

III. CORPORATE GOVERNANCE REPORT

Corporate Governance Report - Index

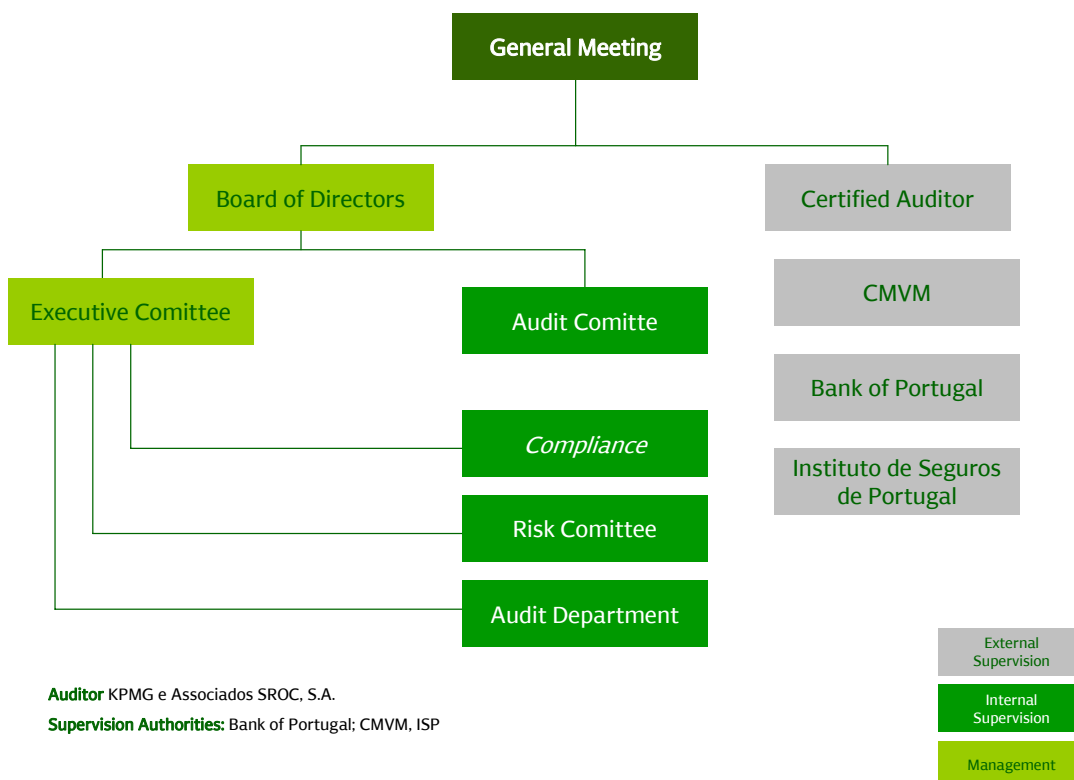
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1. Introduction

The corporate governance rules established by BES have the purpose to ensure responsible governance, oriented to value creation. The corporate governance model entrusts the overall management of the Company to the Board of Directors, which delegates its day-to-day management to the Executive Committee. The function of supervising the corporate business is attributed to an Audit Committee, together with the Statutory Auditor.

2008 will be a year of transition in the governance of listed companies in Portugal. In September 2007, the Portuguese Securities Market Commission (CMVM) approved new Recommendations and a new Regulation on Corporate Governance, which will come into force on January 1st, 2009. During 2008 BES will adapt the current rules and procedures to the new regulations.

BES' Governance Structure



BES' Main Companies

Banking	BES (Spain)	BES Oriente (Macao)	BES Angola (Angola)	ES Bank (USA)	BEST	BES Açores	BES Vénétie (France)	BESIL (Cayman)	BIBL (Cayman)	
	100%	99.75%	79.96%	98.45%	66.6%	57.53%	40%	100%	100%	
	Investment Banking	BESI Portugal & Sapin	BESI (Brazil)							
		100%	80%							
	Venture Capital	ES Capital	ES Ventures							
		100%	100%							
	Specialised Credit	Besleasing & Factoring	Locarent							
		89.36%	45%							
	Asset Management	ESAF SGPS	ESAF (Spain)	BESAF (Brazil)						
85%		92.5%	80%							
Insurance		BES Vida	BES Seguros	Europ Assistance						
	50%	25%	23%							
	Other	ES Recuperação de Crédito	ES Data	ES Contact Center	ESGEST	Esumédica				
100%		49%	76.64%	100%	24.90%					
Issuers		BES Finance (Cayman)								
		100%								

2. BES' Governance Principles and Declaration of Compliance with the Recommendations of the Portuguese Securities Market Commission (CMVM)

2.1 BES' Governance Principles

VALUE

Value creation based on socially responsible governance.

KNOWLEDGE

Business development underlined by a pursuit of knowledge and anchored on the transmission and accumulation of values for over one century of history.

STRICTNESS

Definition of strict policies to manage the various types of risk incurred in banking activities.

Acting upon strict principles of lawfulness, objectivity and clarity, seeking to ensure the confidence and loyalty of the different stakeholders (Shareholders, Clients, Employees and Suppliers).

TRANSPARENCY

A firm commitment to:

- disclosing information in such a way as to allow simultaneous and timely access of all stakeholders;
- establishing clear strategic objectives and a set of corporate values that are effectively communicated throughout the Company;
- setting and enforcing clear lines of responsibility and accountability throughout the Company;
- ensuring that board members are qualified for their positions, have a clear understanding of their role in corporate governance and are not subject to undue influence from management or outside concerns.

2.2. Declaration of Compliance with the CMVM Recommendations

BES adopts the majority of the recommendations of the Portuguese Securities Market Commission (CMVM) - the text of the applicable Recommendations, as approved in November 2005, is in Annex I. The only recommendation partly adopted is recommendation number eight, concerning the remuneration of the Board of Directors, in so far as no individual remunerations are disclosed.

8. The remuneration of members of the board of directors should be structured in such a way as to permit the interests of board members to be in line with those of the company, and should be disclosed annually in individual terms.

The remuneration of the members of the Executive Committee of the Board of Directors has a variable component that is dependent on the Company's results. This ensures that the interests of the Board members are aligned to the interests of the Company. This remuneration is disclosed as a whole; therefore the Recommendation was not adopted in the part that concerns the disclosure of individual remunerations. Banco Espírito Santo considers that disclosing the remuneration in individual terms would add no value to the overall information made available to Shareholders, or even less permit to assess the performance of each board member in each sector of the Company. Disclosure of the remuneration in overall terms ensures adequate knowledge of the cost (fixed and variable) incurred by the Company with its Board of Directors.

Scheme of the CMVM Governance Report CMVM	BES Corporate Governance Report
CHAPTER 0. Declaration of Compliance	
Detailed list of the adopted and non adopted CMVM Recommendations on the governance of listed companies	2.2. / Annex 1
CHAPTER I. Disclosure of Information	
1 - Functional organisation charts or maps describing the sharing of powers between the company's various bodies and including distribution of areas of responsibility among the Members of the Board	3.2.
2 - List of specific committees created within the company, indicating the independent Board members who belong to these committees	3.2.2/3.2.3
3 - Description of the risk control system implemented in the Company	3.3.
4 - Description of the issuer's share price performance	4.1.2
5 - Description of the dividend distribution policy adopted	4.1.2
6 - Description of the main characteristics of the plans to allot shares and stock option plans adopted or in force in the company in the reporting year	N/A
7 - Description of main elements of the business and transactions carried out by the company with members of its management and supervision bodies, holders of qualified stakes or companies under a parent-subsiidiary or group relationship	3.5.
8 - Reference to the existence of an Investor Relations Office	5
9 - Indication of the composition of the remuneration committee	3.4.5.
10 - Indication of the amount of the annual remuneration paid to the external auditors and to other person or corporate entity pertaining to the same network	3.3.2./ 3.4.3.
CHAPTER II. Exercise of shareholder voting and representation rights	
1 - Existence of statutory rules on the exercise of voting rights	4.3.
2 - Existence of a form for the exercise of voting rights by post	4.3.
3 - Possibility of exercising voting rights by electronic means	4.3.
4 - Prior period required for the deposit or blocking of shares for purposes of participating in the general meeting	4.3.
5 - Period of time required between the date postal votes are received and the date designated for the general meeting	4.3.
6 - Number of shares corresponding to one	4.3.
6 - CHAPTER III. Corporate rules	
1 - Reference to the existence of codes of conduct of the company's bodies or other internal regulations	3.5.
2 - Description of the internal procedures adopted to control the risks arising from the Company's	3.3.
3 - Indication of the measures susceptible of interfering with the success of public offerings for acquisition	4.2.2.
CHAPTER IV. Management body	
1 - Description of the Board of Directors	3.1./Annex 2
2 - Reference to the existence of an executive committee and other committees with powers to intervene in management matters	3.2.
3 - Description of the mode of functioning of the Board of Directors	3.1./3.2.
4 - Description of the remuneration policy	3.4.
5 - Indication of the individual or collective remuneration earned by the members of the board of directors in the reporting year, in the broad sense, i.e. including performance bonuses or others	3.4.1./3.4.2
6 - General lines of the whistler blowing procedures.	3.5.1.

