shared by bank, FS, mail and parcels**
- **Mail workforce delivering E&P**
- **Integration** between logistic networks of **mail and E&P**

### For companies (B2B)<sup>1</sup>

Revenues<sup>2</sup>: 389 | 40%

M€ | wgt

45 | 5%

341 | 35%

### For people (B2C)<sup>1</sup>

63 | 6%

148 | 15%

Strategy by business unit<sup>3</sup>

#### Mail

Our legacy business and **cash generator** leveraging a new **USO contract**

#### Business and commerce services

**Integrated one-stop-shop** Iberian player offering **business solutions** in the digital economy

#### Parcel and e-commerce solutions

First **growth engine** with exposure to **international markets**

#### Financial services and retail

Crucial **profitability driver**, leveraging proximity, and the **one-stop-shop** for customer services

#### Banco CTT

Fast growing **predominantly digital retail bank** expanding **core retail franchise** and bancassurance

Faster, Better and Greener

<sup>1</sup> Predominantly; <sup>2</sup> FY23, € million, % weight of total revenues, % growth yoy;

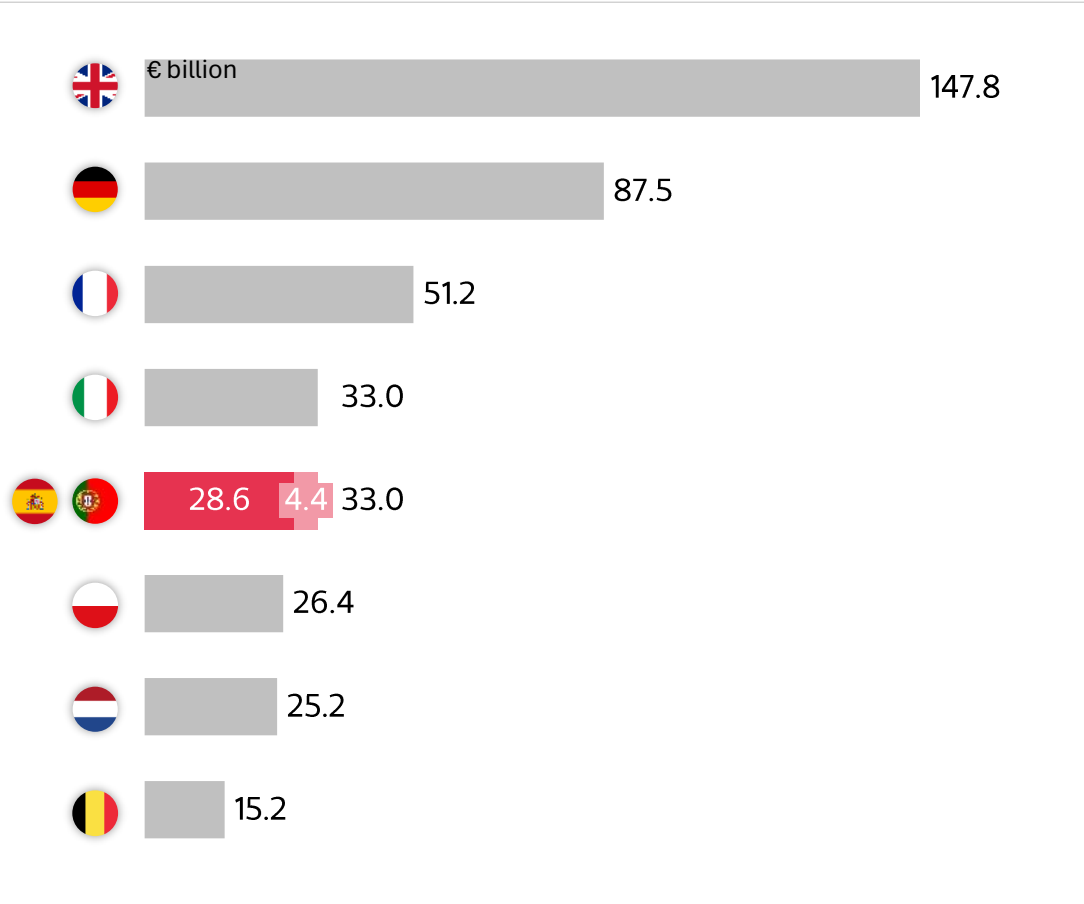
<sup>3</sup> Mail and Business and commerce services corresponds to Mail & Others business unit and Parcel and e-commerce solutions corresponds to Express & Parcels.

# CTT is transforming itself in a leading e-commerce logistics player in Iberia

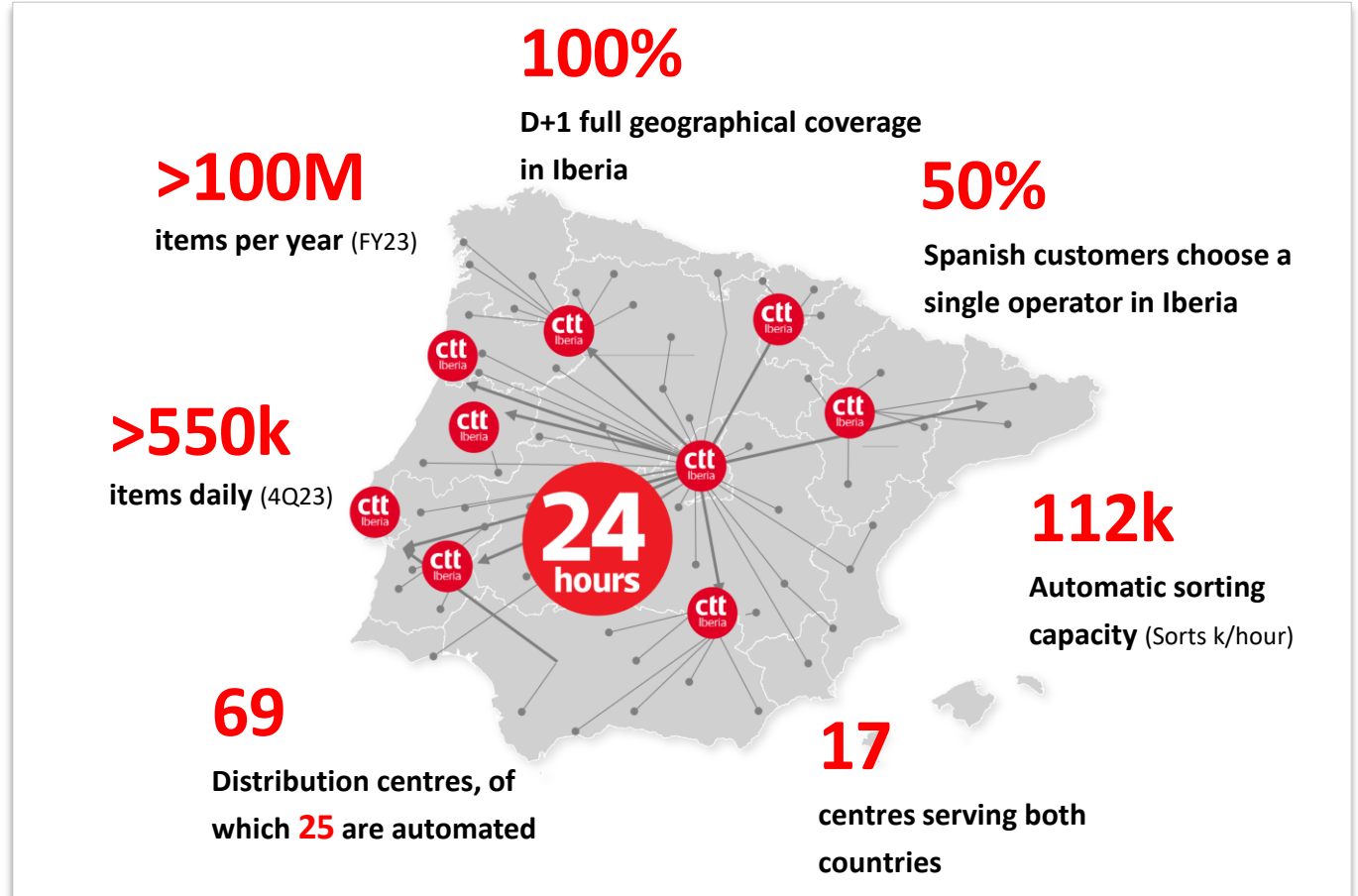


2023 Review

## Iberia is the 4<sup>th</sup> largest e-commerce market in Europe



## CTT is the fastest growing player in Iberia



**Growth leader in a large market**

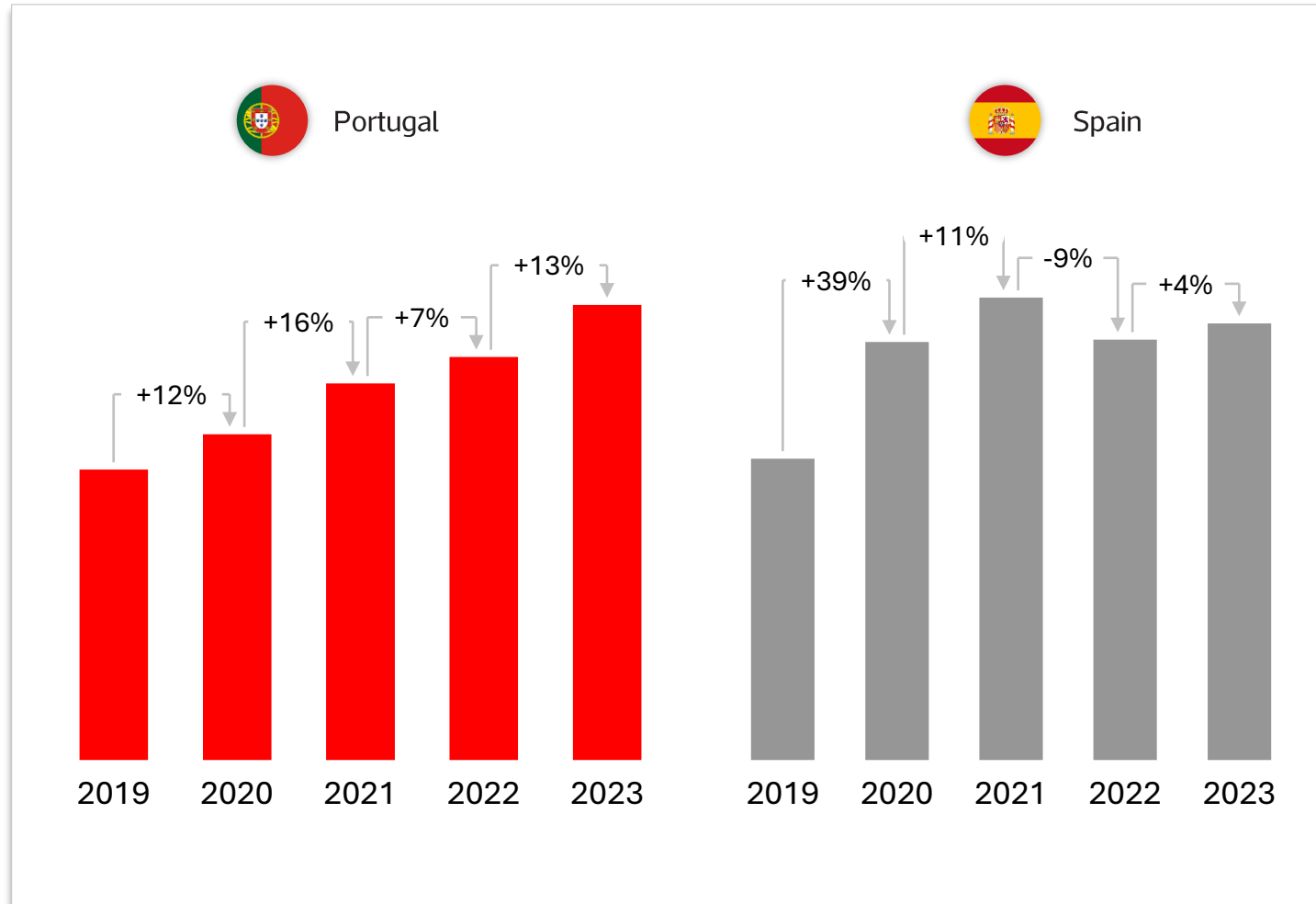


# Iberian e-commerce dynamics

2013 Review

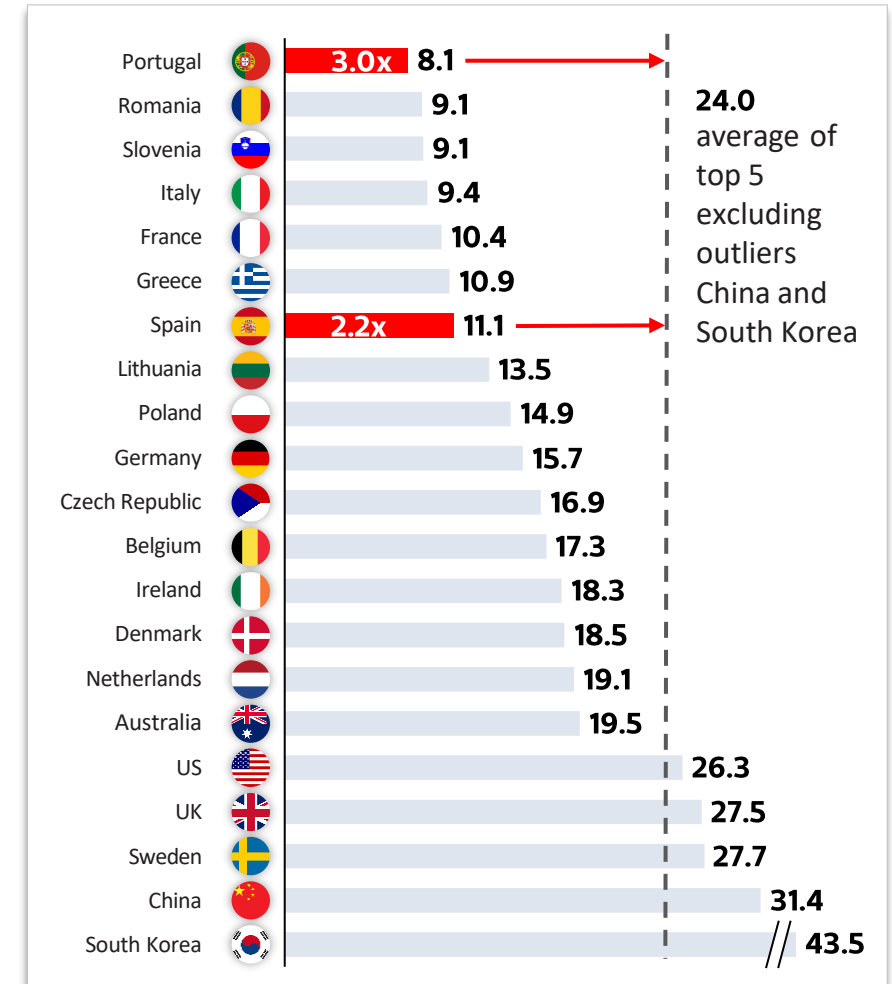
Iberian e-commerce is growing<sup>1</sup>

% growth of e-commerce



... but e-commerce<sup>2</sup> penetration is still low, 2022

e-commerce share of total retail, %



**Growth and upside**

<sup>1</sup>Eurostat, retail sales via mail order houses or via Internet;  
<sup>2</sup>IPC market study, source: Euromonitor International, IMF, IPC analysis;

