



## Corporate Governance

## Governing Bodies

### **Board of the General Meeting**

Maria de Lurdes Nunes Mendes da Costa (Chairperson)  
Rui Luís Cabral de Sousa (Secretary)

### **Board of Directors**

Pedro José de Sousa Fernandes Homem (Chairman)  
José Manuel Trindade Morgado  
Carlos José Nascimento Magalhães Freire  
Jorge Manuel da Conceição Góis  
Manuel Alexandre da Rocha Barreto  
Paulo Jorge Gonçalves Dias Afonso  
Rui Manuel Fernandes Pires Guerra  
Paulo Jorge Carrageta Ferreira  
Amílcar Carlos Ferreira de Moraes Pires

### **Executive Committee**

José Manuel Trindade Morgado (Chief Executive Officer or “CEO”)  
Carlos José Nascimento Magalhães Freire (Deputy CEO)  
Jorge Manuel da Conceição Góis  
Manuel Alexandre da Rocha Barreto  
Rui Manuel Fernandes Pires Guerra  
Paulo Jorge Gonçalves Dias Afonso  
Paulo Jorge Carrageta Ferreira

### **Supervisory Board**

Ricardo Abecassis Espírito Santo Silva (Chairman)  
José Manuel Macedo Pereira  
Rui Boavida Viegas Vaz (Deceased on 9 September 2012)  
Joaquim Jorge Perestrelo Neto Valente (Appointed on 18 December 2012)

## Institutions in which the Bank has holdings in excess of 5% in the share capital, or over 5% of their own funds

Europ Assistance (Macau) – Serviços de Assistência Personalizados, Lda.	25%
Espírito Santo do Oriente – Estudos Financeiros e de Mercado de Capitais, Lda.	90%

## Substantial shareholder of the Bank

	<u>Ordinary shares of MOP1,000 each</u>	
	<i>Total number of ordinary shares held</i>	<i>% of total issued shares</i>
Banco Espírito Santo, S.A.	199,500	99.75%

## Summary of External Auditors' Report

### **To the Shareholders of Banco Espírito Santo do Oriente, S.A.**

*(Incorporated in Macau with limited liability)*

We have audited the 2012 financial statements for Banco Espírito Santo do Oriente, S.A. for the year 2012 in accordance with the Auditing Standards and the Technical Auditing Standards of the Macau Special Administrative Region. In our report dated 28 February 2013, we expressed an unqualified opinion on the financial statements.

The audited financial statements referred to above comprise the balance sheet as at 31 December 2012, and the income statement, statement of changes in equity, cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

The accompanying summarised financial statements prepared by the management were derived from the audited financial statements referred to above and the books and records of the Bank. In our opinion, page 1 to 5 of the summarised financial statements are consistent, in all material respects, with the audited financial statements and the books and records of the Bank.

For a better understanding of the financial position and the results of its operation for the period of Banco Espírito Santo do Oriente, S.A. and the scope of our audit, the summarised financial statements should be read in conjunction with the audited financial statements and our independent auditor's report thereon.

Lei Iun Mei, Certified Public Accountants

KPMG

Macau, 28 February 2013

## Unaudited information

(Expressed in Macau Patacas)

### 1 Report of Corporate Governance

The management of the Bank is entrusted to the following governing bodies:

#### ***Board of the General Meeting***

Maria de Lurdes Nunes Mendes da Costa (*Chairperson*)

Rui Luís Cabral de Sousa (*Secretary*)

#### Board of the general meeting

The Board of the General Meeting is composed of shareholders holding at least one hundred shares of the company and its deliberations, when taken in accordance with law and statutes, shall be mandatory for all, regardless the number of shares they owned.

The Board of the General Meeting is ordinarily held at the end of March of each year in order to discuss the report and accounts of the Board of Directors and the Supervisory Board Report of the previous year, to carry out the elections when necessary and discuss any other matters required by law.

#### ***Board of Directors***

Pedro José de Sousa Fernandes Homem (*Chairman*)

José Manuel Trindade Morgado

Carlos José Nascimento Magalhães Freire

Jorge Manuel da Conceição Góis

Manuel Alexandre da Rocha Barreto

Paulo Jorge Gonçalves Dias Afonso

Rui Manuel Fernandes Pires Guerra

Paulo Jorge Carrageta Ferreira

Amílcar Carlos Ferreira de Moraes Pires

#### Board of directors

The administration and management of all the affairs and interests of the Bank is supervised by Board of Directors which shall be composed of an uneven number of members, in number not less than three nor more than eleven. The Board main responsibilities, among others, are as follows:

- Coordinate the activities of the Bank;
- Establish the organization units of bank and approve their regulations;

## Unaudited information (continued) (Expressed in Macau Patacas)

### 1 Report of Corporate Governance (continued)

#### *Board of Directors (continued)*

##### Board of directors (continued)

- Deliberate on the establishment of an Executive Committee, which will consist of an odd number not less than three members, define competence, powers and way of operation and delegating it the management of the business and the use of corresponding powers;
- Prepare accounts that must be submitted to the Board of the General Meeting and submit to the Supervisory Board all documents required by law;
- Perform all acts aimed in achieving the Bank's activities and all other duties assigned by the statutes.

#### *Supervisory Board*

Ricardo Abecassis Espírito Santo Silva (*Chairman*)  
José Manuel Macedo Pereira  
Joaquim Jorge Perestrelo Neto Valente

##### Supervisory board

The Supervisory board comprises of three (3) independent directors, in which one (1) should be a registered auditor. The Supervisory board responsibilities, among others, are as follows:

- Closely monitor the management of the bank;
- Ensure compliance with the laws, regulations and articles of the association;
- Examine the books and accounting records;
- Fulfill other obligations imposed by law and the articles of the association; and,
- Annually prepare a Supervisory Report and give opinion on the Board of Directors' Report, Balance Sheet, Profit and Loss Account, and the proposed appropriation of profits by the Board of Directors.

## Unaudited information (continued)

(Expressed in Macau Patacas)

### 1 Report of Corporate Governance (continued)

#### *Executive committee*

The Board of Directors, through its Executive Committee (“EC”), is responsible for establishing and maintaining an adequate and effective internal control system and establishment and maintenance of risk management system. The EC was also granted such powers and authorities necessary for conducting and managing the Bank’s normal banking and related business activities.

Establishing and maintaining an adequate and effective internal control system implies not only defining the system’s underlying principles and objectives, which must be incorporated into the Bank’s strategy and policies, but also making sure that they are complied with by all employees, and that at all times the Bank has the necessary competence and resources to conduct its activity in strict compliance with the internal control system.

The EC is also responsible for the establishment and maintenance of a solid risk management system, which is within the framework of an adequate overall control environment. Alongside of efficient information and communication system and an effective monitoring process, this guarantees the adequateness and effectiveness of the Bank’s internal control system. The EC defines the objective risk profile, establishes the global and specific limits for exposures, and approves the procedures required to monitor these exposures, thus, ensuring that the established limits are complied with.

The EC meets regularly to review the management and performance of the Bank. The EC comprises of a CEO, deputy CEO and 5 directors.

The members of the EC are as follows:

José Manuel Trindade Morgado (*CEO*)

Carlos José Nascimento Magalhães Freire (*Deputy CEO*)

Jorge Manuel da Conceição Góis

Manuel Alexandre da Rocha Barreto

Rui Manuel Fernandes Pires Guerra

Paulo Jorge Gonçalves Dias Afonso

Paulo Jorge Carrageta Ferreira

Unaudited information (continued)  
(Expressed in Macau Patacas)

1 Report of Corporate Governance (continued)

Organizational chart