3. BES' Corporate Governance model

3.1. Board of Directors

3.1.1. Responsibilities of the Board of Directors

The Board of Directors manages the Company's activities, being responsible for managing BES and for defining its strategy. In particular, the Board of Directors is responsible for guaranteeing that the Bank establishes adequate policies to manage the various categories of risk incurred in its activities, as well as for establishing means guaranteeing the independence of the decisions taken and ensuring that the principle of equal treatment is observed with regard to all Shareholders.

As the body with exclusive management powers in the company, the Board of Directors is responsible for¹:

- a) preparing the annual reports;
- b) proposing the distribution of results;
- c) deciding on the opening or closing down of establishments or important parts thereof;
- d) deliberating on important extensions or reductions of the company's activity;
- e) deciding on important changes in the company's organisation;
- f) establishing or terminating long-lasting and important cooperation relations with other companies;
- g) deliberating about merger, demerger and transformation projects;
- h) deliberating on bond issues, providing they are not convertible into shares;
- i) BES' Board of Directors has no powers to decide on a capital increase.

¹ According to the Portuguese Companies Law, article 406.

3.1.2. Composition of the Board of Directors

	1997	2002	2007
Board Members	19	31	31

According to the Company's by-laws the composition of the Company's Board of Directors may vary from a minimum of eleven to a maximum of thirty one members. Due to the renunciation of Jean Laurent as a Board member in October 2007, at the end of 2007 the Board of Directors had thirty members.

The Board Members may or may not be Shareholders and they are elected by the General Meeting, which also elects the Chairman of the Board of Directors and, if it so deems convenient, one or more Vice-Chairmen.

The duration of the mandate of each board member is four years. The current mandate started on March 30th, 2004. The re-election of board members is permitted, there being no limit for the number of re-elections.

There is also no age limit for occupying the position of board member. At present the average age of the Company's board members is 60, the oldest being 88 years old and the youngest 41.

In the case of definitive absence or impediment of any member of the Board, a substitute member will be co-opted, and this co-optation ratified in the next General Meeting. The mandate of the member so elected will expire at the end of the office period for which the replaced member had been elected.

Composition of the Board of Directors

Board Members	Birth Dated	Nationality	First Designation	Endo of Mandate	No. of shares	No of votes	Executive Committee	Independent	Reason for not being Independent
António Ricciardi	06-04-1919	Portuguese	Apr-92	2007	200 000	2 000	No	No	Member of the Board of Directors of Espírito Santo Financial Group, S.A.
Ricardo Salgado	25-06-1944	Portuguese	Sep-91	2007	436 880	4 369	Yes	No	Executive Member
Jean Laurent*	31-07-1944	French	Sep-99	2007	-		No	No	Member of the Board of Directors or contractual obligation with the Shareholder Crédit Agricole, S.A.
Mário Amaral	14-11-1932	Portuguese	Sep-91	2007	94 552	946	Yes	No	Executive Member
José Manuel Espírito Santo	02-05-1945	Portuguese	Apr-92	2007	124 725	1 247	Yes	No	Executive Member
António Souto	17-04-1950	Portuguese	Nov-90	2007	46 950	470	Yes	No	Executive Member
Jorge Martins	17-07-1957	Portuguese	Jul-93	2007	66 742	667	Yes	No	Executive Member
Anibal Oliveira	24-09-1935	Portuguese	Apr-92	2007	195 832	1 958	No	No	Member of the Board of Directors of Espírito Santo Financial Group (Portugal)-SGPS,S.A.
José Neto	08-01-1937	Portuguese	Apr-94	2007	22 880	229	Yes	No	Executive Member
Manuel Villas-Boas	29-05-1945	Portuguese	Abr-92	2007	-		No	No	Member of the Board of Directors of Espírito Santo Financial Group, S.A.
Manuel Fernando Espírito Santo	20-07-1958	Portuguese	Apr-94	2007	1 064	11	No	No	Member of the Board of Directors of Espírito Santo Financial Group, S.A.
José Maria Ricciardi	27-10-1954	Portuguesa	Mar-99	2007	19 555	196	Yes	No	Executive Member
Jean-Luc Guinoiseau	20-12-1954	French	Sep-99	2007	51 507	515	Yes	No	Executive Member
Rui Silveira	11-12-1954	Portuguese	Mar-00	2007	30 462	305	Yes	No	Executive Member
Joaquim Goes	09-09-1966	Portuguese	Mar-00	2007	47 917	479	Yes	No	Executive Member
Pedro Homem	19-07-1947	Portuguese	Jun-00	2007	41 501	415	Yes	No	Executive Member
Mário Adegas ^(*)	25-10-1935	Portuguese	Jun-80	2007	166 667	1 667	No	No	Independent Member according to the CMVM Regulation 07/2001 criteria. Non-independent member of the Audit Committee according to article 414/5 of the Companies Code, for having been reelected for more than two mandates
Luís Daun e Lorena	11-10-1944	Portuguese	Mar-02	2007	-		No	Yes	
Lázaro Brandão	15-06-1926	Brazilian	Mar-02	2007	-		No	Yes	
Ricardo Abecassis Espírito Santo Silva	04-11-1958	Portuguese	Mar-02	2007	43 004	430	No	No	Member of the Board of Directors of Espírito Santo Financial Group (Portugal)-SGPS,S.A.
Bernard De Wit	17-06-1959	Belgian	May-02	2007	-		No	No	Member of the Board of Directors or contractual obligation with the Shareholder Crédit Agricole, S.A.
José Pena	05-11-1940	Portuguese	May-03	2007	-		No	Yes	
Jean-Frédéric de Leusse	29-10-1957	French	Mar-04	2007	-		No	No	Member of the Board of Directors or contractual obligation with the Shareholder Crédit Agricole, S.A.
Amílcar Moraes Pires	30-05-1961	Portuguese	Mar-04	2007	24 291	243	Yes	No	Executive Member
Bernard Delas	01-08-1948	French	Mar-05	2007	-		No	No	Member of the Board of Directors or contractual obligation with the Shareholder Crédit Agricole, S.A.
Miguel Horta e Costa	28-07-1948	Portuguese	Nov-90	2007	-		No	No	Member of the Board of Directors of Banco Espírito Santo de Investimento
Nuno Godinho de Matos	31-10-1949	Portuguese	Apr-06	2007	-		No	Yes	
Alberto de Oliveira Pinto	26-06-1932	Portuguese	Apr-06	2007	-		No	Yes	
João Freixa	24-06-1956	Portuguese	Sep-06	2007	-		Yes	No	Executive Member
Jean -Yves Hocher	24-08-1955	French	Mar-07	2007	-		No	No	Member of the Board of Directors or contractual obligation with the Shareholder Crédit Agricole, S.A.
Michel Goutorbe	16-11-1956	French	Jul-07	2007	-		No	No	Administração ou vínculo contratual com o accionista Crédit Agricole, S.A.

(*) Renounced to his mandate in October 2007

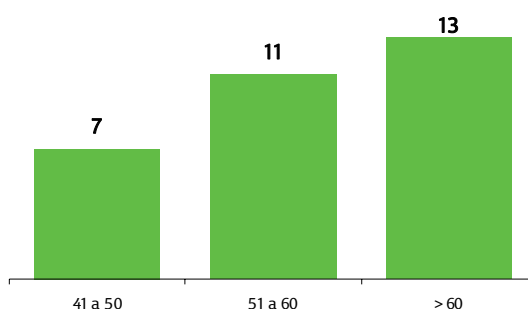
(**) Mandates: November 1990 - 1992; Since March 2005

At the General Meeting of March 29th, 2007 the Shareholders approved the election of Jean-Yves Hocher as a member of the Board of Directors, replacing in that position Michel Victor François Villatte, who had renounced his mandate on February 7th, 2007.

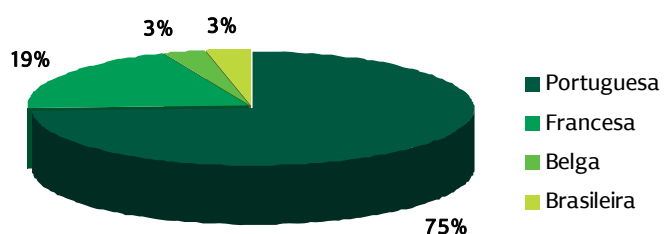
On July 26th, the Board member Patrick Coudène renounced his mandate and Michel Goutorbe was co-opted to replace him.

On October 10th, Jean Gaston Pierre Marie Victor Laurent renounced his position as Vice Chairman of the Board of Directors of BES, for which he had been elected by the General Shareholder's Meeting of March 30th, 2004.