2023 Review

Logistics

Express & Parcels



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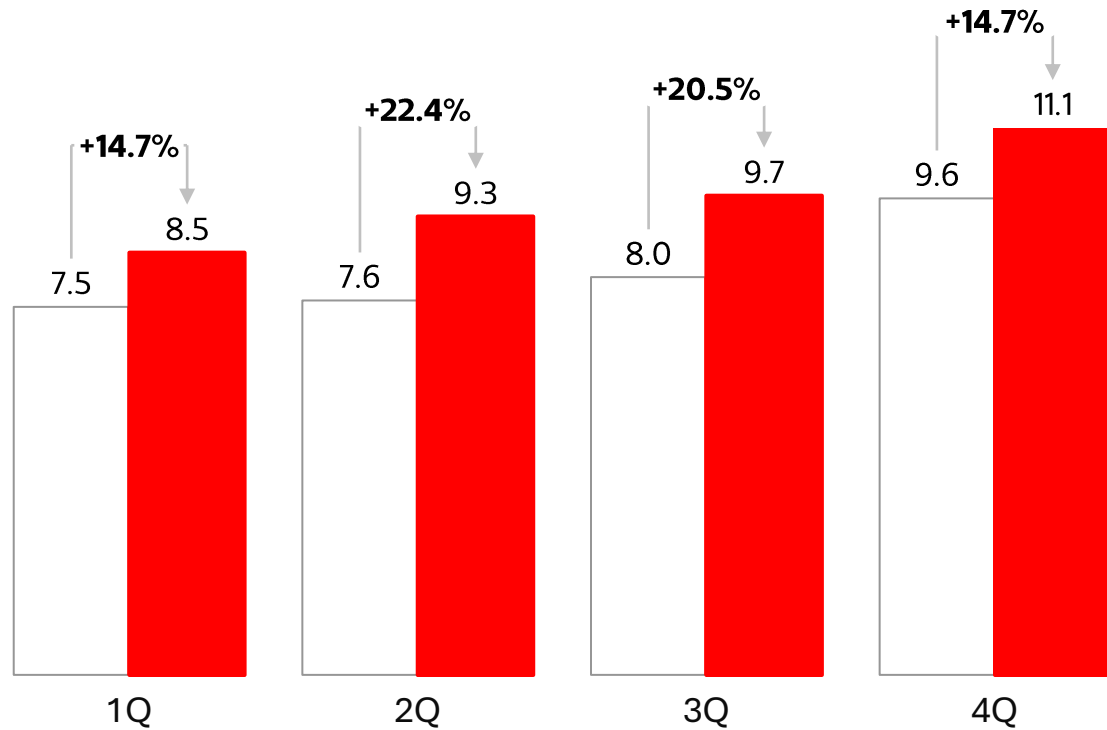
# e-commerce adoption driving record volumes in E&P Portugal

2023 Review

## E&P Portugal | CEP Volumes

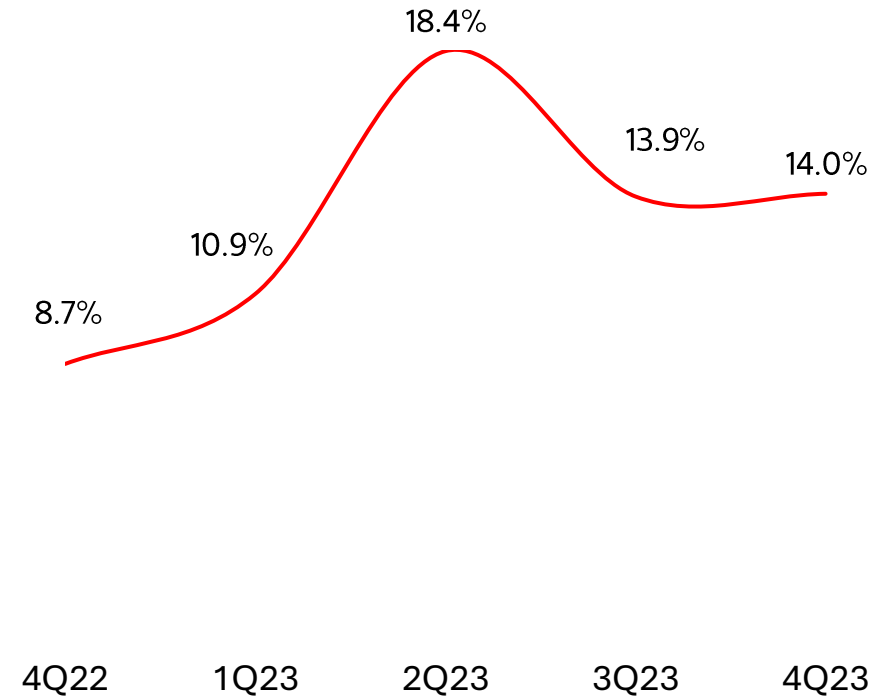
million items; % change vs. prior year

□ 2022 ■ 2023



## E&P Portugal | CEP revenues

% change vs. prior year



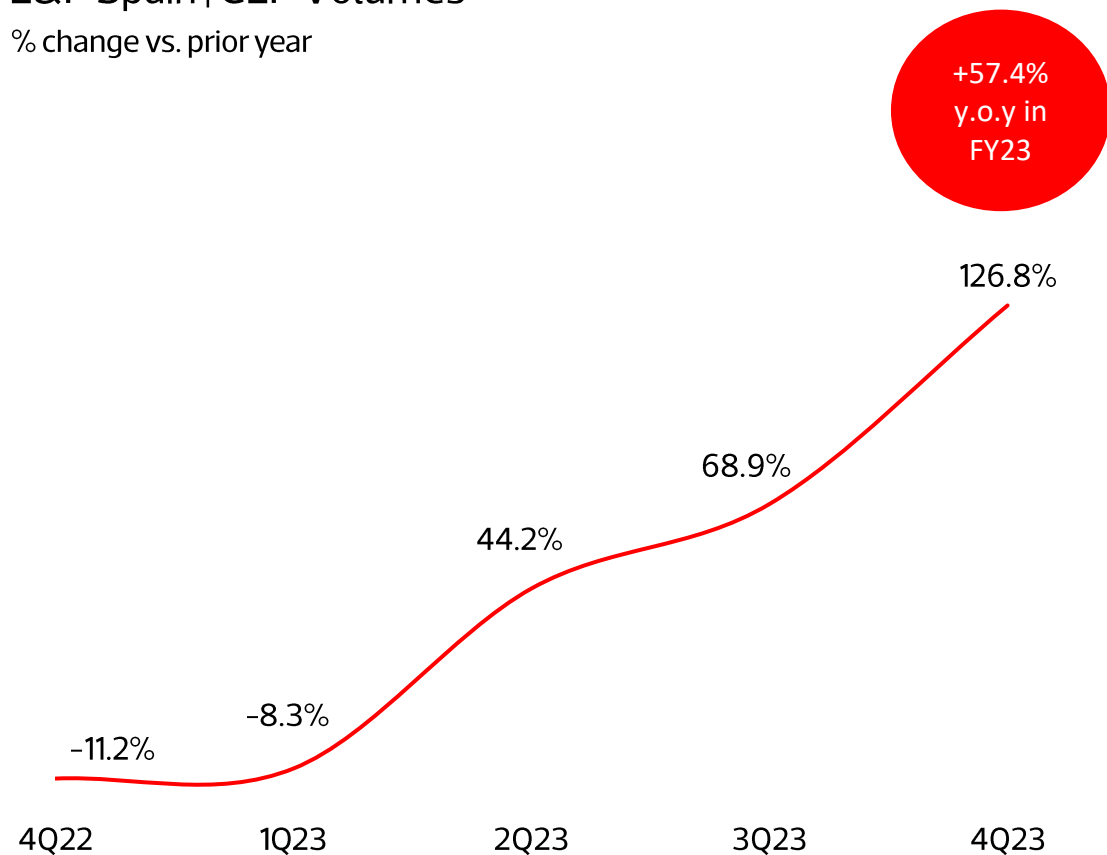
**Steady and resilient growth throughout the year**

# E&P Spain gaining market share as it grew well above market

2023 Review

## E&P Spain | CEP Volumes

% change vs. prior year



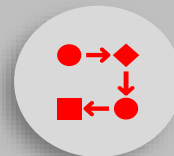
### Onboarding of relevant new customers

- New large international e-sellers
- Focus on diversifying towards smaller clients<sup>1</sup> also continued during 2023



### High quality and efficiency

- Maintain a quality service with high delivery efficiency rates despite an increase in volumes per working day



### Adding new services

- New customs clearance unit in San Fernando de Henares significantly reducing cost and delivery times for out-of-EU volumes
- Handling returns
- >13,000 convenience points in Spain have been incorporated into the network

**High growth fuelled by all client segments**

<sup>1</sup>Clients with daily volumes below 20,000 items

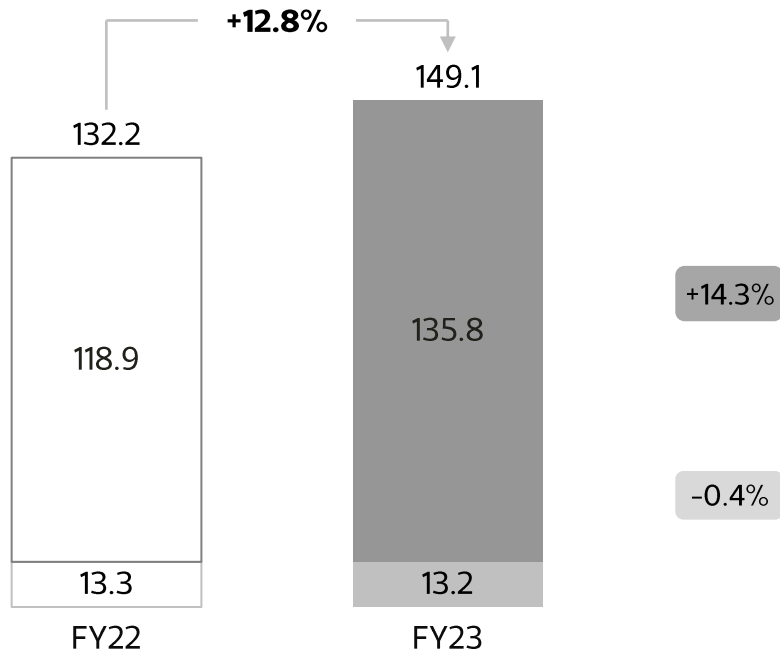
# E&P in Portugal with a robust margin expansion

2023 Review

## E&P Portugal | Revenues

€ million; % change vs. prior year

■ CEP ■ Cargo & other



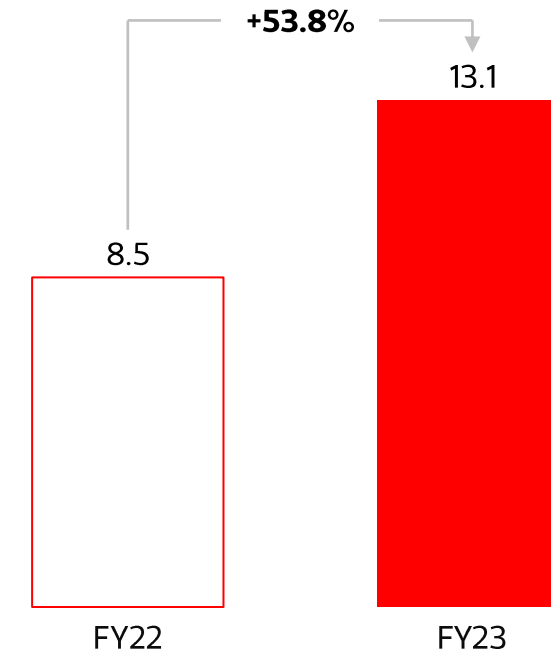
## E&P Portugal | EBIT<sup>1,2</sup>

€ million; % change vs. prior year

Margin<sup>1</sup>:

6.6%

9.0%



**Operational leverage delivering sustainable high margins**

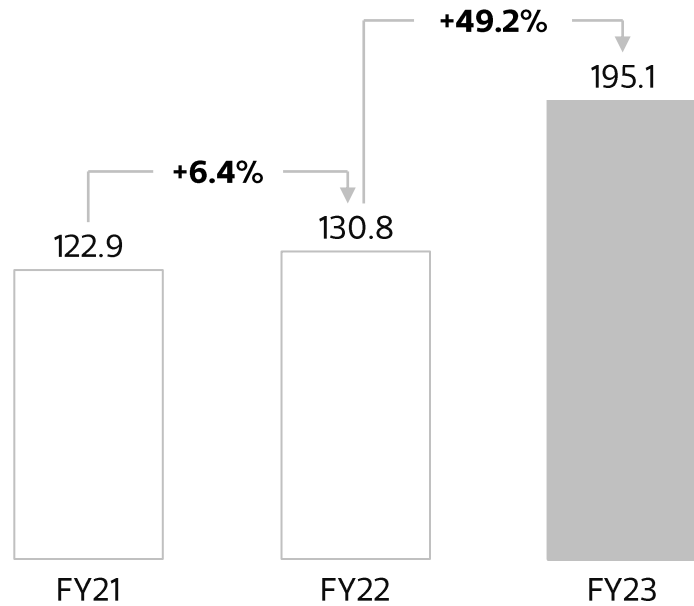
<sup>1</sup>Individual accounts;  
<sup>2</sup>Recurring EBIT excludes specific items;

# Growth and operational leverage enabling margin expansion in E&P in Spain

2023 Review

## E&P Spain | Revenues

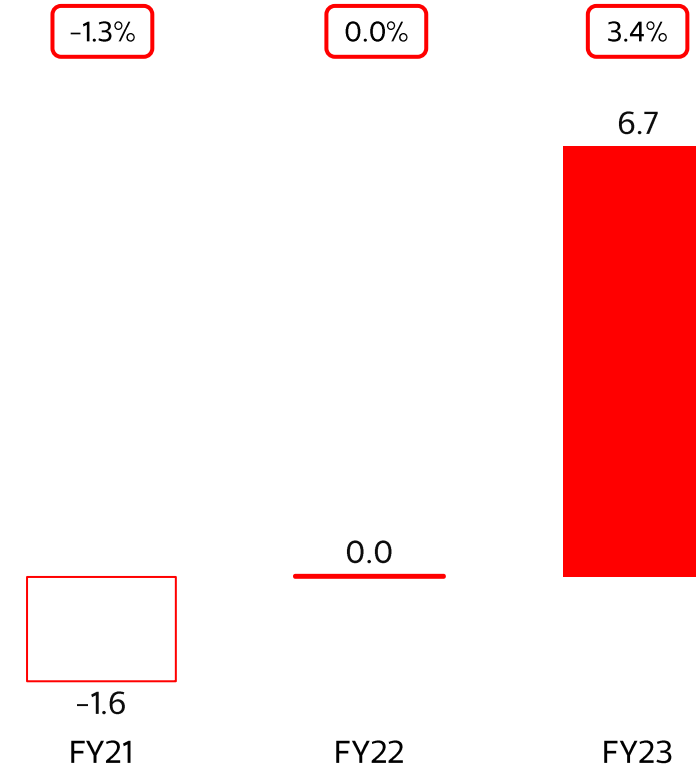
€ million; % change vs. prior year



## E&P Spain | EBIT<sup>1,2</sup>

€ million;

Margin<sup>1</sup>:



**Swift capacity upgrades to protect quality at much higher volumes**

<sup>1</sup>Individual accounts;  
<sup>2</sup>Recurring EBIT excludes specific items;

An aerial photograph of a terraced vineyard. The rows of grapevines are arranged in a grid pattern across the hillsides. A red van with the CTT logo is parked on a dirt path in the center of the image. A small drone is flying above the van. The background is a large red shape that contains the text 'Logistics' and 'Mail & Others'.