Age of the members of the Board of Directors



Nationality of the members of the Board of Directors



Board Member	Academic Degree	Professional Career in the last 5 years
António Ricciardi	Faculdade de Ciências de Lisboa; Escola Naval da Marinha de Guerra; Escola da Aviação Naval	Chairman of the Board of Directors of Banco Espírito Santo.
Ricardo Salgado	Graduated in Economics from <i>Instituto Superior de Ciências Económicas e Financeiras</i> of the <i>Universidade Técnica de Lisboa</i> .	Vice-Chairman of the Board of Directors and Chairman of the Executive Committee of Banco Espírito Santo, Chairman of the Board of Directors of: Partran, SGPS, S.A., Espírito Santo Financial Group, S.A. and Bespar - SGPS, S.A.. Since 2003 Member of the <i>Executive Committee</i> of the <i>Instituto Internacional de Estudos Bancários</i> and its Chairman from October 2005 to December 2006. Since 2003 Member of the Board of Directors of Banco Bradesco (Brazil). Member of the Board of Directors and of the Human Resources Compensation Committee of NYSE Euronext.
Jean Laurent	<i>Ingénieur Civil de l'Aéronautique - École Nationale Supérieure de l'Aéronautique</i> ; Master of Sciences, Wichita State University.	Until 2001 Member of the Board of Directors of Banque de Gestion Privée Indosuez. Until 2002, Member of the Board of Directors of Crédit Agricole Asset Management, AMACAM, Union d'Études et d'Investissements and Chairman of the Board of Directors of Segespar. Until 2003, Member of the Board of Directors of the company SA Rue Impériale. Until September 2005, Member of the Executive Committee of Fédération Bancaire Française and its Chairman between 2001 and 2002. Member of Conseil de l'Association Française des Banques, Member of the Bureau da AFCEI and its Chairman between 2001 and 2002 and General Manager of Crédit Agricole.
Mário Amaral	Graduated in Economics from the <i>Instituto Superior de Ciências Económicas e Financeiras</i> of the <i>Universidade Técnica de Lisboa</i> and post-graduate degree in the London School of Economics.	Executive Member of the Board of Directors of Banco Espírito Santo.
José Manuel Espírito Santo	Graduated in Economics, specialising in Company Administration and Management, form Évora University (former <i>Instituto de Estudos Superiores de Évora</i>).	Chairman of Companhia Bancária Espírito Santo, Executive Member of the Board of Directors of Banco Espírito Santo and Vice-Chairman of Espírito Santo Financial Group, S.A.
António Souto	Graduated in Economics from the School of Economics of Porto University.	Executive Member of the Board of Directors of Banco Espírito Santo, Chairman of the Board of Directors of Besleasing e Factoring and of ES Data, SGPS.
Jorge Martins	Graduated in Economics from the School of Economics of Porto University.	Executive Member of the Board of Directors of Banco Espírito Santo.
Aníbal Oliveira	General Commercial Management (Oporto); Chemical Engineering (Germany)	Executive functions in the companies of Riopelo Group.
José Neto	Graduated in History from the Lisbon University.	Executive Member of the Board of Directors of Banco Espírito Santo. Executive Board Member of ESAF. Until 2005 was the Chairman of the Board of Directors and of the Executive Committee of <i>Banco Internacional de Crédito</i> .
Manuel Villas-Boas	Graduated in Economics from the <i>Instituto Superior de Ciências Económicas e Financeiras</i> .	Senior Vice President of Espírito Santo International and Member of the Board of Directors of Espírito Santo Financial Group. Member of the Board of Directors of Banco Espírito Santo and Banco Espírito Santo de Investimento.
Manuel Fernando Espírito Santo	B.A. Business Administration, Richmond College, London International Bankers' Course at Barclays and Midland Bank, in London; INSEAD, Fontainebleau - "Inter-Alpha Banking Programme".	Member of the Higher Council of Espírito Santo Group and Chairman of the Executive Committee of Espírito Santo Resources. Executive Member of World Travel & Tourism Council since 2003.
José Maria Ricciardi	Graduated in " <i>Sciences Economiques Appliquées</i> " from the <i>Université Catholique de Louvain, Faculté des Sciences Economiques, Sociales et Politiques, Institut d'Administration et de Gestion</i> , Belgium.	Member of the Executive Committee of Banco Espírito Santo. Member of the Executive Committee of BES Investimento and since 2003 Vice-Chairman of the Board of Directors and Chairman of the Executive Committee.
Jean-Luc Guinoiseau	Graduated in Higher Economic Studies from <i>Conservatoire National des Arts et Métiers</i> (Paris), taking the CESA course on Strategic Management - HEC, Paris.	Executive Member of the Board of Directors of Banco Espírito Santo.
Rui Silveira	Graduated in Law from the Law School of the Lisbon University and is a Lawyer.	Lawyer, Legal Advisor to the Higher Council of the Espírito Santo Group. Executive Member of the Board of Directors of Banco Espírito Santo. Member of the Supervisory Council of <i>Companhia de Seguros Tranquilidade</i> , Chairman of the General Meeting of <i>T-Vida</i> .
Joaquim Goes	Graduated in Corporate Management and Administration, specialising in Marketing and Finance from Lisbon's <i>Universidade Católica Portuguesa</i> . In 1994 obtained a Masters Degree in Business Administration from INSEAD, Fontainebleau.	Executive Member of the Board of Directors of Banco Espírito Santo. Member of the Board of Directors of Portugal Telecom.
Pedro Homem	Graduated in Law from the <i>Faculdade de Direito da Universidade de Lisboa</i> .	Executive Member of the Board of Directors of Banco Espírito Santo.
Mário Adegas	Graduated in Economics from the School of Economics of Porto University.	Member of the Board of Directors of <i>Banco Internacional de Crédito</i> between 2000 and 2002. Since 2002 Member of the Board of Directors of Banco Espírito Santo and Chairman of the Audit Committee.
Luís Daun e Lorena	Law from Lisbon University.	Since 2002, Member of the Board of Directors of Banco Espírito Santo, where he's also Member of the Audit Committee.
Lázaro Brandão	Graduated in Economics and Company Administration (Brazil).	Chairman of the Board of Directors of Banco Bradesco and since 2004 Coordinator of the Remuneration Committee. Chairman of the Board of Directors of the company ELO Participações and Chairman of the Management Board of Bradesco Foundation. Since 2000, Chairman of the Board of Directors of Bradespar and Director-President of NCF Participações. Since 2001, Director-President of Nova Cidade de Deus Participações. Since 2002, Chairman of the Board of Directors of Banco Bradesco Luxemburgo. Between 2002 and 2003, Chairman of Banco Mercantil de São Paulo. In 2004 Chairman of the Board of Directors of Banco BEM. Since 2004, Chairman of the Board of Directors of Bradesco Leasing and Manager of Bradport. Until 2005, Chairman of the Board of Directors of Bradesco Seguros. Member of the Board of Directors of Banco Espírito Santo since 2002.
Ricardo Espírito Santo	Graduated in Economics from the City University, London.	Since 2000 President and Member of the Board of Directors of Banco Espírito Santo de Investimento of Brazil. Member of the Board of Directors of Banco Espírito Santo de Investimento since 2003, nominated the Executive Board Member in December 2005. Member of the Board of Directors of Banco Espírito Santo since 2002.
Bernard De Wit	Masters Degree in Applied Economics; MBA from <i>Université de Louvain</i> and University of Chicago.	Since 2001, Manager of the International Subsidiaries area - International Banking Retail Business of Crédit Agricole. Since 2002, Member of the Board of Directors of Banco Espírito Santo.
José Pena	Graduated em Company Organisation and Management from the <i>Instituto Superior das Ciências do Trabalho e da Empresa</i> (ISCTE); subsequently attending the International Advanced Executive Program (IAEP) of the J.L. Kellogg Graduate School of Management, Northwestern University, Chicago, USA.	Between 2002 and 2003, Advisor to the Audit Committee of the Board of Directors of BES. Since 2003, Member of the Board of Directors of Banco Espírito Santo and Member of the Audit Committee. Since 2006, Chairman of the Supervisory Council of BES Seguros, S.A. and of BES Vida, S.A.
Jean-Frédéric de Leusse	<i>École Polytechnique; École Nationale d'Administration</i> .	From 2001 to 2003, General Manager of Fédération Nationale du Crédit Agricole. From 2003 to 2005 was Director of the international retail area Crédit Agricole S.A. and Chairman of Crédit Agricole Private Equity. Since 2005, Director of the international area of Crédit Agricole S.A. and Member of the Executive Committee since 2006. Chairman of the Board of Directors of Emporiki Bank. Since 2004, Member of the Board of Directors of Banco Espírito Santo.
Amílcar Morais Pires	Graduated in Economic Sciences from the <i>Universidade Católica Portuguesa</i> .	Until 2004 advisor to the Board of Directors of BES and Coordinator of the Financial Department, Markets and Surveys of BES. Since 2004, Executive Member of the Board of Directors of Banco Espírito Santo and since 2005 Member of the Board of Directors of Banco Espírito Santo de Investimento. Member of the Board of Directors of Portugal Telecom since 2006.
Bernard Delas	Graduated in <i>Sciences Économiques</i> , from the <i>Université de Paris</i> .	Between 2001 and 2004, CFO of CNP International and Member of the Executive Committee of CNP Assurance. Since 2005, Member of the Board of Directors of Banco Espírito Santo.
Miguel Horta e Costa	Graduated in Economics from the <i>Universidade Técnica de Lisboa</i> ; Post-Graduation in Company Higher Management from the Navarra University; Post-Graduation in Communications Management from the Management College (British post Office) in United Kingdom.	Member of the Board of Directors of Telefónica until February 2006. Until 2002, Member of the Board of Directors of Banco Espírito Santo de Investimento, Chairman of the Board of Directors of Eurogas Factoring and Executive Vice-President of the Board of Directors of Portugal Telecom. From 2002 to 2006 CEO of Portugal Telecom. Since 2003, Vice-President of AIP. Since December 2006 Vice-President and Member of the Executive Committee of BES Investimento. Non executive Board Member of BES since 2005.
Nuno Godinho de Matos	Graduated in Law from the <i>Universidade Clássica de Lisboa</i> .	Current professional activity: Lawyer.
Alberto de Oliveira Pinto	Graduated in Economics from the ISCEF	Chairman of the Board of Directors of Banco Nacional de Crédito Imobiliário until April 2005. Non executive Board Member of BES since February 2006 and Galp Energia since September 2006.
João Freixa	Graduated in business management from <i>Instituto Superior de Economia</i> ; MBA from Universidade Nova de Lisboa.	In 2003 was the Chairman and CEO of Euronext Lisbon, member of the Executive Board of the Stock Exchanges of Paris, Amsterdam and Brussels and also of the Euronext NV holding company. From 2004 to 2005 Vice-Chairman of the Board of Directors of Caixa Geral de Depósitos, Vice-Chairman of Banco de Investimento (Caixa BI) and non-executive Director of EDP - Energias de Portugal. In 2005 was Advisor to the Board of Directors of BES and since September 2006 is the Member of the Board of Directors.
Jean-Yves Hocher	Graduated from the <i>Institut National Agronomique Paris-Grignon</i> ; graduated from the <i>École Nationale du Génie Rural des Eaux et Forêts</i> .	Since January 2006, General Manager of PREDICA and Member of the Executive Committee of Crédit Agricole, S.A. Since March 2007, is the Member of the Board of Directors of BES.
Michel Goutorbe	Graduated in Law.	From 2000 to 2005 was the vice-director general of PACIFICA. Member of the Board of Directors of BES since 2007.

A list of the corporate positions occupied by the members of the Board of Directors is attached as an appendix to this report (Annex 2), with indication of the posts held in companies of BES Group (understood as BES and its fully consolidated subsidiaries).

3.1.3. Organisation and functioning of the Board of Directors

According to the Bank's by-laws, the Board of Directors meets at least quarterly and whenever convened by the Chairman or by two board members. In 2007 the Board of Directors held 5 meetings. The meetings of the Board of Directors can be done with recourse to videoconference and other similar tools.

The Board of Directors' Executive Committee meets as a rule once a week, also ensuring day-to-day monitoring that can require extraordinary meetings.

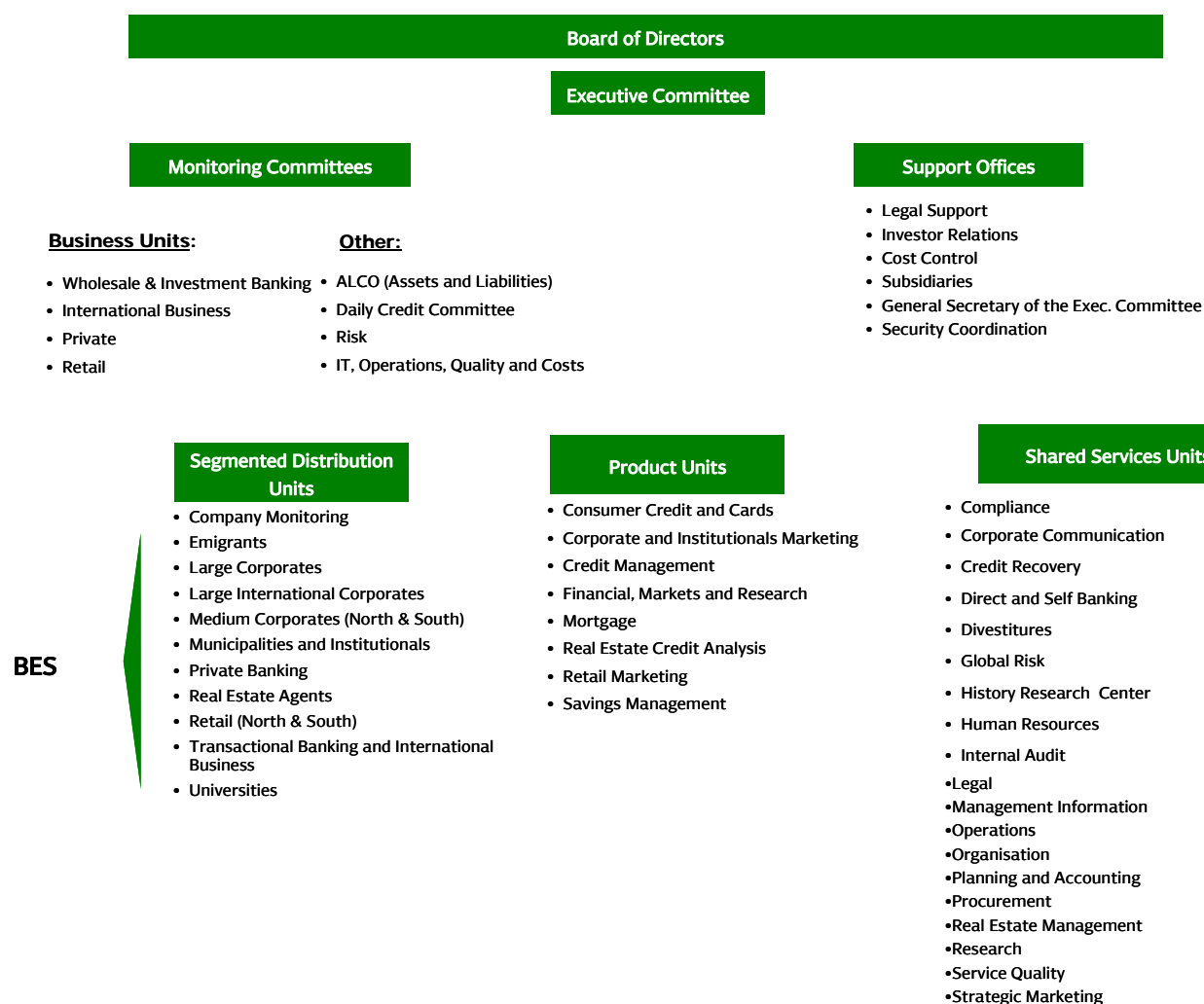
Board members who fail to attend more than half of the meetings held during the year, without a justification accepted by the Board of Directors, incur in a penalty of definitive absence. The same applies to executive Board members who miss more than one fifth of the meetings of the Executive Committee held during the same period.

The Board of Directors' Secretariat makes sure that the members of the Board and of the Executive Committee receive in due time – usually at least 48 hours in advance – all the appropriate documents for the analysis of the items included in the Agenda for each of these bodies' meetings.

3.2. Executive Committee and other Committees

The Board of Directors delegates the day-to-day running of the company to an Executive Committee composed of 13 directors. There are no matters prohibited to the Executive Committee, except those that by legal/statutory imperative cannot be delegated. The average age of the members of the Executive Committee is 57, the oldest member being 75 years old and the youngest 41.

3.2.1. Organisational Chart of BES



3.2.2. Composition of the Executive Committee

	1997	2002	2007
Number of Executive Committee Members	9	13	13

Ricardo Espírito Santo Silva Salgado

Born in Cascais (Portugal) on June 25th, 1944. Graduate in Economics from the Instituto Superior de Ciências Económicas e Financeiras of the Universidade Técnica de Lisboa.

Current areas of responsibility:

Chairman of the Executive Committee, Daily Credit Committee and Assets and Liabilities Committee. Directly responsible for the Planning and Accounting, Compliance, Corporate Communication, Costs Control and Divestitures Departments, Investor Relations, General Secretariat of the Executive Committee, Purchases and Property Division, ES Research, and Security Coordination Office. Also ensures coordination between BES and ESAF, ES Ventures, Banco BEST, BES Angola and ES Bank.

Member of the following Committees:

Retail; Corporate banking; International; Assets and Liabilities (ALCO); Risk, Information Systems, Operations, Quality and Costs (CIOQC); Private banking; Credit.

José Manuel Pinheiro Espírito Santo Silva

Born in Lisbon (Portugal) on May 2nd, 1945. Graduate in Economics, specialising in Company Administration and Management, from Évora University (former Instituto de Estudos Superiores de Évora).

Current areas of responsibility:

Coordinates Private Banking in BES Group, Emigrants, BES History Research Centre. Ensures coordination between BES and the BES branch in Spain.

Member of the following Committees:

Private Banking; International; Assets and Liabilities (ALCO); Information Systems, Operations, Quality and Costs (CIOQC).

Mário Mosqueira do Amaral

Born in Estoril (Portugal) on November 14th, 1932. Graduate in Economics from the Instituto Superior de Ciências Económicas e Financeiras at Universidade Técnica de Lisboa and holder of a post-graduate degree from the London School of Economics.

Current areas of responsibility:

Transactional Banking and International Business, Corporate International, Subsidiaries, International Branches (New York, London and Cape Verde) and international holdings.

Member of the following Committees:

Corporate Banking; International; Assets and Liabilities (ALCO); Risk; Information Systems, Operations, Quality and Costs (CIOQC); Credit.

José Manuel Ferreira Neto

Born in Sintra (Portugal) on January 8th, 1937. Graduate in History from Lisbon University.

Current areas of responsibility:

Company Monitoring Department, Real Estate Department. Ensures coordination between BES and ES Recuperação de Crédito.