Logistics  
Mail & Others

The CTT logo, consisting of the lowercase letters 'ctt' in a white, bold, sans-serif font, is positioned in the bottom right corner of the image. It is set against a red background that is part of a larger red shape in the overall image.

ctt

# New mail concession agreement up and running

<b>7-year contract, including a transition period (2022) followed by two 3-year periods (2023-25 and 2026-28)</b>	Quality	✗	SLAs to be approved by the Government upon ANACOM's proposal, within European average and best-practices, also for 3-year periods									
	Density	✓	No major changes									
	Price	✓	Defined by agreement between CTT, ANACOM and the Consumer Directorate-General for periods of 3 years If no agreement, the Government sets out the criteria									
	Pricing agreed with ANACOM and GCD for the 2023-25 period	$\text{CPI} - \Delta \text{ Volumes} \times (1 - \text{VC}) - \text{E} + \text{K}$ <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">CPI</td> <td>Average of last 12m</td> </tr> <tr> <td>Δ Volumes</td> <td>y.o.y volume change, of last 12m (excluding bulk mail)</td> </tr> <tr> <td>VC</td> <td>Variable costs factor (16%)</td> </tr> <tr> <td>E</td> <td>+0.5% efficiency factor</td> </tr> <tr> <td>K</td> <td>Factor to apply to extraordinary conditions</td> </tr> </table>		CPI	Average of last 12m	Δ Volumes	y.o.y volume change, of last 12m (excluding bulk mail)	VC	Variable costs factor (16%)	E	+0.5% efficiency factor	K
CPI	Average of last 12m											
Δ Volumes	y.o.y volume change, of last 12m (excluding bulk mail)											
VC	Variable costs factor (16%)											
E	+0.5% efficiency factor											
K	Factor to apply to extraordinary conditions											

**Visibility and stability**

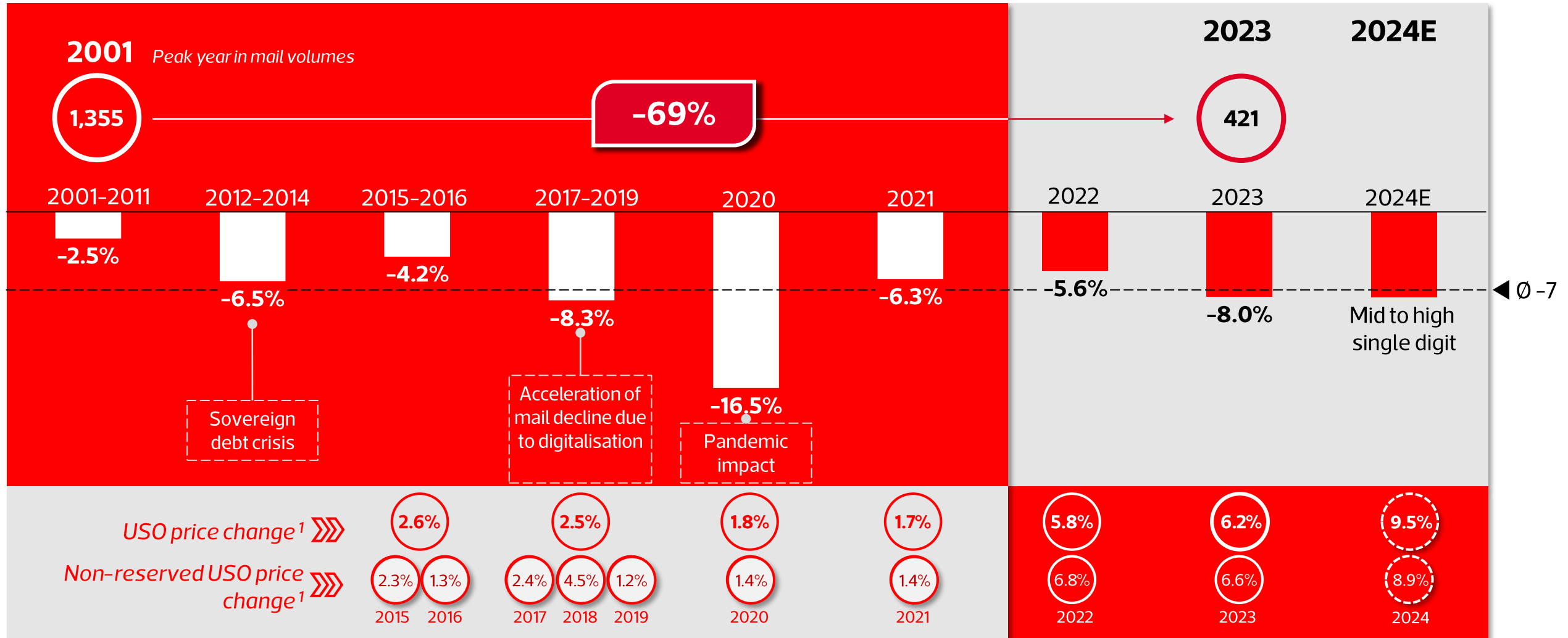


# Higher price increase offer improved outlook

2023 Review

## CTT addressed mail volumes evolution

Million items; CAGR (%)



<sup>1</sup>Includes basket of Non-reserved and Reserved USO services, and Special Prices, penalties associated with quality standards are not considered (0.08% in 2019 and 1% in 2020, of which 0.5% reflected on prices and 0.5% compensated by an alternative measure).

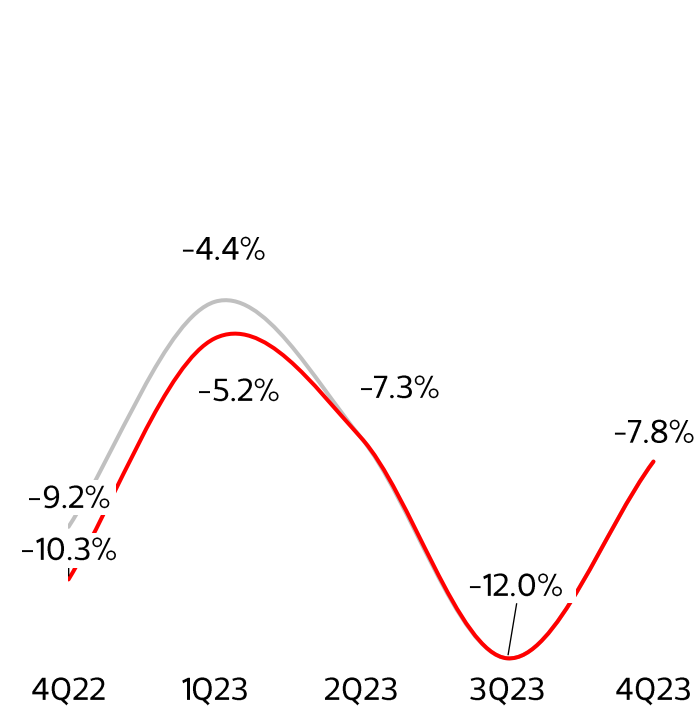
# Increasing average revenue per item leads to flattish addressed mail revenues

2023 Review

## Addressed mail volumes

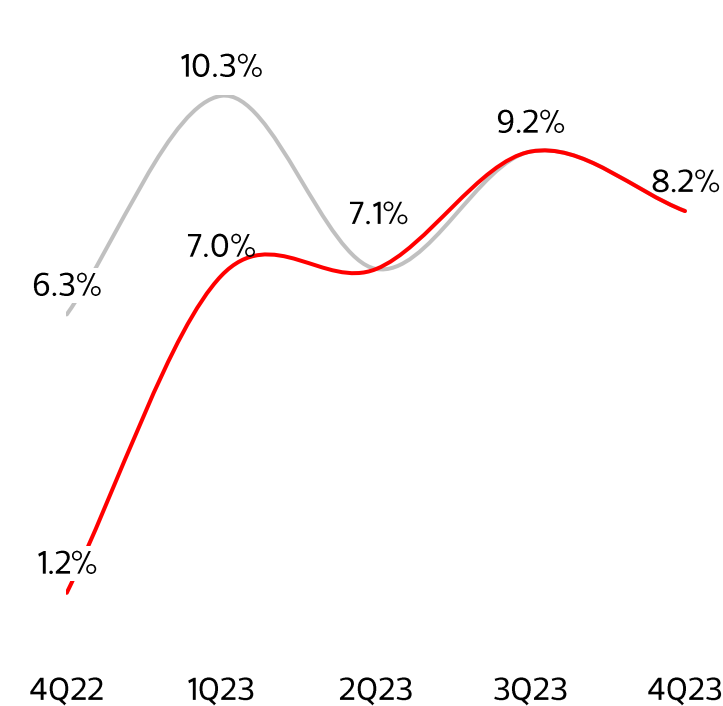
% change vs. prior year

— Adjusted for elections impact  
— Reported



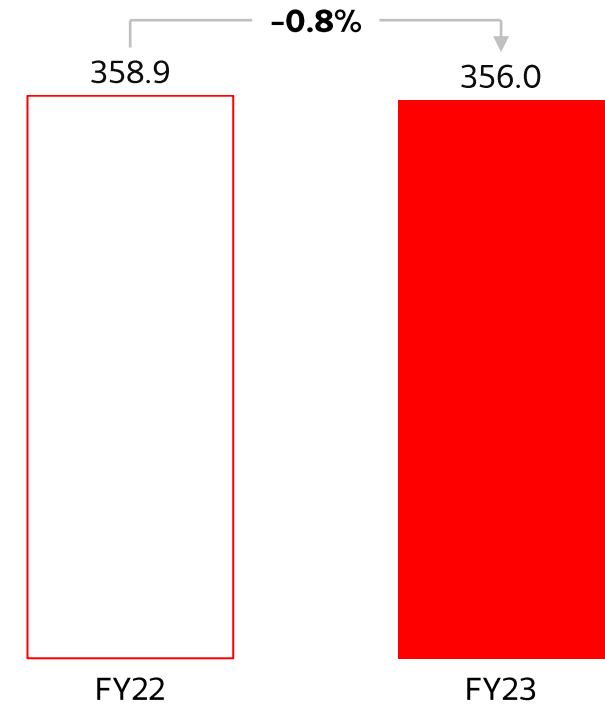
## Average revenue per item

% change vs. prior year



## Addressed mail revenues

€ million; % change vs. prior year



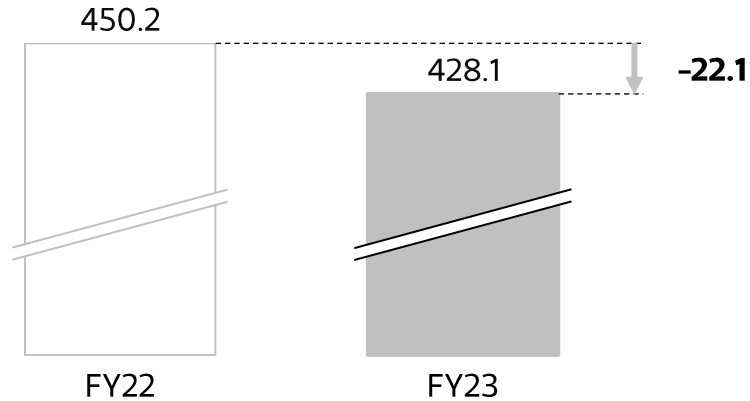
**Price increase of 9.49% in February 2024**

# Additional cost measures to deal with inflation

2023 Review

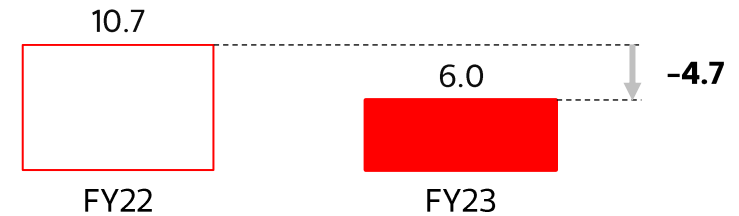
Mail & Other | Costs (Rec. EBIT level)

€ million



Mail & Other | Rec. EBIT

€ million



Productivity improvement initiatives in place

	Headcount (#)	Cost (€m)	Annualised impact in EBIT (€m)	Payback (years)
<b>FY23</b>	116	7.9	4.1	1.7
<b>FY24</b>	~200	13.4	>6.0	~3.0-3.5

Cost fully recognized in 2023

**Volumes and pricing render revenue stability**  
**Staff reduction will improve results in 2024**

Retail

Financial Services & Retail



**ctt**

# Significant progress on retail network repositioning towards services distribution



2023 Review

Enabling self-service

Widening portfolio of services

Focusing on digital and automation

Launch of first self-service station



178 lockers in stores with 24x7 access



Insurance products



Alarms and related services



CTT pre-paid Express bundles



Plano de Saúde CTT



Super App CTT



Helena AI Chatbot

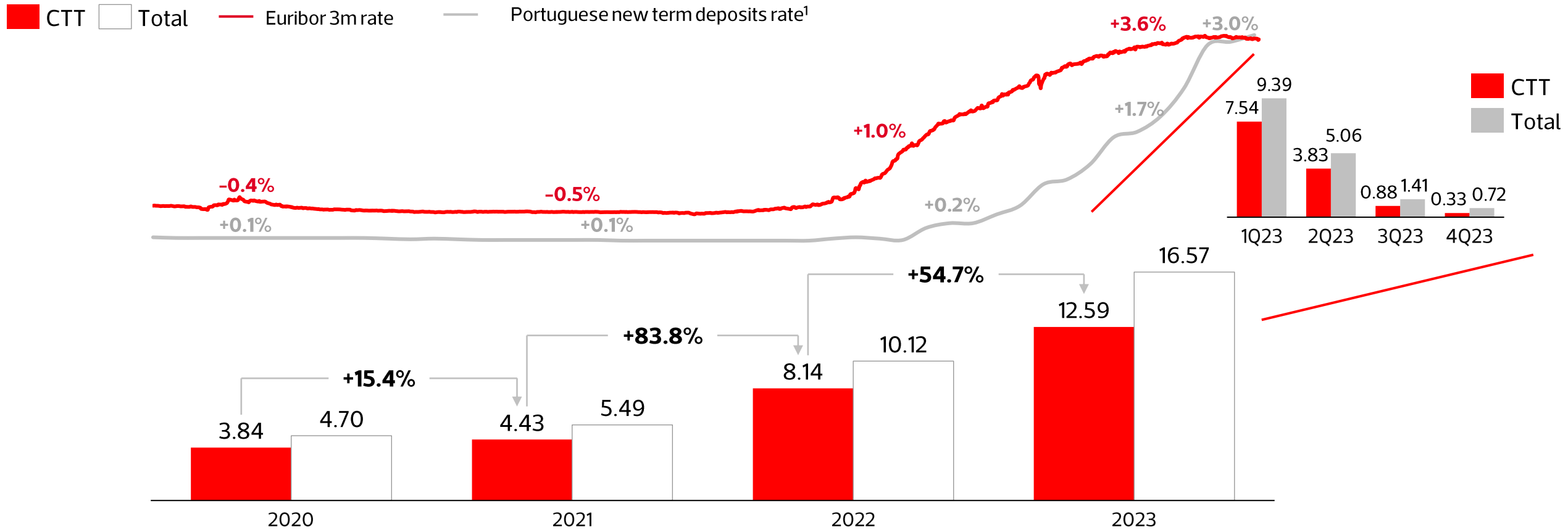


# Rise of Euribor rates led to extraordinary public debt placements

2023 Review

## Financial Services | Public Debt Placements

€ billion; % change vs. prior year



**Present placements below normal level given tighter ceilings and higher deposit rates**

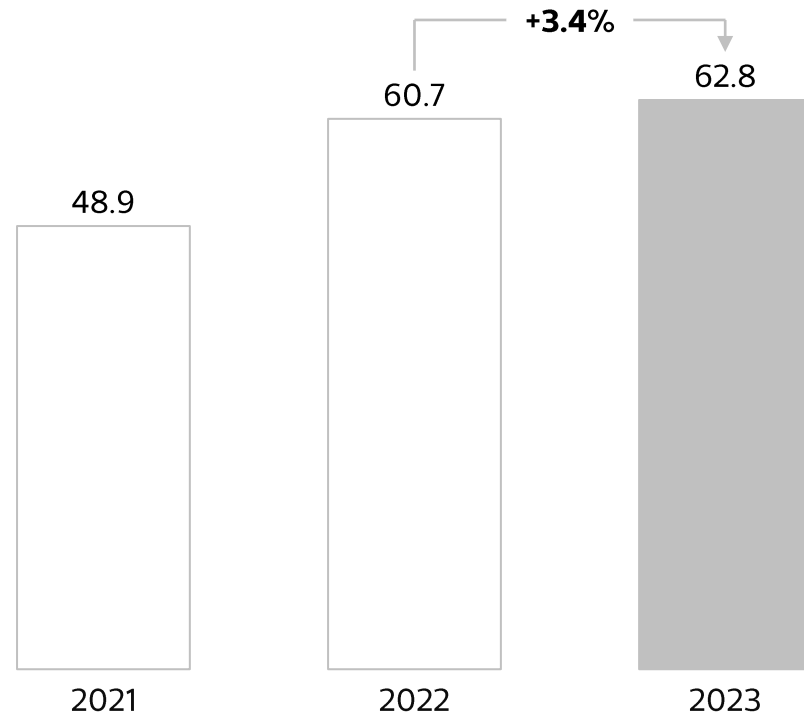
<sup>1</sup>Source: Banco de Portugal, new term deposit rates of Portuguese banks for retail clients