Member of the following Committees:

Retail; Corporate Banking; Assets and Liabilities (ALCO); Risk; Information Systems, Operations, Quality and Costs (CIOQC); Credit.

António José Baptista do Souto

Born in Espinho (Portugal) on April 17th, 1950. Graduate in Economics from the Porto University School of Economics.

Current areas of responsibility:

Corporate (north and south), Large Companies, Corporate and Institutional Marketing, Municipalities and Institutional Clients and Human Resources Department. Ensures coordination with Besleasing & Factoring, of which he is Chairman of the Board of Directors.

Member of the following Committees:

Corporate Banking; International; Assets and Liabilities (ALCO); Risk; Information Systems, Operations, Quality and Costs (CIOQC); Credit.

Jorge Alberto Carvalho Martins

Born in Póvoa de Varzim (Portugal) on July 17th, 1957. Graduate in Economics from Porto University's School of Economics.

Current areas of responsibility:

Chairman of Credit Board (Porto), Commercial Department North and Mortgage Credit. Ensures coordination with Locarent - Companhia Portuguesa de Aluguer de Viaturas.

Member of the following Committees:

Retail; Private Banking; Assets and Liabilities (ALCO); Risk; Information Systems, Operations, Quality and Costs (CIOQC); Credit.

José Maria Espírito Santo Silva Ricciardi

Born in Lisbon (Portugal) on October 27th, 1954. Graduate in Sciences Economiques Appliquées from the Université Catholique de Louvain, Faculté des Sciences Economiques, Sociales et Politiques, Institut d'Administration et de Gestion.

Current areas of responsibility:

Global Risk. Ensures coordination with Banco Espírito Santo de Investimento, of which he is Chairman of the Executive Committee.

Member of the following Committees:

Corporate Banking; International; Assets and Liabilities (ALCO); Risk; Information Systems, Operations, Quality and Costs (CIOQC).

Jean-Luc Louis Marie Guinoiseau

Born in Cossé le Vivien (France) on December 20th, 1954. Graduate in Higher Economic Studies from the Conservatoire National des Arts et Métiers (Paris), taking the CESA course on Strategic Management- HEC, Paris.

Current areas of responsibility:

Organisation; Execution of Operations Department. Ensures coordination with ES Informática and ESDATA.

Member of the following Committees:

Assets and Liabilities (ALCO); Risk; Information Systems, Operations, Quality and Costs (CIOQC).

Rui Manuel Duarte Sousa da Silveira

Born in Lisbon (Portugal) on December 11th, 1954. Graduate in Law from the Law School of Lisbon University; lawyer.

Current areas of responsibility:

Supervises the entire Legal Affairs of the BES Group; Internal Audit; Legal Department; legal assistance to BES' Board of Directors.

Member of the following Committees:

Risk.

Joaquim Aníbal Brito Freixial de Goes

Born in Lisbon (Portugal) on September 9th, 1966. Graduate in Corporate Management and Administration, specialising in Marketing and Finance, from Portuguese Catholic University. In 1994 obtained a Master's Degree in Business Administration from INSEAD, Fontainebleau.

Current areas of responsibility:

Strategic Marketing, Retail Marketing, Management Information, Service Quality, and Direct and Self Banking, Universities, Assurfinance. Also ensures coordination with BES Companhia de Seguros and ES Contact Center.

Member of the following Committees:

Retail; Corporate Banking; Assets and Liabilities (ALCO), Information Systems, Operations, Quality and Costs (CIOQC), Risk.

Pedro José de Sousa Fernandes Homem

Born in Lisbon (Portugal) on July 19th, 1947. Graduate in Law from the Law School of Lisbon University.

Current areas of responsibility:

Private Banking, Madeira off-shore branch and International Private Banking.

Member of the following Committees:

Private Banking; International; Assets and Liabilities (ALCO); Information Systems, Operations, Quality and Costs (CIOQC).

Amílcar Carlos Ferreira de Morais Pires

Born in Beira (Mozambique) on May 30th, 1961. Graduate in Economic Sciences from the Portuguese Catholic University.

Current areas of responsibility:

Financial, Markets and Research Department; Credit Management; Savings Management; Management Control (shared with Ricardo Salgado). Ensures coordination with BES Vida, Companhia de Seguros, BES Finance, BES Cayman, BESIL, BIBL and BES GmbH.

Member of the following Committees:

Private Banking; Corporate; International; Assets and Liabilities (ALCO); Information Systems, Operations, Quality and Costs (CIOQC); Risk; Credit.

João Eduardo Moura da Silva Freixa

Born in Évora (Portugal) in 1956. Graduate in Business Management from Instituto Superior de Economia; took an MBA from Universidade Nova de Lisboa.

Current areas of responsibility:

Commercial Department South, Consumer Credit and Cards Department. Ensures coordination with BES (Azores) and the branch in Spain (shared with José Manuel Pinheiro Espírito Santo Silva).

Member of the following Committees:

Assets and Liabilities (ALCO); Retail; Information Systems; Operations, Quality and Costs (CIOQC); Risk.

3.2.3. Other committees

a. Business Units Monitoring Committees:

i) Corporate / Wholesale / Investment banking

Monitors the development of these business areas, ensuring that there is coordination between BES' corporate banking activity and the activity of Banco Espírito Santo de Investimento, and at international level, promoting coordinated action with the Branch in Spain and with Banco Espírito Santo de Investimento do Brasil.

ii) Retail banking (Individual Clients and Small Businesses)

Monitors the evolution of business in each of the retail segments (Affluent Clients, Small Companies and Independent Professionals and Mass Market), and promotes cross-segment business with other business areas (namely medium sized and large corporates). The committee also oversees Assurfinance activities, promoting the acquisition of Companhia de Seguros Tranquilidade clients.

iii) Private banking

Promotes the international development of private banking activities and ensures that there is coordination with other business areas with the objective of promoting cross-segment business (with both medium sized and large companies and with the Affluent clients segment).

iv) International banking

Monitors and promotes the development of BES Group's international banking activity, contributing to foster the business of subsidiaries and branches, and evaluating and submitting to the Executive Committee new initiatives in previously unexplored markets or businesses areas. The committee also ensures that there is coordination between BES' activity in Portugal and that of the various units abroad, specifically in Spain, Brazil and Angola.

b. Group-wide Committees:*i) Assets and Liabilities (ALCO)*

The Assets and Liabilities Committee analyses macroeconomic data from Portugal and from the main economic areas in the world, making impact projections on the banking business. The ALCO also monitors the evolution of BES Group's consolidated balance sheet and that of its main business units, specifically the balances of customer loans and customer funds and margins, providing the Executive Committee with the data required to set growth targets for customer loans and deposits, and define a funding strategy (management of balance sheet mismatch) and price/margins targets. Its functions also include monitoring and benchmarking products sold by competitors and approving the product offer and pricing within the scope of the established strategy.

ii) Information Systems, Operations, Quality and Costs (CIOQC)

The CIOQC committee prioritises investments in information systems and the operations and monitors their implementation. It also monitors the development of special projects in the areas of operations, systems, quality and costs. In particular, the committee oversees the Bank's overall performance in terms of quality indicators – with particular regard to customer service quality and the support provided by the central areas to the commercial areas.

iii) Risk

The Risk Committee is responsible for all matters related to BES Group's overall risk, and in particular for monitoring the evolution of risk in each of the main client segments and product categories. It also oversees special projects in the area of Risk, specifically the Basel II project.

iv) Credit

The Credit Committee decides on all credit operations that fall outside the scope of the credit granting limits established for each board member.

3.3. Supervision of the Company

3.3.1. Internal Supervision

a. Audit Committee

The Audit Committee was created by BES' Board of Directors on October 26th, 2001, anticipating measures subsequently taken by the North-American supervision authority (the Securities and Exchange Commission), to which the Bank was subject.

Since December 18th, 2006, following the decision of BES' Extraordinary General Meeting of Shareholders to change the Company's by-laws, the functions of the Audit Committee correspond to those formerly attributed to the Fiscal Board, which was extinguished on that date. Accordingly, the Committee has full powers to conduct, contract or authorise investigations within the sphere of its responsibilities.

Among others, the Audit Committee has the power to:

- obtain from any employee of the BES Group units all the information it may deem necessary to carry out its functions;
- meet with board members, managers, certified auditors and/or members of the corporate bodies of BES and BES Group companies whenever and in so far as it so deems necessary to carry out its functions.

Under the law and the Company's by-laws, the Audit Committee has the following responsibilities:

- to supervise the management of the Bank;
- to ensure compliance with the law and the company's by-laws;
- to prepare an annual report on its supervising activity and to give an opinion on the report and accounts and the proposals submitted by the board of directors;
- to verify the effectiveness of the risk management system, internal control system and internal audit system;
- to propose to the General Meeting the appointment of the Statutory Auditor, to which under the law it should delegate the function of accounting and documentary verification;
- to supervise the audit of the accounts performed by the Statutory Auditor;
- to verify the independence of the Statutory Auditor, specifically in what concerns the provision of ancillary services;
- to contract the services of experts to assist one or more than one of the members of the Audit Committee in the exercise of their functions;
- to receive communications of irregularities submitted by shareholders, employees of the Company or others;
- to convene the General Meeting when, although his responsibility, the respective Chairman fails to do so;
- to carry out all other tasks attributed to it under the law or the Company's by-laws.

The Audit Committee also assists the Board of Directors in carrying out its supervising functions with regard to the systems adopted by the bank and its subsidiaries to verify compliance with the laws and regulations that are applicable to them and also the compliance of all board members, managers and remaining employees, and also all suppliers, with the Codes of Conduct established for BES and for the companies of the BES Group.

The Audit Committee is composed of a minimum of three and a maximum of five members of the Board of Directors, one of whom is appointed the Chairman. The members of the Audit Committee are elected by the General Meeting, and appointed simultaneously with the appointment of the other members of the Board of Directors, for periods of four years, their re-election being permitted. The members of the Audit Committee may be dismissed by the General Meeting, providing there are fair grounds for dismissal.

The members of the Audit Committee must meet the following requirements:

- a) they must be non executive members of the Board of Directors and at least the majority of them must be independent directors in accordance with legal criteria, i.e., they shall not be associated with any group of specific interests in the Bank or be in a position capable of influencing their

impartiality of analysis or decision, namely, by virtue of (i) being the owners, or acting in the name of or on behalf of the owners, of a qualified holding equal to or more than 2% of the company's share capital, and/or (ii) having been re-elected for more than two mandates, whether consecutive or not;

- b) at least one of the members of the Audit Committee must have higher education consistent with the exercise of his/her functions, with competence in the accounting and auditing areas, and be independent in the terms referred above;
- c) the other members of the Audit Committee may be law firms, statutory auditing firms, or individuals, but in the latter case, whether they be shareholders or not, they must have full legal capacity and the qualifications and professional experience consistent with the exercise of their functions.

The following cannot be elected or appointed members of the Audit Committee¹:

- a) beneficiaries of private advantages in the Bank;
- b) members of the board of directors of companies with a parent-subsidary or group relationship with BES;
- c) partners in companies with a control relationship with the Bank;
- d) anyone directly or indirectly providing services to or having a significant commercial relation with the Bank or with companies having with it a controlling or group relationship;
- e) persons exercising functions in and acting on behalf or for the account of a company competing with the Bank, or in any other way bound to the interests of the competing company;
- f) spouses, family and kin in direct lineage up to and including the third degree of the persons impeded from occupying this position by virtue of paragraphs a), b), c), d) and d) above as well as the spouses of the persons covered by the provisions of paragraph d);
- g) persons exercising management or supervising positions in five or more companies other than in law firms, statutory auditing firms and statutory auditors, to whom the provisions of article 76 of Decree- Law 487/99, of 16 November apply;
- h) certified auditors presenting other incompatibilities as provided for in applicable legislation;
- i) interdict, incapacitated, insolvent, and bankrupt persons and persons who have received a sentence prohibiting them, even if temporarily, from exercising public functions.

BES' Audit Committee was elected in December 2006 to serve until the end of the current mandate (2004-2007) of the corporate bodies. The Committee is currently formed by the following non executive members of the Board of Directors:

¹ This list comprises the situations set forth by the Portuguese Companies Code

Mário Martins Adegas (Chairman)

Born on October 25th, 1935. In 1959 he graduated in Economics from the Porto University School of Economics. He is a non independent member of the Audit Committee since he has been re-elected for more than two, non consecutive, mandates to serve in the Bank's corporate bodies.

José Manuel Ruivo da Pena

Born on November 5th, 1940. Graduated in Company Organisation and Management from the Instituto Superior das Ciências do Trabalho e da Empresa (ISCTE), subsequently attending the International Advanced Executive Program (IAEP) of the J.L. Kellogg Graduate School of Management, Northwestern University, Chicago, USA. He has broad professional experience in auditing and is a Certified Auditor (voluntarily suspended since 2003). He qualifies as an independent member of the Audit Committee.

Luís António Burnay Pinto de Carvalho Daun e Lorena

Born on October 11th, 1944. He studied Law at Lisbon University and has large experience in bank management. He qualifies as an independent member of the Audit Committee.

BES' Audit Committee performs its supervisory and auditing functions through a permanent and systematic monitoring of the Bank's activity. In compliance with the law and the Company's by-laws, BES' Audit Committee regularly and formally meets at least every two months and whenever its Chairman so deems convenient or any of its other members requires it. Its decisions are taken by a majority of votes, the Chairman having a casting vote in accordance with the Bank's by-laws. Members of the Audit Committee who do not attend more than half of the formal meetings held during the year, without an accepted justification, incur in a penalty of definitive absence and must be replaced.

b. Compliance

The Compliance Department's mission is to ensure that the bank and its employees comply with all applicable legal, statutory, regulatory, ethical and conduct rules and regulations, and to provide clarification on any matters related with its activity.

The Compliance Department has the following main tasks:

- to analyse legislative acts and regulations issued by Portuguese or foreign regulatory and supervision authorities, assessing their impact and applicability and issuing recommendations regarding their adoption or implementation;
- to ensure compliance with regulations applying to the financial intermediation activities which the Bank is authorised to carry out;
- to monitor compliance with the Codes of Conduct and Ethics and identifying possible areas of conflict of interest;
- to ensure application of and compliance with Anti Money Laundering, Know Your Customer (KYC) and terrorism financing prevention procedures.

The Compliance Department has the following units: Internal Control System Management and Money Laundering Prevention and Detection Unit.

(i) Internal Control System Management Unit:

- guarantees compliance with the regulations applicable to BES in the area of Internal Control;
- is responsible for creating a monitoring and permanent revision system of the internal control system;
- is responsible for internal reporting and for the preparation of internal control data for reporting to the supervision authorities.

(ii) Money Laundering Prevention and Detection Unit:

- centralises all the functions related to money laundering prevention and detection (Know Your Customer, Know Your Transaction and Know Your Processes), ensuring that counterparties are identified and approved in accordance with respective risk, and monitoring suspect transactions;
- establishes policies and procedures and maps out and implements AML training and communication measures across the whole BES Group.

c. Risk Control System

It is the responsibility of the Executive Committee of Banco Espírito Santo to define the objective risk profile, for which it establishes global and specific limits. Its responsibility also includes establishing the general principles of risk management and control, and ensuring that the BES Group has the necessary competences and resources for the purpose.

The main units dedicated to the prevention of risk in the Bank's activity are the Risk Committee, the Global Risk Department, the Credit Risk Monitoring Committee and the Internal Audit Department (the risk control system is explained in detail in Chapter 6 of the Management Report).

The **Risk Committee** is responsible for monitoring the Group's integrated risk profile, and for analysing and proposing methodologies, policies, procedures and instruments to deal with all types of risk, namely credit, operational and market risk, liquidity risk and on-balance sheet interest rate risk. This Committee also analysis the evolution of risk adjusted return and the value added by the main segments/clients. The Risk Committee holds monthly meetings, which are attended by the Chairman of the Executive Committee.

The **Global Risk Department (GRD)** centralises the risk function of the BES Group, having as main responsibilities to:

- identify, assess and control the different types of risk assumed, thus managing the Group's overall risk exposure;
- implement the risk policies outlined by the Executive Committee, while harmonising principles, concepts and methodologies across all the Group's units;
- contribute towards the achievement of the BES Group's value creation objectives, by fine-tuning tools to support the structuring and pricing of operations, as well as the respective decision-taking process, and by developing internal techniques for performance assessment and optimising core capital.

The **credit risk monitoring committee** has the following main objectives:

- to analyse and assess clients whose creditworthiness shows signs of deteriorating, based on
 - ✓ the client's economic and financial profile
 - ✓ type of credit exposure;
 - ✓ nature and value of the guarantees received, paying attention to the dates when the assets provided as security were evaluated and the entities which carried out these evaluations;
 - ✓ warning signals detected in the behavioural profile of clients in their relations with the bank and with the financial system in general.
- to formulate strategic options regarding the commercial relations and levels of active vigilance required for and better adjusted to the profile and specific circumstances of each of the entities/groups under analysis;
- to analyse and validate the credit impairment levels established for the group of entities in question, in accordance with predetermined objective criteria.

The **Internal Audit Department** assesses the effectiveness and adequacy of risk management, internal control and governance processes in the companies of BES Group with the objective of reducing risk conditions.

Its responsibilities include:

- analysing operational and business processes, assessing the effectiveness of the respective risk management and controls, as well as compliance with applicable legal /regulatory provisions and internal regulations;
- cooperating with all the bodies of BES Group viewing the implementation and correct application of policies established at senior management level, particularly with regard to the understanding and application of internal control procedures;
- checking and assessing the protection and safety of money, recording and documentary assets that are the property of the BES Group or were entrusted to it for safeguarding;
- within the scope of its powers, ensuring and promoting the relations with Legal and Police authorities, with the Bank of Portugal, the CMVM and other supervision authorities, also addressing requests from other public and private institutions;
- participating in the definition and preparation of an internal regulatory framework, both through the issue of specific regulations and by taking part in consultations carried out in the field of control and safety principles applicable to banking procedures;
- ensuring the prompt correction of practices that breach regulatory texts and/or internal regulations, while making sure that the procedures adopted for the execution of operations are duly regulated.

3.3.2. External Supervision

a. External Auditor

Under the terms of the law and the Company's bylaws, the examination of the BES' accounts is performed by a Certified Auditor or Certified Auditing Firm appointed by the General Meeting, at the proposal of the Audit Committee, for a period not exceeding four years.