# Higher public debt placements impacted positively revenues and profitability

2023 Review

## Financial Services | Revenues

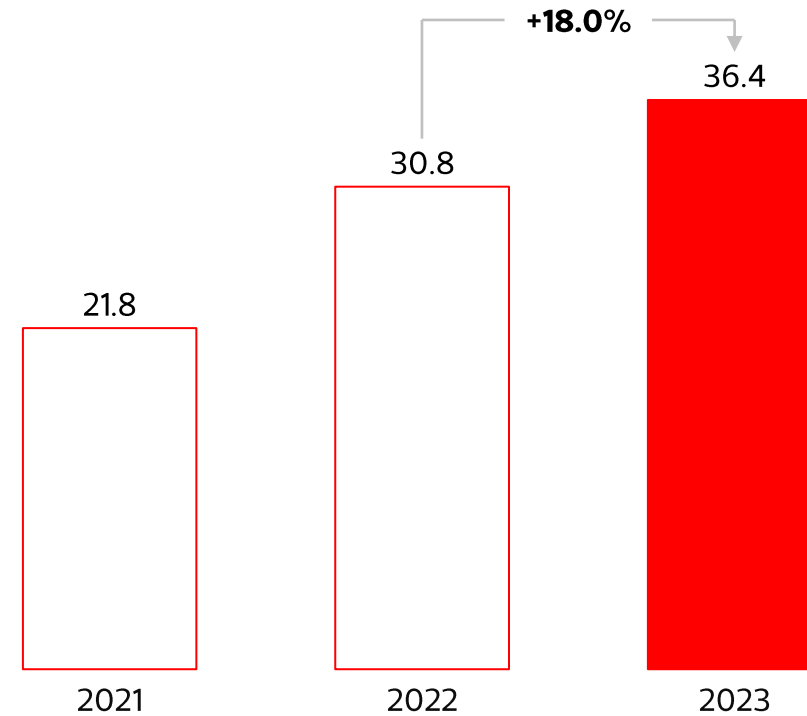
€ million; % change vs. prior year



## Financial Services | Rec. EBIT

€ million; % change vs. prior year

Margin: 44.6%      50.8%      58.0%



Retail  
Banco CTT



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# Combined healthy growth in loans and deposits

2023 Review

## Banco CTT – Customer deposits<sup>1</sup>

€ million, EoP

Cost<sup>5</sup>: 0.02%    0.02%    0.63%

## Banco CTT – Auto Loans volumes<sup>3,4</sup>

€ million, EoP

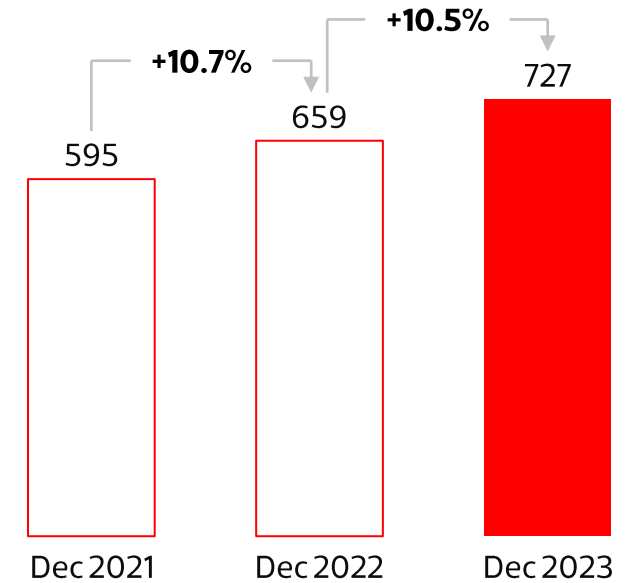
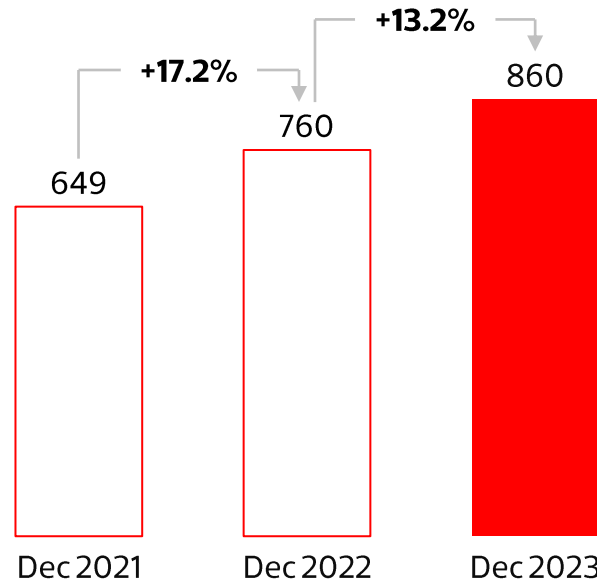
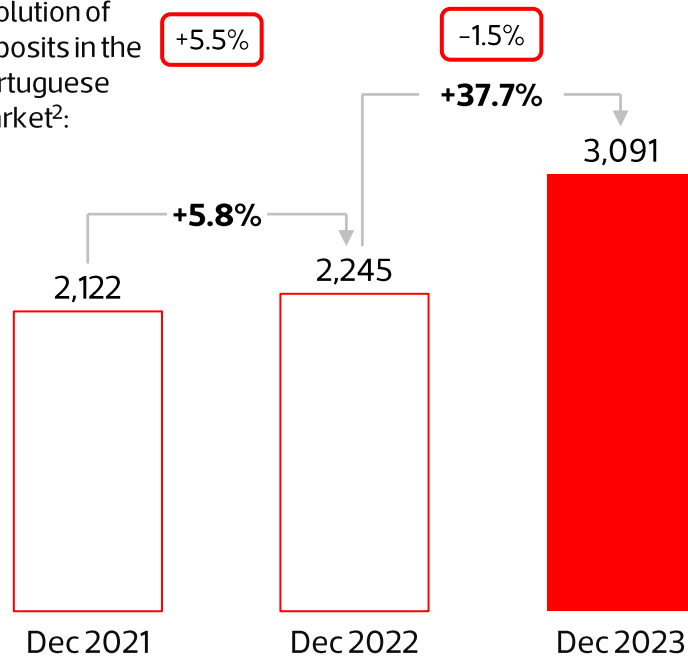
Yield<sup>5</sup>: 6.1%    6.2%    6.2%

## Banco CTT – Mortgage Loans volumes<sup>3</sup>

€ million, EoP

Yield<sup>5</sup>: 0.7%    0.9%    3.4%

Evolution of deposits in the Portuguese market<sup>2</sup>:



**Growth on all fronts**

<sup>1</sup>Retail Deposits, consolidated accounts; <sup>2</sup>Source: Banco de Portugal; <sup>3</sup>Net of impairments; <sup>4</sup>Consolidated contribution; <sup>5</sup>Cumulative

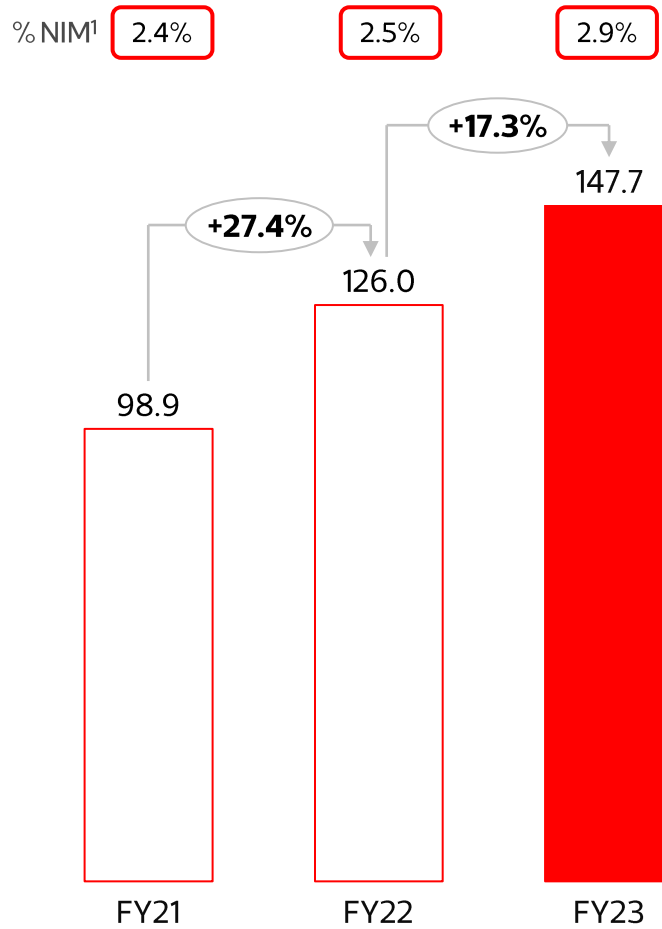
# Consecutive overall growth



2023 Review

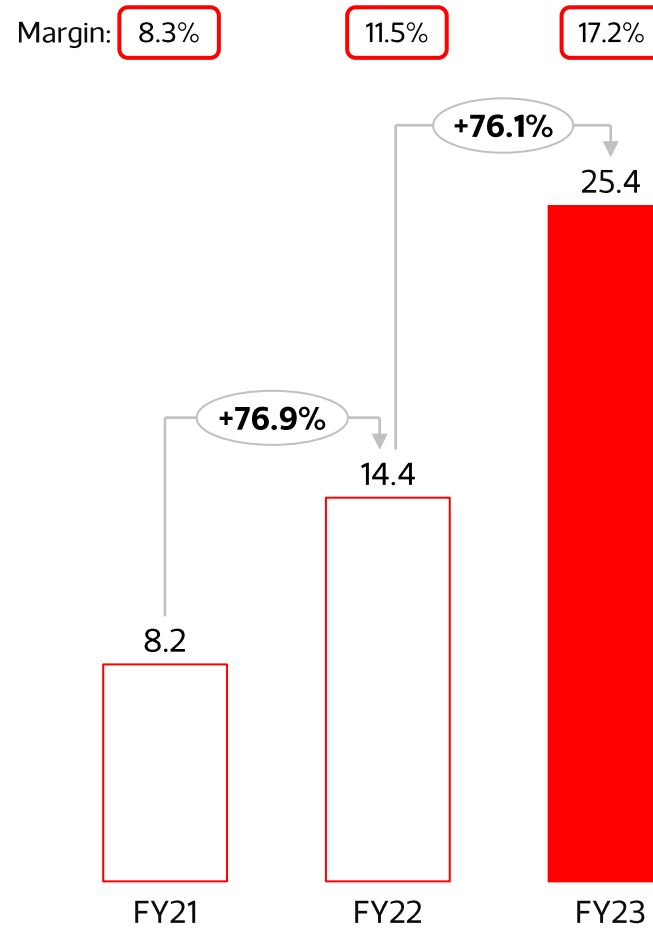
## Revenues

€ million; % change vs. prior year



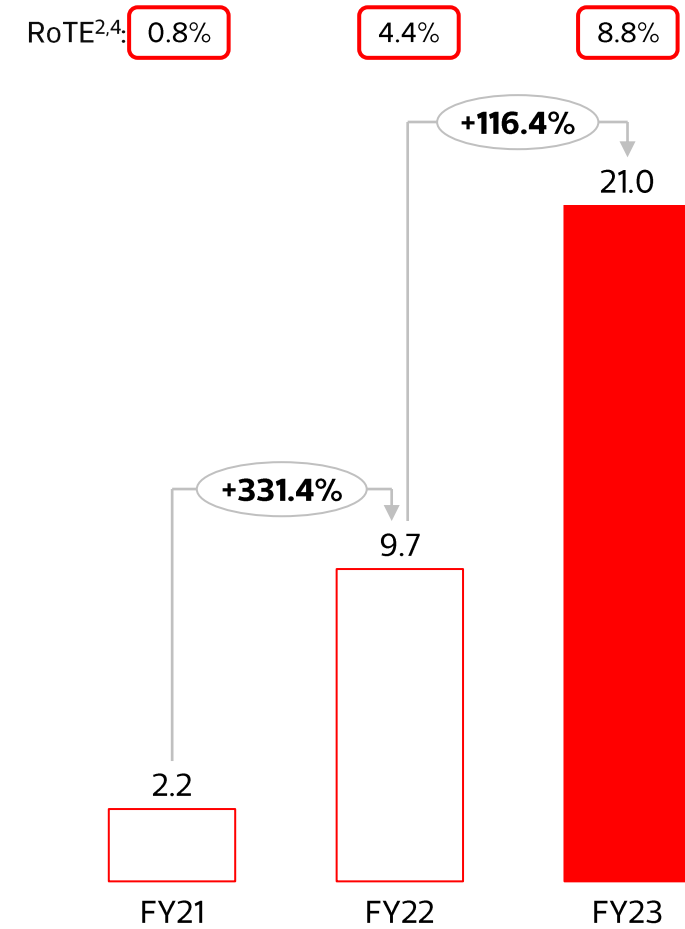
## Rec. EBIT

€ million; % change vs. prior year



## Profit before Taxes<sup>3,4</sup>

€ million; % change vs. prior year



**Significant RoTE expansion**

<sup>1</sup>Cumulative; <sup>2</sup>Recurring RoTE, cumulative and excluding specific items. Assuming a Tangible Equity of 15% of average RWAs RoTE would be 10.0% in FY23; <sup>3</sup>Banco CTT consolidation perimeter, excluding specific items; <sup>4</sup>Proforma due to Payshop transaction

# Steady growth towards medium-term targets

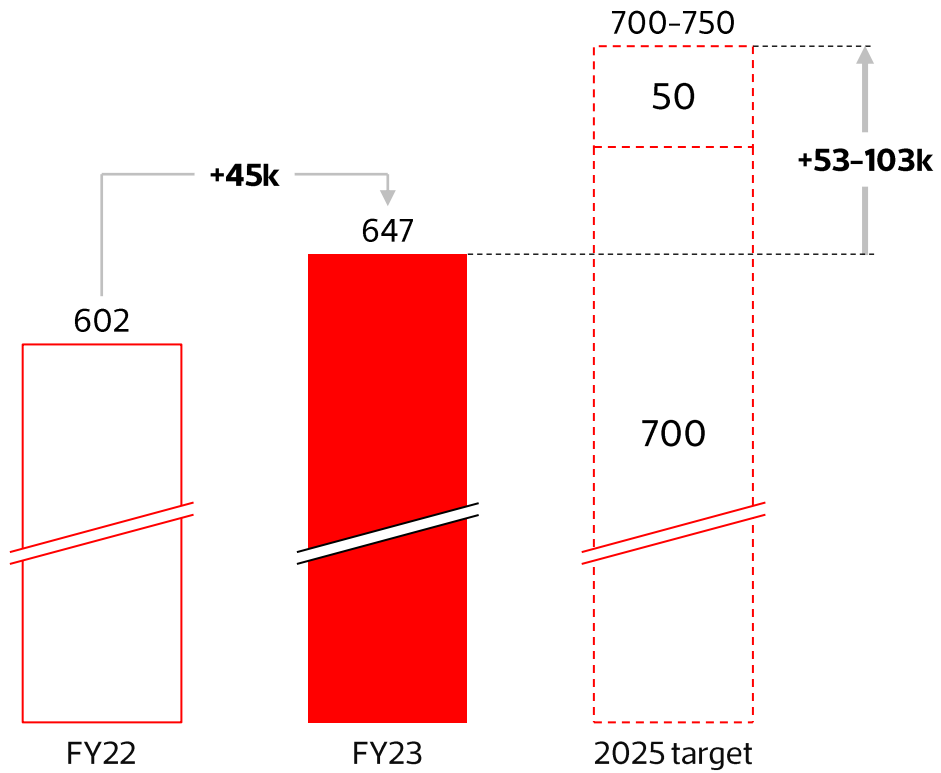
2023 Review

Number of Accounts  
thousands, EoP

Per quarter:

**+11k**

**+7-13k**

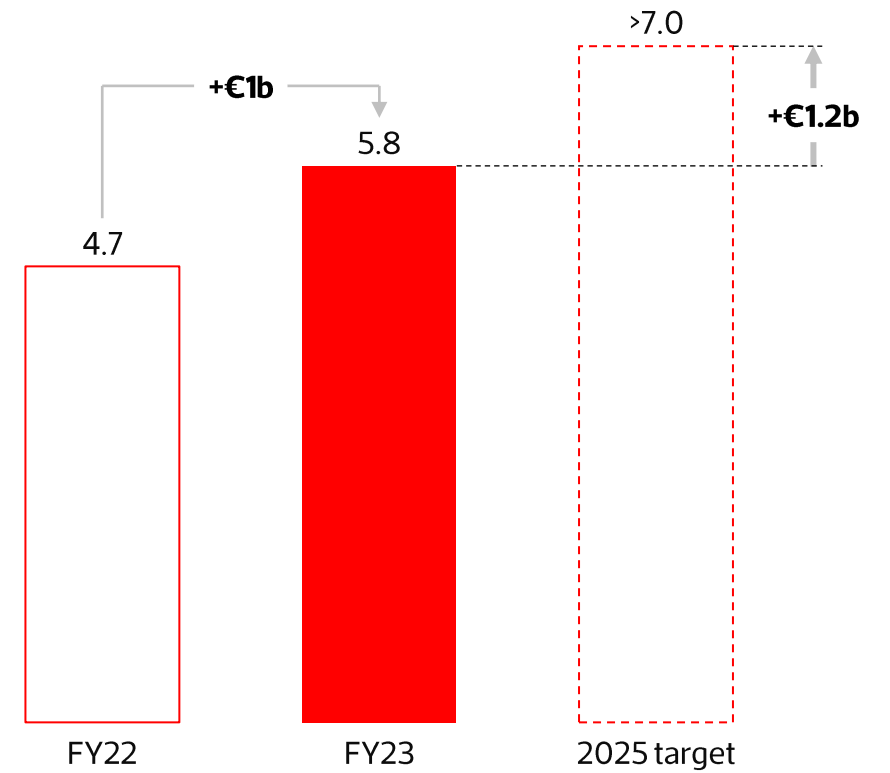


Business volumes (loans and resources)  
€ billion; EoP

Per quarter:

**+€0.26b**

**+€0.16b**



Real Estate

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# 2 strategies for 2 different portfolios to maximize value

2023 Review

## Yield Assets | Portfolio optimization

Transaction concluded



**398 assets**  
**€138m of market value**

- €101m book value
- Improve utilization of vacant spaces (around 25%)

### 2023 review:

- **363 of 398 assets were incorporated into CTT Imo Yield**
- **Sonae Sierra and other investors acquired<sup>1</sup> 26.3% of capital for €32.45m.**
- **Sonae Sierra appointed<sup>1</sup> as manager of the assets and of the entity**

## Development Assets | Asset by asset optimization

Development ongoing



**10 assets**  
**€50-60m of market value**

- with €26m of net book value
- Includes land owned by CTT
- Logistic assets that may be reformulated

### 2023 review:

- Establish plans to release assets
- Initiated analysis of urbanisation potential
- Organize portfolio within an “activity branch”

<sup>1</sup>Transaction concluded on 4 January 2024

ESG

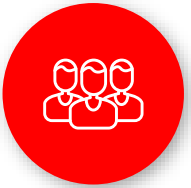
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## Climate change mitigation and adaptation (E)

- 100% of green vehicles in the last mile up to 2023 (50% by 2025)
- Reduction of 55% gross carbon emissions until 2030 with aim of compensating the balance
- Reach 80% of recycled and/or reusable packaging by 2025, and 100% by 2030



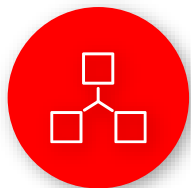
## Caring people and diversity experience (S)

- Gender parity of top and mid-management by 2025
- One of the top employers in Portugal by leveraging employees' centric culture as one of the key priorities



## Ambitious promotion of our local community (S)

- Allow CTT employees' active participation and an investment of 1% of EBIT, in volunteering and social impact programs that positively impact local communities by 2025



## Leading ESG operating model (G)

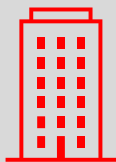
- Introduce specific incentives linked to ESG goals to 50% for top and mid-management by 2025 and boost employee engagement

### Linked with SGDS



# New headquarters and an intense people's agenda

2023 Review



## New headquarters

**1st phase Green Park building**, accommodating 19 departments and 240 workers. Extension to 4 floors planned for 2024



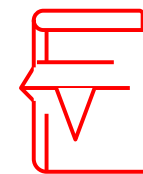
## Labour relations

**Salary review agreement (for 2024)** signed with all the unions, for the first time in CTT's history before the end of the year



## Gender parity

The **40% target** for women in **middle and top management** positions surpassed



## Salary repositioning

Exceptional merit-based salary review realised, covering **+1000 employees**



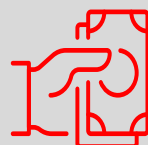
## My CTT

Implementation of the first phase of **SAP Success Factors** completed



## CTT Employee Apps

Launching of the **SouCTT** website and app, reformulating the entire employee benefits programme



## Subsidised Mortgages

**Subsidised mortgage loan solution** for CTT employees, as a way of supporting families and increasing well-being



## EFR Ambassadors

**Work-life balance** for employees, promoting **physical and mental health initiatives**



## Fast Track

In 2023, **750 leaders** participated in this leadership training programme



## IOS

Renovation of the **social protection system for employees and their families**, promoting the company's sustainability

**New initiatives on compensation and benefits, talent and employee experience**

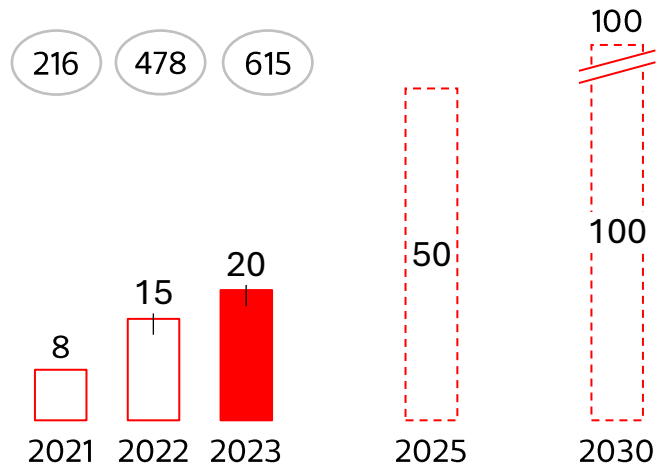


# Last mile fleet electrification is picking up towards objectives and so is gender parity , recycled materials and social impact programs

2023 Review

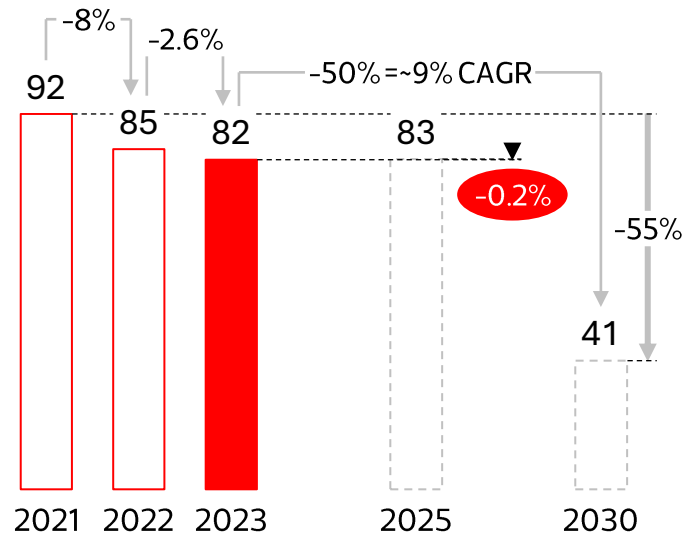
## Last mile green vehicles (own fleet)

○ # electric vehicles



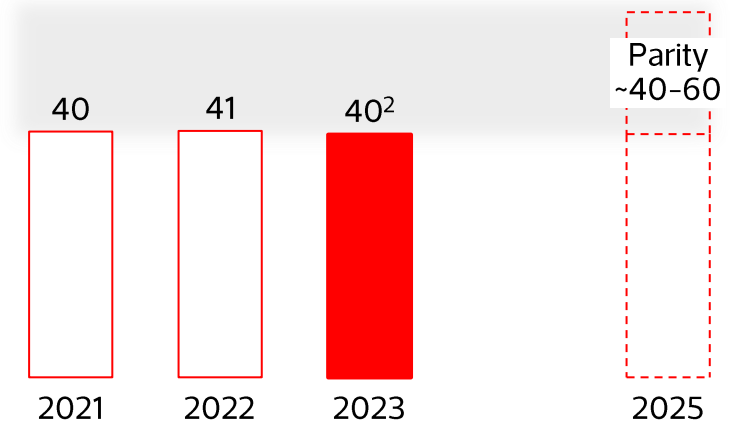
## Carbon emissions reduction<sup>1</sup>

thousand tonnes; % change vs. prior year



## Gender parity of top and mid-management

% of women



## Recycled and/or reusable packaging

82.4% +27.5pp y.o.y

Already within of the 2025 targets

## Volunteering & social programs participation

hours/year of engaged employees

4.4<sup>3</sup> +42% y.o.y

<sup>1</sup>Reduction of carbon emissions related to transport activity (owned + subcontracted fleets)

<sup>2</sup>In 2023, there was an increased proportion of women in the Board and, especially, in the 1st Line Directors (+1,2 p.p. YoY). This was slightly offset a higher rate of male hiring as 2nd Line directors.

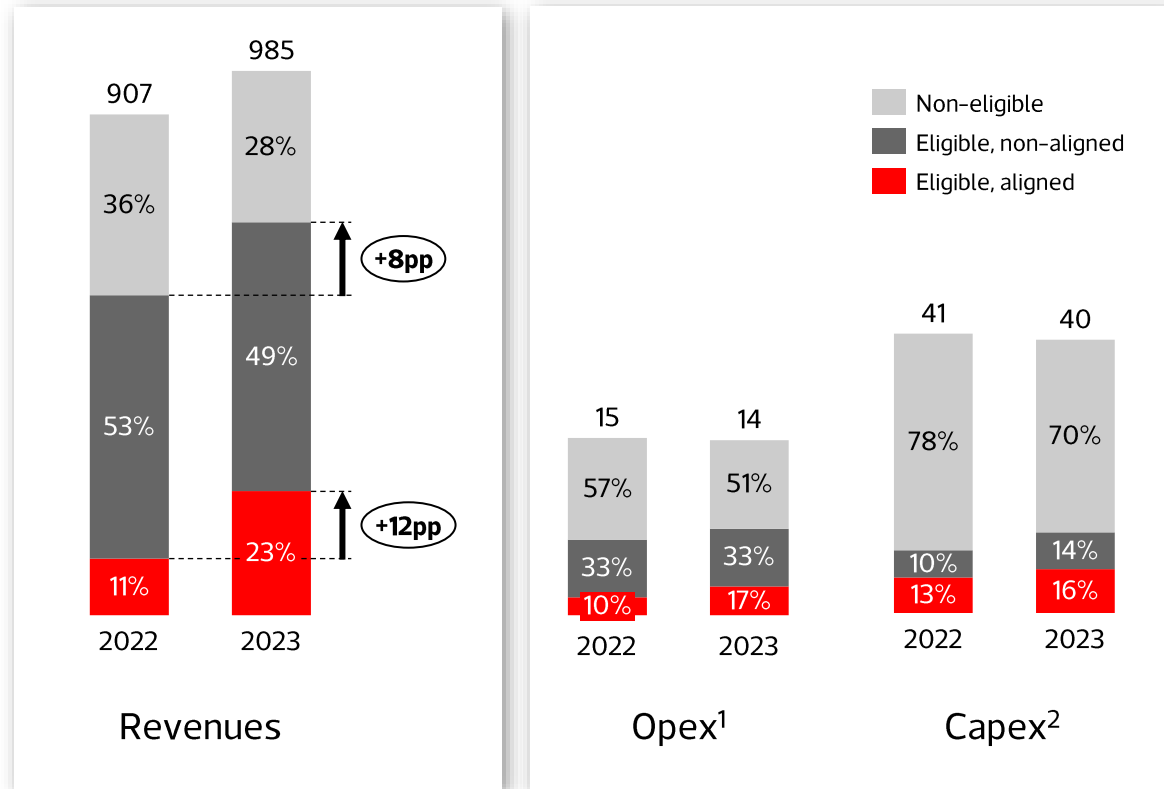
<sup>3</sup>17 initiatives, +400 participants, ~1,834 volunteering hours

# Significant progress regarding sustainability reporting

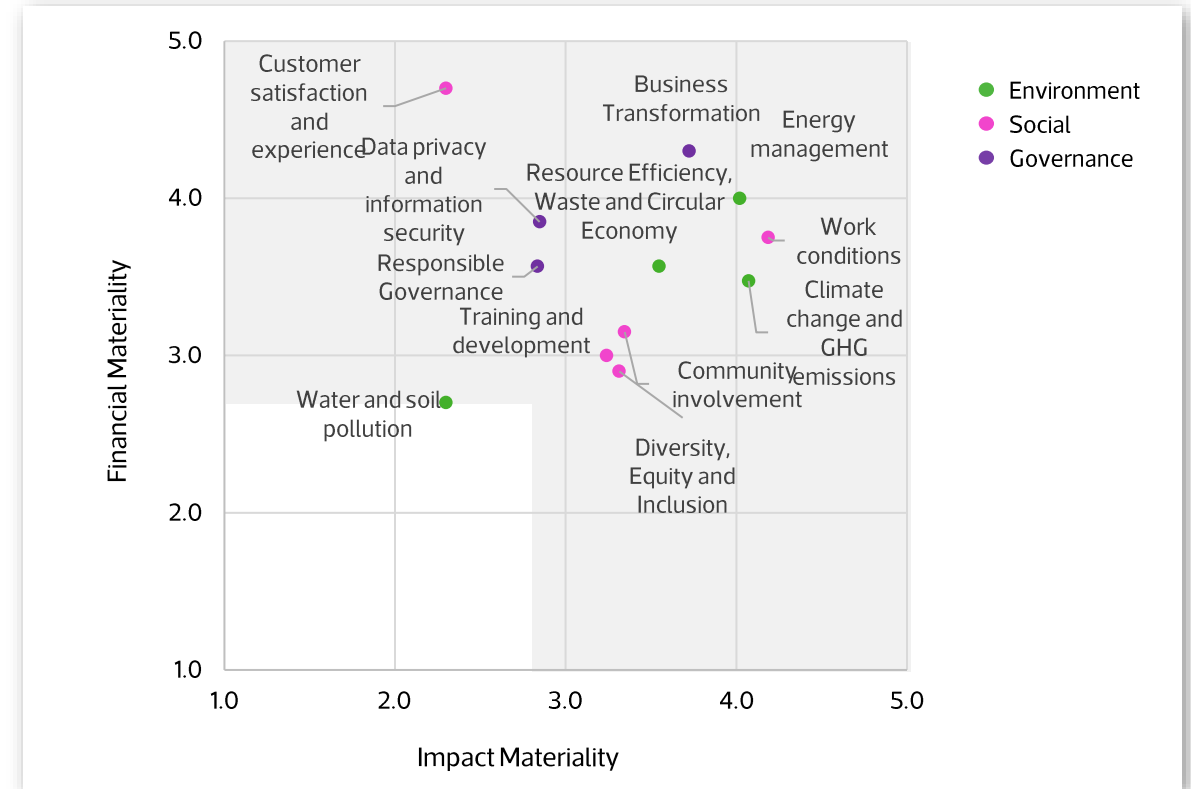
2023 Review

## Taxonomy, eligibility & alignment

% of Revenues, Opex and Capex



## CSRD Implementation & DM matrix



- **Eligible activities:** 72.2% of consolidated revenues (+8.1 pp yoy given the incorporation of air transport)
- **Aligned activities:** 22.8% of consolidated revenues (+11.5 pp yoy primarily due to last mile fleet electrification)

- DM exercise already concluded in early 2024
- CSRD / ESRS gap analysis in progress
- Plan to address gap to be initiated in 2024

<sup>1</sup>For taxonomy purposes, opex only includes buildings renovation/maintenance, non-capital R&D, short term leases and other non-capital lease costs and other expenses directly related to the maintenance of tangible assets or investment properties.