KPMG & Associados SROC, S.A., represented by Inês Maria Bastos Viegas Clare Neves Girão de Almeida (Revisor Oficial de Contas), is the Bank's Executive Statutory Auditor/External Auditor, Jean-Éric Gaign being the Deputy Statutory Auditor. KPMG has been responsible for the Audit Report issued by the statutory auditor and the Auditors' Reports to the Individual and Consolidated Accounts for each fiscal year starting in 2002 as well as for the Limited Review Report on Individual and Consolidated Financial Information for the first half of each fiscal year starting in 2003.

Despite the executive and deputy Statutory Auditors/External Auditors as members of BES' Fiscal Board having been elected for the 2004-2007 period, their term in office ended on December 18th, 2006. On that date, the Extraordinary General Meeting resolved to amend the Company's by-laws and to extinguish the Fiscal Board (see section 3.1.1. above). However, as proposed by the Audit Committee, the same Extraordinary General Meeting decided to appoint the same executive and deputy Statutory Auditors/External Auditors for the period comprised between the date of said meeting and the end of 2007.

In order to audit the Company's accounts, and in accordance with Article 446 of the Companies Code, the Statutory Auditor must: (i) verify the regularity of the books, accounting records and supporting documents; (ii) check the cash account balance and the inventory of any type of assets or securities belonging to the Bank or received by it as guarantee, deposit or for any other reason; iii) attest to the accuracy of the annual and interim report and financial statements; and iv) verify if the accounting policies and valuation criteria adopted by BES result in a correct valuation of its assets and results.

b. Supervision Authorities ¹

The **Bank of Portugal** supervises credit institutions and financial companies so as to guarantee the stability and strength of the financial system, its efficient operation, the safety of deposits and depositors and the protection of the consumers of financial services.

¹ Sources: Banco de Portugal website (www.bportugal.pt), Portuguese Securities Market Commission (CMVM) website (www.cmvm.pt), Portuguese Insurance Institute website (www.isp.pt).

According to the Legal Framework for Credit Institutions and Financial Companies, it shall be incumbent on the Bank of Portugal to authorise the setting up of credit institutions and financial companies in such cases when the decision is taken only on grounds of technical and prudential criteria, to monitor the activity of the institutions subject to supervision, to oversee compliance with the rules governing the activity of those institutions, to issue recommendations to put an end to any irregularities detected, to impose penalties on infractions and to take extraordinary reorganisation measures.

The **Portuguese Securities Market Commission**, known by its initials **CMVM**, is since 1991 the authority in charge of supervising and regulating securities and financial derivatives markets, as well as the activity of all those who operate within said markets and all matters in general pertaining to the securities markets. The CMVM regulates offers launched on securities and, as much from a prudential standpoint and from a behavioural stance, market management entities and collective investment institutions.

The **Portuguese Insurance Institute** (Instituto de Seguros de Portugal) supervises the insurance mediation activity for which BES registered in 2007, following the regulatory change, which forced credit institutions to submit to the legal framework applicable to this activity.

3.4. Remuneration

3.4.1. Corporate Bodies Remuneration Policy

The remuneration of the members of BES' corporate bodies is determined by the Remuneration Committee. However, in order to ensure the transparency of the remuneration setting process, every year the Remuneration Committee submits to the attention of the general meeting a proposal setting out the remuneration policy of the corporate bodies. The Remuneration Committee submitted the following proposal to the General Meeting of March 29th, 2007:

1. The members of the Board of the General Meeting receive a fixed fee for each General Meeting in which they participate.
2. The Members of the Fiscal Board receive a fixed remuneration, payable fourteen times a year.
3. The Members of the Board of Directors shall be remunerated under the following terms:
 - a) The remuneration of the members of the Executive Committee is composed of a fixed part to which may add a variable part that cannot exceed five per cent of the year's profit on an individual basis.
 - b) The members of the Executive Committee who exercise executive functions on the management bodies of companies under a parent-subsidiary or group relationship with BES may earn a remuneration from such companies. In that case, they may not be remunerated for the exercise of executive functions in BES.

- c) To determine the fixed remuneration of the members of the Executive Committee, the criteria are to align this remuneration to BES Group's strategic objectives, also taking into account current practices in the Portuguese market. More specifically, these are the strategic objectives which are taken into consideration when assessing the performance of the Executive Committee:
- business growth, as translated by the increase in the average market share in the various products sold by BES Group;
 - maintaining an average Return on Equity above the average in the banking sector;
 - maintaining a leading position (Top 3) in terms of efficiency amongst the main listed Iberian banks.
- d) The members of the Executive Committee are also covered by the share-based incentive system (SIBA) in place at BES.
- e) The non-executive members of the Board of Directors who are members of the Audit Committee receive a fixed remuneration only, which is established for their supervisory functions.
- f) The remuneration of the other non-executive members of the Board of Directors consists of attendance fees, except when they exercise executive functions on the management bodies of companies under a parent-subsiary or group relationship with BES, in which cases they may be remunerated by those companies in accordance with their relative importance within the scope of BES Group and with the importance of the functions they exercise.

3.4.2 Remuneration of the Board of Directors

The remuneration of the members of the Executive Committee is composed of a fixed part to which may add a variable part (according to BES' by-laws the variable remuneration paid to Board members cannot as a whole exceed five per cent of the year's profit on an individual basis). The members of the Executive Committee who exercise executive functions on the management bodies of companies under a parent-subsiary or group relationship with BES may earn a remuneration from such companies. In that case, they may not be remunerated for the exercise of executive functions in BES.

The members of the Executive Committee are covered by the share-based incentive system (SIBA), as described in sections 3.4.4 and 4.2.3 of this report. The number of shares attributed to the members of the Executive Committee is established by the Remuneration Committee, as foreseen in the SIBA regulation approved by the General Meeting of June 20th, 2000.

The following may be beneficiaries of the SIBA:

- a) the members of the Executive Committees of the Boards of Directors of companies included in BES Group;
- b) employees in active service and under an effective labour contract working for any company of the BES Group.

When it involves members of the Executives Committees of Boards of Directors of BES Group companies, the decision on the quantity of shares to be allocated to each board member will be taken by the Remuneration Committee.

The fixed and variable remunerations of the members of the Executive Committee are established by the Remuneration Committee, which is elected by the General Meeting. The criteria are to align these remunerations to the Group's strategic objectives, also taking into account current practices in the Portuguese market. More specifically, these are the strategic objectives which are taken into consideration when assessing the performance of the Board of Directors, and in particular of the Executive Committee:

- a) Business growth, as translated by the increase in the average market share in the various products offered by the Group to its Clients. As informed in due time to the market, the Bank pursues an organic growth strategy complemented by increased contribution from its international operations, and its current target is to reach an average market share of 22% in 2010, which compares with an average share of 8.5% at the time of the Bank's privatisation in 1992..
- b) Increased efficiency as a strategic priority, targeting a reduction in the cost to income to below 45% in 2010;
- c) Net profit CAGR of 20% between 2006 and 2010 in order to reach a return on equity of 19% in 2010;
- d) A strict capital discipline, maintaining a minimum Core Tier I ratio of 6%.

BES has no payments negotiated with directors in the case of removal, either contractually or by means of a transaction, or any other compensation in connection to the early termination of contracts. However, the members of the Executive Committee, except Jean-Luc Guinoiseau, are employees of BES, although their work contract is suspended.

There are no agreements between the Company and members of the Board of Directors or employees providing for compensation in the event of resignation by the employee, dismissal without due cause or termination of the employment relationship following on from a takeover bid.

The members of the Board of Directors are entitled to receive retirement pensions or complementary pension benefits if they were members of the Executive Committee.

The main points of the regulation on the members of the Board of Directors' entitlement to receive retirement pensions or complementary pension benefits for old age or disability may be summed up as follows:

- a. The right to receive a retirement pension or complementary pension benefits falls due on reaching sixty five years of age, or in the event of disability, when disability occurs.
- b. The right to receive retirement pension or complementary pension benefits may be brought forward to the age of fifty five, providing the board member has served on BES' Board of Directors for a minimum period of 9 years.
- c. Complementary pension benefits may exist as a way of topping up other retirement schemes that may be granted under any other social security system.

In any case, retirement pensions or complementary pension benefits shall never exceed the pensionable salary of the board member in question, although they may be of a lower amount. The pensionable salary corresponds to one hundred per cent of the last annual gross remuneration paid to the board member in question.

The chart below shows the remuneration paid to the members of BES' Board of Directors in 2007:

(EUR thousand)	2005	2006	2007	Chg 06/07
Executive Committee	8 156	8 560	10 262	19.9%
Fixed Component	3 506	3 575	3 778	5.7%
Variable Component*	4 650	5 024	6 484	29.1%
Audit Committee	652	671	691	3.0%
Other	984	583	1 308	124.7%
Board of Directors	9 792	9 854	12 261	24.4%

The remuneration of the members of BES' Board of Directors includes the amounts earned for functions exercised on the Board of Directors of other companies of BES Group. The total amount paid by other companies of BES Group to members of BES' Board of Directors was euro 1,510,000.

The remuneration of the executive Board members represented 84% of the overall remuneration paid to all the members of the Board of Directors. The variable remuneration paid in 2007 to the executive Board members, on the other hand, represented 1.54% of the 2006 net income, corresponding to 63% of the total remuneration paid to these Board members and to 53% of the overall remuneration paid to all the members of the Board of Directors during the year.