<sup>2</sup>For taxonomy purposes, capex is required to include new vehicles lease contracts booked as right of use and remeasurements.

# 2024 Priorities



**ctt**

Logistics

Express & Parcels



**ctt**

# Harmonization of the Iberian offer

2024 Priorities



## Product portfolio

**Alignment throughout the offer and the experience**, with unique systems and the customisation of products and other services.



## Customer segmentation

**Alignment of customer segmentation criteria at Iberian level**, according to their characteristics: size, e-commerce, international origin, etc.



## Iberian pricing tool

Introduction of a Single Iberian Pricing Methodology



## Commercial governance

Commercial articulation between Portugal and Spain in the management of large international accounts

**Standardisation of the offer and the commercial processes**

## Standardization of operational processes across Iberia

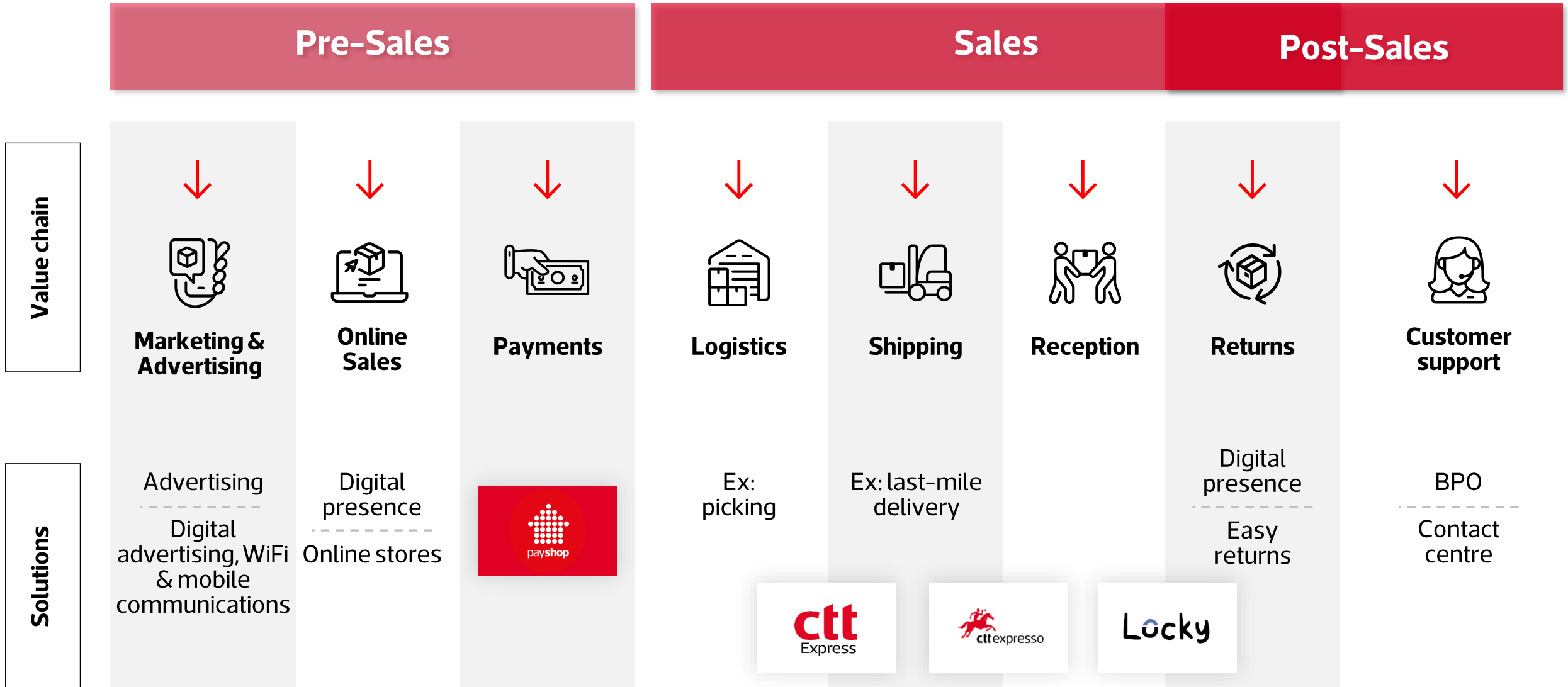
## Nurturing the largest Iberian PUDO network

- 01 Express handling and distribution**  
Iberian decision server: will integrate Espresso processing and distribution, both in the first and last mile, using artificial intelligence tools
  
- 02 Iberian transport network**  
Focus on aligning the Iberian transport network to ensure quality of service and improve efficiency
  
- 03 Customs Clearance Spain**  
Improving the customs clearance process, therefore increasing the penetration of new clients

- Continuous expansion of the CTT Iberian points network and its added value as a delivery and parcel reception service
- 01 Expanding the Iberian points network**  
**Lockers:** increase penetration in Portugal and start installation in Spain  
**Points:** new partnerships
  
  - 02 Guarantee uniformity of services across Iberia**  
**Parcel reception**  
**Delivery** of unlabelled shipments and returns  
**Shipping purchase**, to be integrated into ES in 2024

# Integrated e-commerce solutions along the entire value chain

2024 Priorities



# Continuous strengthening of e-commerce positioning

2024 Priorities

→ **Easy returns**  
Launch of a **dematerialised returns management platform**



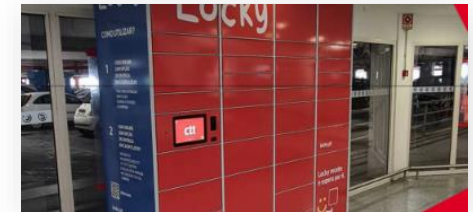
→ **Create Online Stores**  
≈**5k registered shops** and new features such as: bnpl with Klarna and bulk shipping



→ **Circular Economy**  
**Ciclo CTT**, in partnership with The Loop Company, implemented with **Fnac**



→ **Largest Iberian PUDO's network**  
~**17k** delivery points, including **826** lockers



→ **CTT Now**  
Acquiring el Corte Inglés as a new client, reaching a **46% increase in traffic**



→ **Plugin Platform**  
New plugin for Amazon, reaching **+350k annual shipments**



→ **E-commerce Day**  
The 8<sup>th</sup> edition honoured the Iberian format



→ **Awards (Locky & CTT Express)**  
Best Future of Customer & Consumers Project<sup>1</sup> and Top-10 e-commerce transport and logistics<sup>2</sup>



**Impactful implementation of initiatives**

<sup>1</sup>Prize awarded to Locky; <sup>2</sup>Prize awarded to CTT Express



# Expansion and consolidation of the Locky network

2024 Priorities

	NETWORK	SERVICES	TECHNOLOGY
<p><b>Expansion Portugal</b> Continued expansion of network, focusing on supermarkets and pharmacies and aiming to reach 1,500 lockers by 2024</p>	<p><b>E-sellers (Locky as a delivery point)</b> Continued integration of major e-sellers such as Amazon, Temu and Continente Online</p> <p><b>C2C features</b> Locky as a solution for receiving orders and C2C shipments and returns</p>	<p><b>Scalable and stable system</b></p> <p><b>Introduction of new features</b> such as management and integration of partner systems</p>	
<p><b>Launch in Spain</b> Analysis of possible forms of expansion</p>	<p><b>Click&amp;Collect (Locky as in-store collection point)</b> Increase in number of partners and refrigerated lockers</p> <p><b>Distributors (Locky as an open network)</b> Integration with other distributors (ongoing with UPS). 2023 integrations: Nacex, KeyNest</p>	<p><b>Integration of system flow improvements</b> resulting from feedback on usage from customers, operations and partners</p>	

**2024 milestones: integration with major e-sellers and new software generation**

An aerial photograph of a terraced vineyard. The rows of grapevines are arranged in a zig-zag pattern across the hillsides. A red van with the CTT logo is parked on a dirt path in the center. A small drone is flying above the van. A large red semi-transparent shape is overlaid on the top left corner of the image.

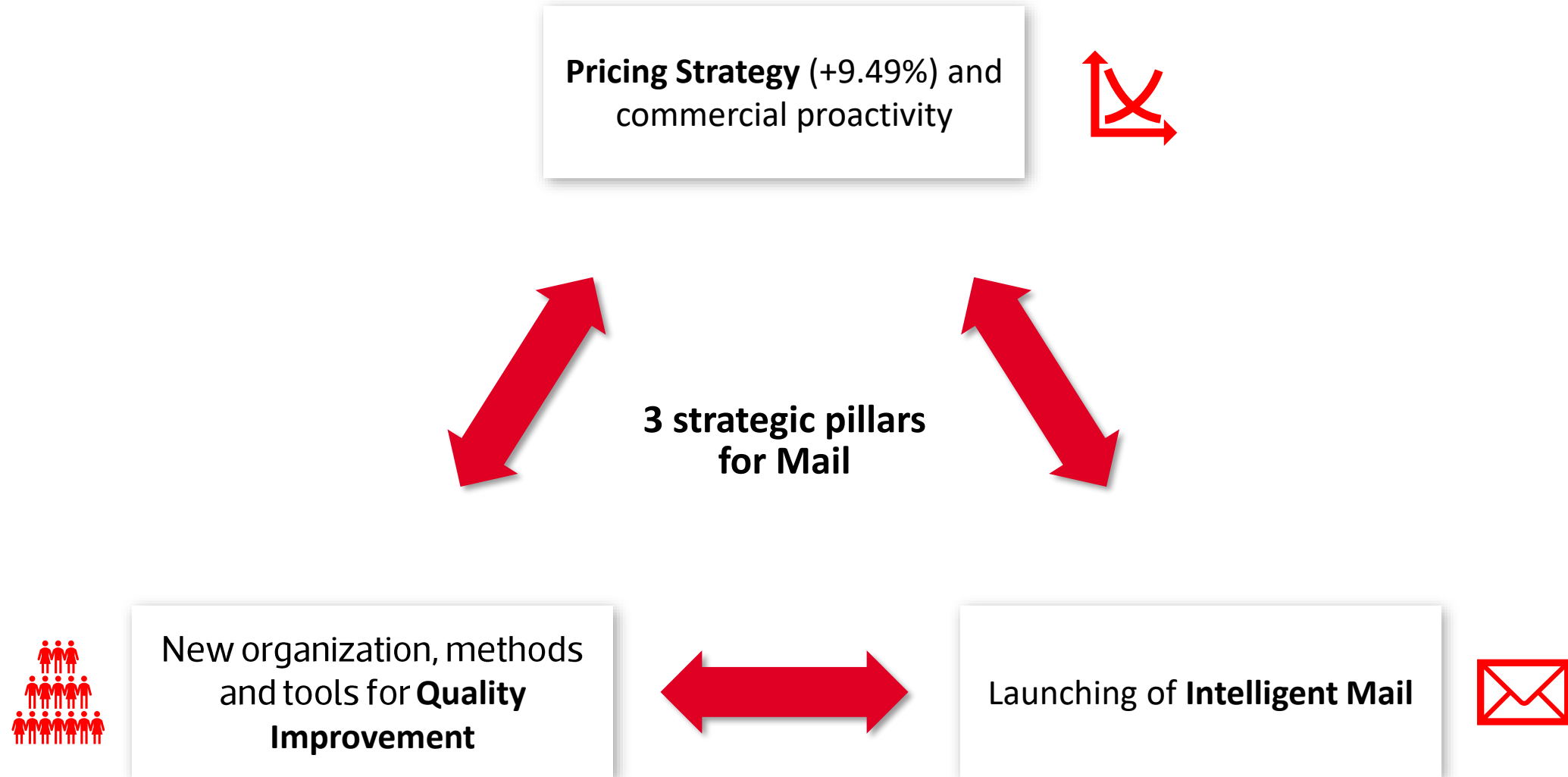
Logistics  
Mail & Others

The CTT logo, consisting of the lowercase letters 'ctt' in a white, bold, sans-serif font, is positioned in the bottom right corner of the image, set against a red background.

ctt

# Priorities in Mail are Quality, Price and New Offering

2024 Priorities



# Business Solutions complement the Mail offer, driving higher client relationship



2024 Priorities

## Mail Management

**Mailrooms:** physical and digital

**Printing & Finishing**

**Hybrid delivery**  
(e-letter, e-mail, ViaCTT)

## Contact Centers

**Inbound & Outbound** services

**Omnichannel** services  
(voice, e-mail, Whatsapp  
and social networks)

## Digital Platforms

**Education Management Platform**  
(SIGA)

**Complaints** Software

**Geographic Services**

## Document Management

**Document Digitalization**

**Archive** physical and digital

## BPO

**Administrative** tasks

**Specialized** tasks

**STICO** (Management system for  
Fines of Public Entities)

## Commercial Services

**Payshop** network and solutions

Creation of **online stores**

Online **Campaigns**

**Digital neighbourhoods**

**New client acquisition and cross selling with existing clients**

Retail

Financial Services & Retail



**ctt**

# Unique network capillarity, refocusing on services

2024 Priorities



**569**

branches spread across the country

**>1,800**

agents offering CTT products and services

**All 308 municipalities**

with a CTT store

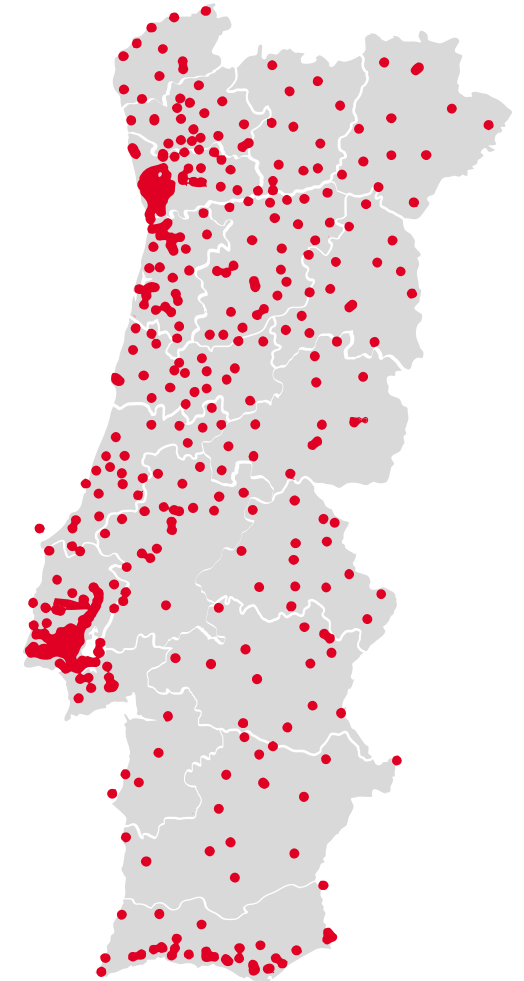
Azores



Madeira

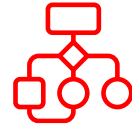


● CTT branches



# In-store experience aligned with customer needs

2024 Priorities



**Reformulate and segment** the shop concept



**Self-service** spaces to improve functionality and service



**Upgrade and digitalise** essential services (Super App and Website)

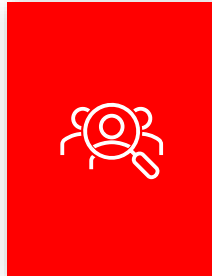


**Extend and optimise** the retail value proposition through the third-party network



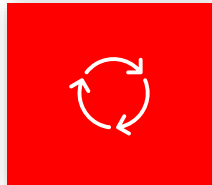
**Improving our people's sales** skills and commercial culture

**Unique proximity platform leverages a highly differentiated CTT asset**



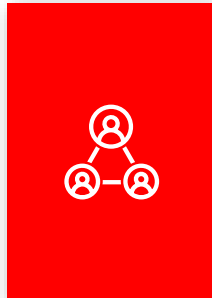
## Focus on Customer

- Modernise the customer experience
- Working on NPS: Analysing customer feedback, identifying problem areas, taking corrective action and monitoring results



## Resource Optimisation

- Reduce the use of resources in low value services



## Structuring a holistic vision of the CTT Retail Network

- Promote a customer retention strategy
- Implement a new commercial culture



## Improving Service Levels

- Reduce waiting times through digitalisation and self-service

## Key Enablers

- I. Simple, effective and automated processes
- II. Specialised, dynamic and motivated teams
- III. Systems, seamless connectivity and responsive equipment
- IV. Spaces adapted to the new model



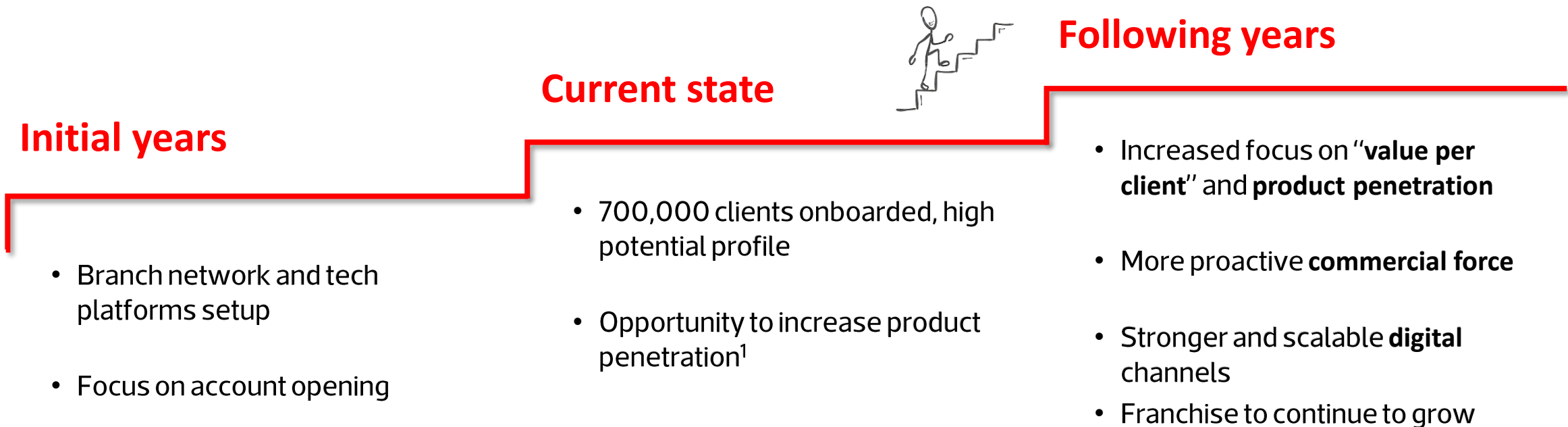
Retail  
Banco CTT



**ctt**

# High franchise potential establishes foundation for monetization

2024 Priorities

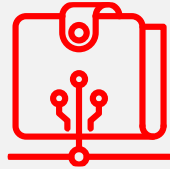


<sup>1</sup>Considers first holders above 18 years of age

# Banco CTT will continue to scale up for profitable and sustainable growth



2024 Priorities



## Monetising the Customer Base

- Strengthening the banking relationship with >700,000 acquired clients
- Price attacker stance both on current account commissions and deposits
- New offer on structured deposits, investment funds, ETFs and direct market access



## Excel in Bancassurance

- Leverage the partnership with Generali
- Converting Banco CTT into a platform for selling savings and insurance linked to credit



## Accelerate in household credit

- Consumer finance with stabilized footprint in auto-loans
- Mortgage with renewed ambition
- Significant balance sheet de-risk with end of Universo partnership

**Growing on business volumes and engagement with an improved risk profile**



## Digital Platforms

- Transformation of digital platforms, with a focus on selling services
- Offering an intuitive customer experience
- Focus on end-2-end sales processes, both in credit, resources, insurances
- Comprehensive array of digital services
- Consistent design



## Physical space

- Launch of Banco CTT centres
- Increasing work area and privacy levels
- Promoting self-services solutions
- Maintenance of low-cost, highly synergic leverage on CTT network and workforce (“secondary branches” and transaction services)



## People

- Specialized commercial team
- ~200 workforce (combination of internal – CTT Group – and external hires)
- Increased commercial proactivity, product knowledge and relationship building capacity

Real Estate

ctt



# 2 strategies for 2 different portfolios to maximize value

2024 Priorities

## Yield Assets | Portfolio optimization



**398 assets**  
**€138m of market value**

- €101m book value
- Improve utilization of vacant spaces (around 25%)

**2024 priorities:**

- Integrate remaining 35 assets (21,000 m<sup>2</sup> of GLA) with a valuation of €13.7m
- Improve operation efficiency of CTT's retail and logistic RE assets
- Improve occupancy
- Crystallise the value of earn-out assets

## Development Assets | Asset by asset optimization



**10 assets**  
**€50-60m of market value**

- with €26m of net book value
- Includes land owned by CTT
- Logistic assets that may be reformulated

**2024 priorities:**

- Value creation in real estate assets with development potential
- Partnerships to develop and crystallise the maximum value of each asset

ESG

ctt



# Continued focus on the ESG agenda

2024 Priorities



## Decarbonizing the offer

Increase of last mile electric vehicles



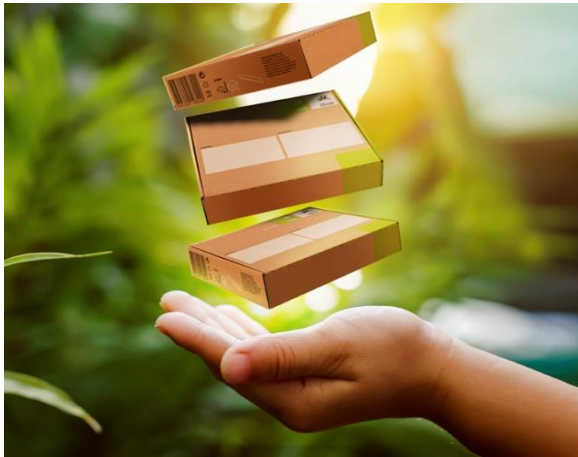
## Progressing on social impact

Promote a higher participation on volunteering initiatives



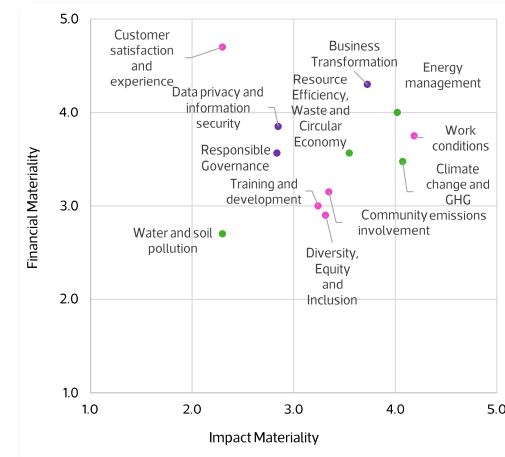
## Expanding ESG incentives

Alignment of incentives for higher commitment towards ESG targets



## Sustainability reporting

Strengthening the reporting to comply with EU standards



**Carbon emissions reduction and positive impact on people and community**



An aerial photograph of a vineyard, showing rows of grapevines in a terraced pattern. A dirt road runs through the center of the vineyard. A small red tractor is visible on the road. The left side of the image is partially covered by a red geometric overlay.

# Outlook 2024-25

**ctt**

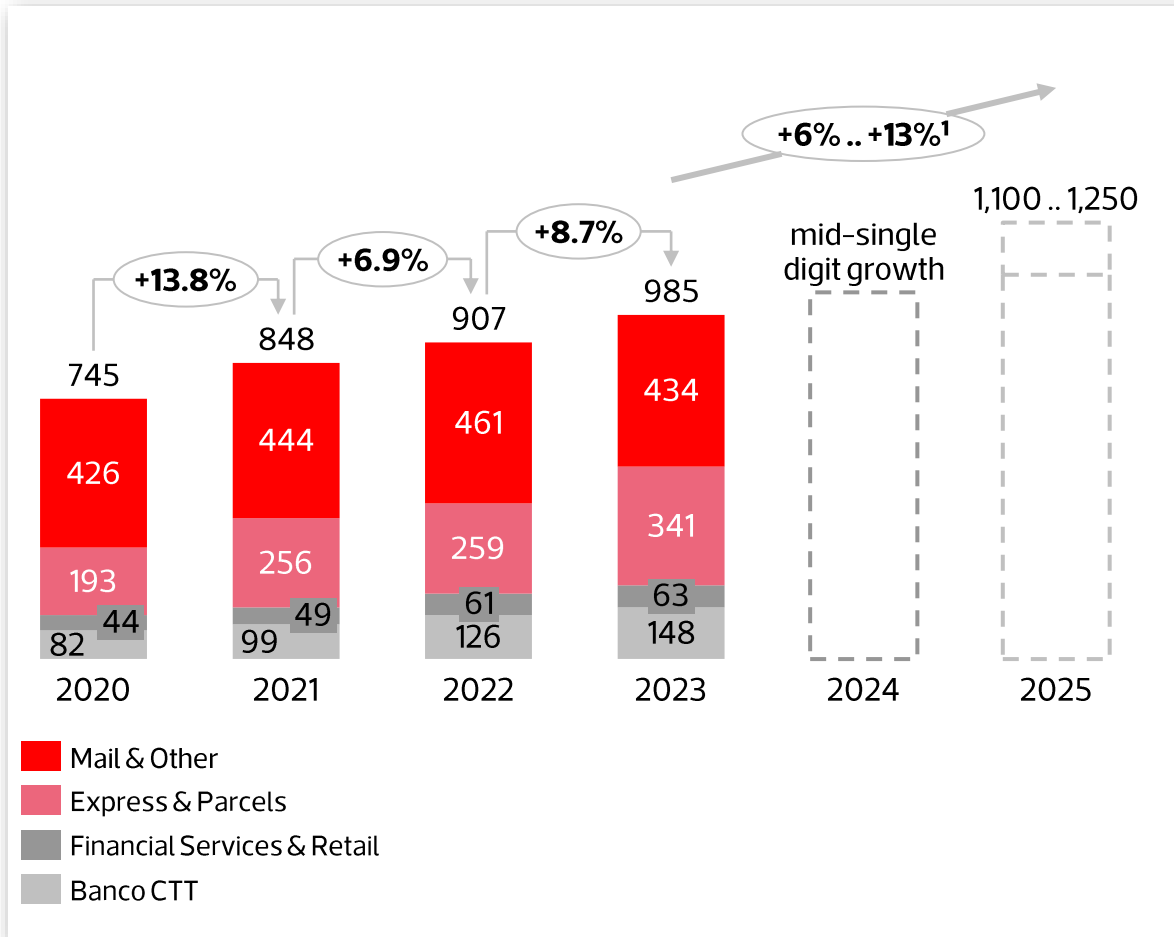
# Continued growth in 2024, follows a beat of the twice upgraded 2023 guidance



Outlook 2024-25

## Revenues

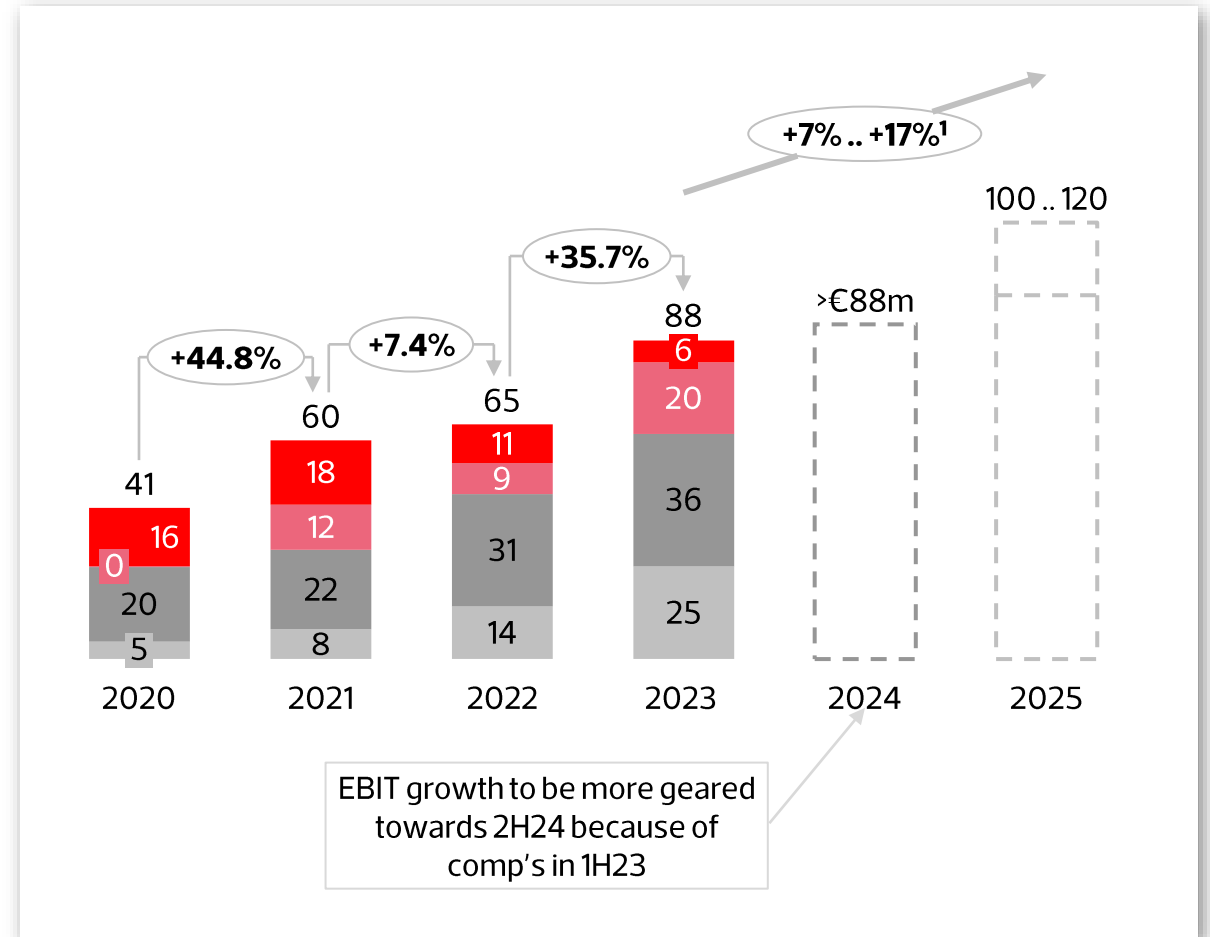
€ million



## Recurring EBIT

€ million

   Targets disclosed at the 2022CMD



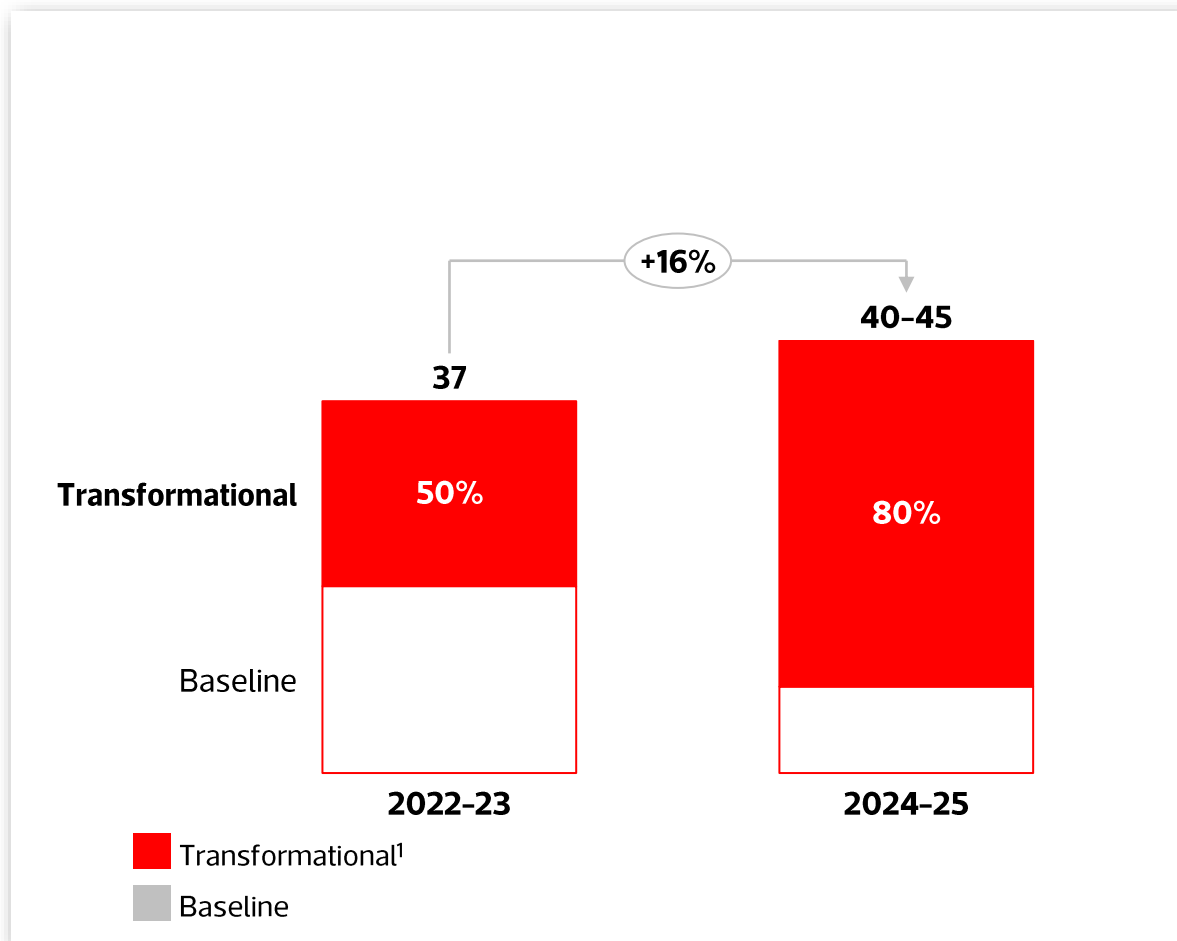
**Growing revenues and EBIT towards the CMD 2025 ambition**

# To support growth, we will carry on investing sharply

Outlook 2024-25

Annual average Capex

€ million



## Key areas of investment



Increasing **sorting capacity** across Iberia



Developing **lockers network** in Portugal and initiating expansion to Spain



**Investing in IT** to drive customer experience and operations efficiency



Reinforcing **quality of service**



**Revamp Banco CTT hubs** and upgrade **core platform** and **digital channels**

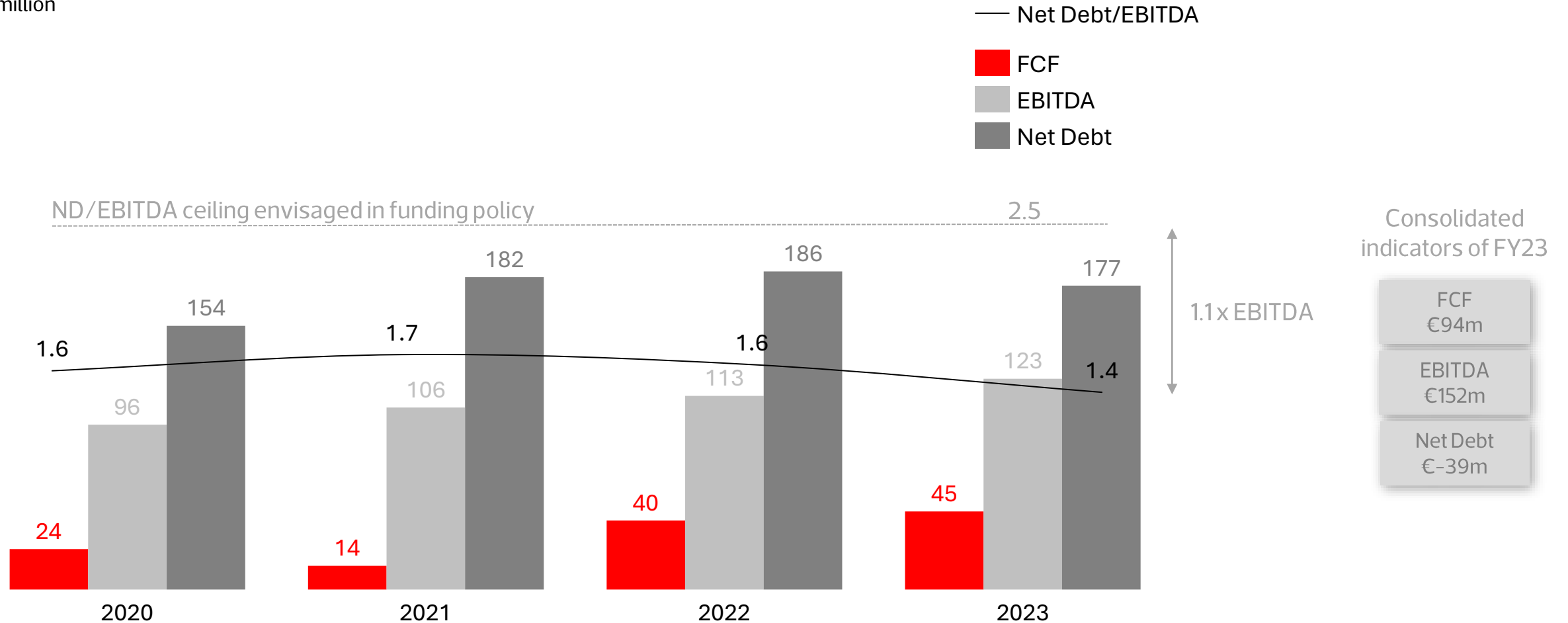
<sup>1</sup>Transformational includes Express & Parcels, Financial Services & Retail, Banco CTT and Business Solutions.

# Strong cash flow generation and flexible and solid balance sheet

Outlook 2024-25

FCF, EBITDA and leverage with Banco CTT under equity method<sup>1</sup>

€ million



**Significant buffer for expansion**

<sup>1</sup>From 2022 onwards it includes Payshop, which was previously part of Banco CTT

## 1. Investment in business growth



**Capacity and maintenance capex**



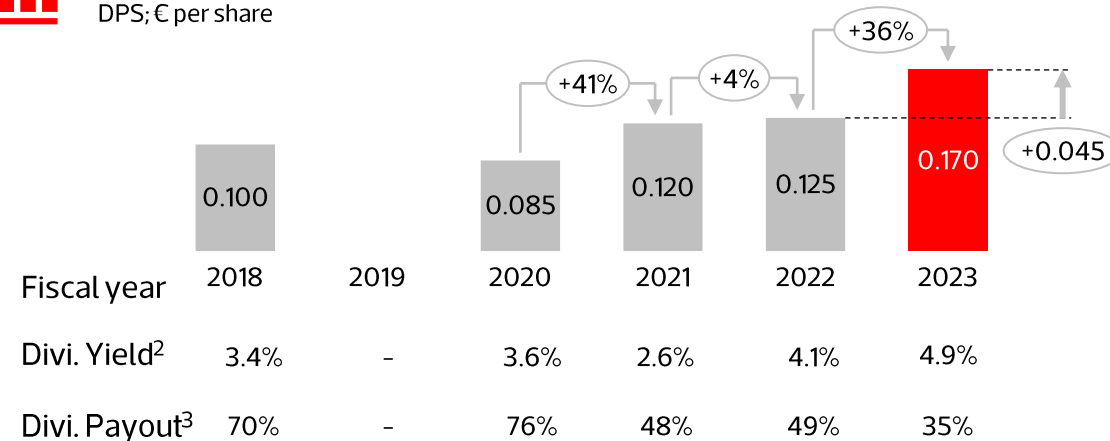
**Potential M&A**

## 2. Attractive shareholder remuneration



**Recurrent dividends<sup>1</sup>**

DPS; € per share

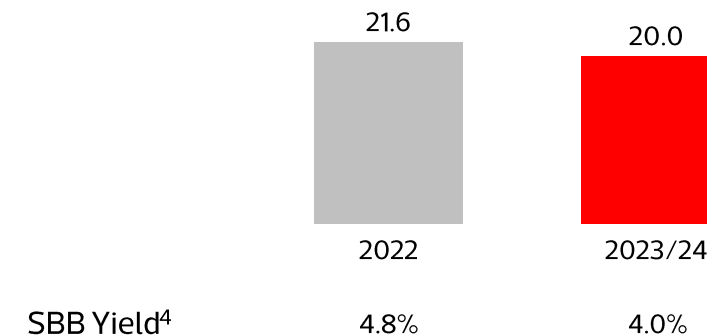


- ✓ Dividend of €0.17 per share proposed for the AGM of April 2024
- ✓ Fulfilling pay-out target: between 35% and 50% of net profit



**Opportunistic share buyback**

€ million



- ✓ SBB of €20m in execution in 2023/24
- ✓ SBB of €21.6m carried out in 2022; 6.085m shares acquired and cancelled

<sup>1</sup>For detailed information on CTT's Financial Policy, including its shareholder's remuneration principles, please refer to CTT's investor relations website and to the announcement disclosed on 23 June 2022;

<sup>2</sup>Yield calculated taking as a reference the year end share price of each year;

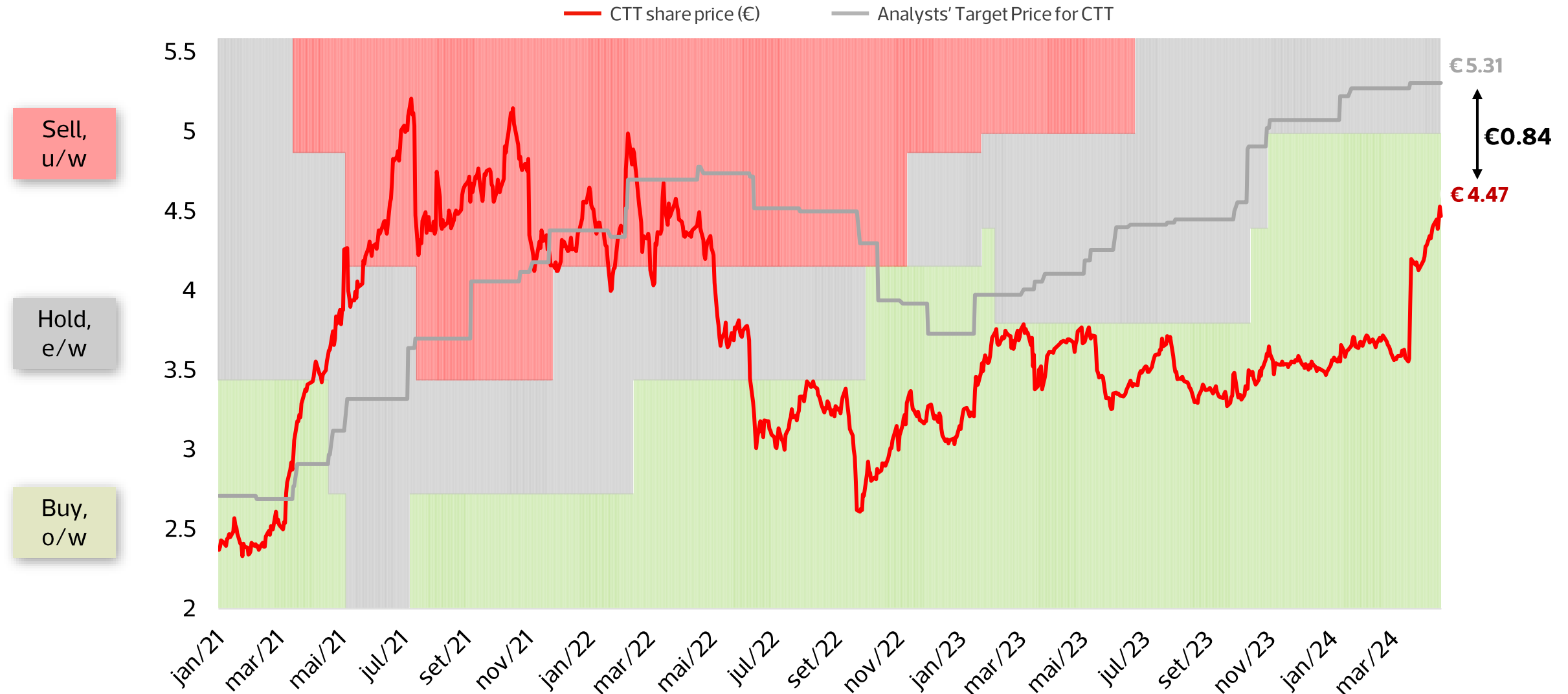
<sup>3</sup>Based on individual accounts; <sup>4</sup>Yield calculated taking as a reference the year end market cap of 2022 and 2023 respectively

# The sell side community recognized the merits of the strategy and execution of CTT



Outlook 2024-25

### CTT Share price evolution since beginning of 2021 vs. consensus price target



Source: CTT internal calculations based on analyst's recommendations (AS Independent Research, Barclays, CaixaBank BPI, Caixa BI, JB Capital, Santander) as of 19 April 2024; Bloomberg

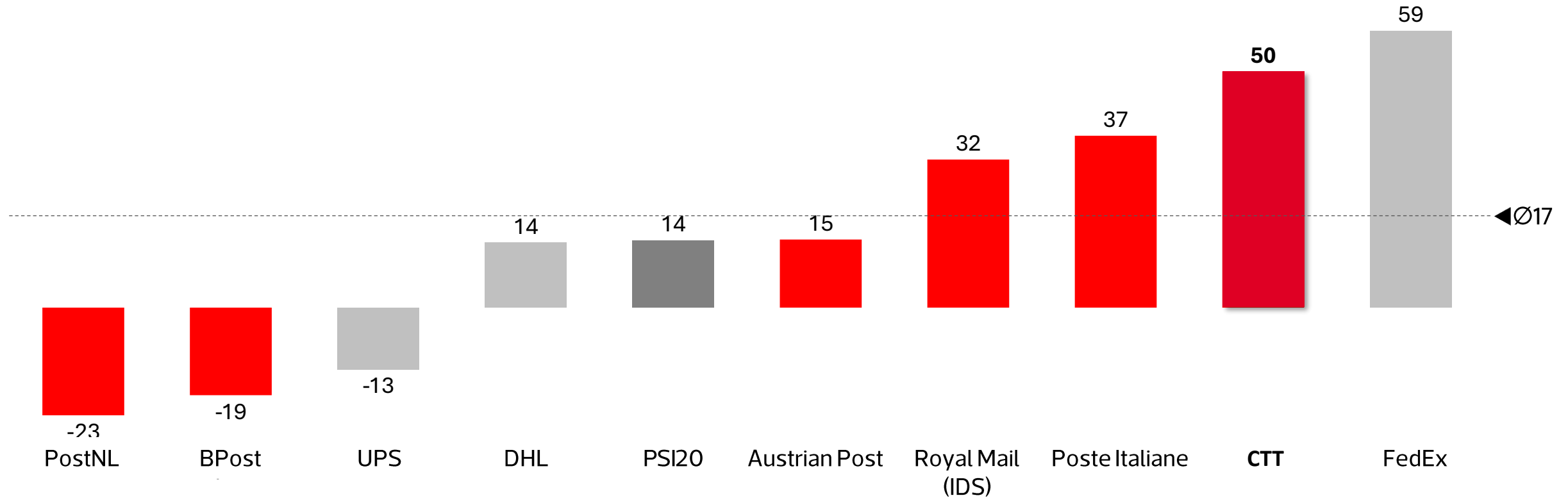
# CTT outperformed all the postal peers and the PSI20 throughout 2023-24



Outlook 2024-25

## Total Shareholder Return

% change from 31/12/2022 until 19/04/2024



**ctt**

Assembleia Geral de Acionistas  
Shareholders General Meeting  
2024

[ctt.pt](http://ctt.pt)

23 April 2024

**2023:  
a great year  
for CTT!**