There are no non-cash benefits attributed to the members of the Board of Directors.

* Variable remunerations paid in the reporting year relative to the previous year.

No shares were attributed to the members of the Executive Committee in 2007 within the scope of stock-based incentive system (SIBA).

3.4.3. Remuneration of the Statutory Auditor/External Auditor

In 2007, the Statutory Auditor/External Auditor and also other entities belonging to the same professional network provided to BES Group not only audit services related to the examination of the Company's accounts, but other professional advisory and consultancy services (non-audit services). The expenses incurred in these services totalled euro 6,144,449 in 2007.

(amounts in euros)	Total		National		international	
	Amount	%	Amount	%	Amount	%
Audit services	2,116,330	34	1,290,850	27	825,480	58
Other reliability assurance services	1,683,831	27	1,405,240	30	278,590	20
Fiscal consultancy	608,601	10	481,639	10	126,962	9
Other non-audit services	1,735,687	28	1,544,080	33	191,607	13
Total	6,144,449	100	4,721,810	100	2,105,004	100

Audit fees refer to fees paid for services provided relative to the auditing and/or limited review of the financial statements of the various companies of BES Group. Under "Other reliability assurance services" are included fees charged for the issue of comfort letters, and for opinions on the internal control system, as required by Banco de Portugal Notice no. 3/2006.

Fiscal consultancy services and other non-audit services provided to BES Group either by the Auditors or by other entities belonging to the same professional network, assume that both BES Group and KPMG have the adequate means to safeguard the professional independence of the External Auditors. These means may be summarised as follows:

a. At BES Group level

Within the scope of compliance with the rules on independence established for external auditors, BES' Audit Committee defined the criteria which should be used in the approval of non-audit services to be provided by KPMG.

In this context, all proposals concerning the provision of fiscal consultancy or other non-audit services must obligatorily be subject to the analysis and prior approval of the Audit Committee with a view to safeguarding the professional independence of the External Auditors.

For practical reasons, the Audit Committee has defined a set of non-audit services which, on account of their nature, do not require prior analysis and approval providing that the remuneration paid for such

services falls below a specified pre-established amount. However, the Audit Committee has also determined not only that it must be informed of these automatically approved proposals, for ratification, on a quarterly basis, but also that all the proposals submitted by the External Auditors concerning the provision of non-audit services whose remuneration exceeds the specified limit and/or which by their very nature are not liable to automatic approval be subject to prior analysis and approval by that Committee.

b. At the level of BES Group's Statutory Auditor/External Auditor

KPMG, BES Group's Statutory Auditor/External Auditor, has prepared specific internal instructions concerning the procedures that must obligatorily be followed by all the entities included in their professional network whenever they propose to provide services to any entity of the BES Group.

In addition, the international network to which KPMG belongs has implemented an intranet service (called "Sentinel") under which no service can be provided by any entity of that network to any client with listed securities without the previous authorisation of the Global Lead Partner responsible for that client. This procedure obliges any partner of KPMG, or of any other entity belonging to the same professional network, who proposes to provide a service to an audit client, to previously request the respective Global Lead Partner's authorisation to provide that service. In that request for authorisation, the KPMG's partner responsible for submitting the proposal to the client is obliged to justify the reasons why it considers that not only the service to be provided to the audit client does not jeopardise the independence of KPMG in relation to that client, but also that it complies with applicable rules on professional risk management.

On the other hand, before authorising any proposal to provide services to be submitted to the BES Group, the Global Lead Partner of KPMG in charge of the professional relations between them and BES Group is responsible for verifying if the services to be proposed fall within the scope of the pre-approval requirement for non-audit services, and, should that be the case, for taking the necessary steps with the BES Group entity to which the proposal is addressed in order to obtain assurance that applicable independence rules are strictly complied with. In case of doubt, the Global Lead Partner should also consult with its Risk Management Partner.

Finally, it should also be noted that all these procedures are subject to compliance tests within the scope of the internal Quality Control process carried out on every year by KPMG at international level.

3.4.4. Employee Incentives Systems

BES has in place two incentives systems for its employees, which apply regardless of the post or professional category occupied. These are the Objectives and Incentives System (SOI) and the Share-based Incentive System (SIBA). However, none of these systems constitutes a stock option plan.

The SOI scheme allows employees to share in BES' profits and takes into account individual performance. This is assessed in both qualitative terms (through a professional rating given by the superior officer) and quantitative terms (commercial objectives, cost-to-income or service levels, depending on the department where the employee in question works).

The SIBA is one of the main tools used to implement the BES Group's human resources policy. Its aim is to foster loyalty in employees and encourage a commitment to permanently improve the Group's business and results. This incentive scheme entails selling to employees of one or more blocks of BES shares with deferred settlement.

On December 31st, 2007, the number of shares held by employees within the scope of the SIBA totalled 3,483,000, which corresponds to 0.7% of the Bank's share capital.

3.4.5. Remuneration Committee

The Company's Remuneration Committee, whose mandate terminated on December 31st, 2007, has the following members:

António Maria Pereira

António Maria Pereira was born in Lisbon. He is a lawyer since 1948 and was the founder and is honorary president of the Law Firm of A.M. Pereira, Sáragga Leal, Oliveira Martins, Júdice e Associados. He was a member of Parliament in the 1979/1980 and 1987/1995 parliamentary terms, having taken part in numerous international missions to the UN, UNESCO, OSCE, OMPI, the European Commission, the European Council and the Parliaments of many countries, in representation of the Portuguese Government, the Portuguese Parliament and the Portuguese Social Democratic Party. He has published several works on political and legal issues.

Filinto Elísio Monteiro Gomes

Filinto Elísio Monteiro Gomes was born in Vila Real. A practicing lawyer, he has worked for several companies, namely Banco Borges e Irmão, Companhia de Seguros de Portugal, where he was Chairman of the General Shareholders' Meeting, and Banco Fonseca & Burnay.

Rita Maria Lagos do Amaral Cabral

A practicing lawyer, Rita Maria Lagos do Amaral Cabral was a founder and is the Director of Sociedade Amaral Cabral & Associados, a law firm; she is invited assistant professor at the Law School of the Portuguese Catholic University and a non-executive director of Cimigest, SGPS, S.A. and Semapa – Sociedade de Investimento e Gestão, SGPS, S.A.

3.5. Rules on conduct and businesses with the company

3.5.1. Codes of Conduct and other internal regulations

a. Approval of a new Code of Conduct applying to the whole BES Group

A revision of the Code of Conduct applying to all the companies of BES Group was approved at the end of 2006. The new Code of Conduct was communicated to and adopted by the Group's subsidiaries and branches in 2007.

BES Group's Code of Conduct aims to:

- divulge the principles by which the Companies of BES Group should steer their activities;
- promote an ethical conduct among the employees, aligned to the values of the BES Group;
- promote the respect for and compliance with all applicable legislation and regulations;
- create an environment of transparency in the relations of employees with the exterior.

The dissemination of a culture of values across the Group is the responsibility of the Compliance Department, which divulges the Code of Conduct and watches over its effective application. Each employee of the Group is given a copy of the Code immediately after its approval, and receives any subsequent amendments.

Principles of Conduct of BES Group:**Relationship with the Clients**

To ensure equal treatment of all the clients.

To act with diligence, neutrality, loyalty and discretion.

To maintain high internal standards of technical competence, ensuring the quality and efficiency of the services provided.

Shareholders

To act with loyalty towards the shareholders, bearing in mind their interests.

Competition

To abide by the rules of the market, promoting loyal competition.

Employees

To promote a team spirit and shared objectives.

To respect and promote the right balance between the personal and the professional life.

Suppliers

To choose the suppliers based on criteria of impartiality and transparency, without granting privileges or showing partiality and avoiding where possible relations of exclusivity.

Public and Supervising Authorities

To comply with applicable legal and regulatory rules, and to provide to the public and supervising authorities all the cooperation requested and that which may be required.

Environment and Community

To adopt and encourage the adoption of the best environmental practices, assuming a socially responsible stance within the community.

Main duties of the Employees:

- The Employees should offer the Clients only those products and services that adequately meet their needs, clearly informing them in advance about the costs and risks of the transactions to be performed.
- In case of conflict the interests of the Clients take precedence over the interest of the Group and of the Employees.
- The Employees shall not participate in any transaction bearing any relation to their private interests.
- The Group and the Employees shall act with the aim of guaranteeing the observance of the legal, regulatory and internal regulations applying to the prevention of fraud and money laundering.

b. Reporting of irregularities

The broad guidelines of BES' policy for the reporting of irregularities are given below.

- a) Complementary nature: the reporting of irregularities by BES employees shall only take place when the institutional mechanisms (audits and inspections) fail to function or do not function in a timely manner.
- b) Categories of employees subject to the obligation to inform: all BES employees.
- c) Anonymous reporting: anonymous communications shall not be admitted or taken into account, however absolute confidentiality is guaranteed with regard to the identity of the reporting employee, providing he/she so requests.
- d) Non retaliation: no measures whatsoever shall be taken against employees who report irregular behaviours. However, they should bear in mind that when reporting such practices, specific behaviours and the alleged cause of irregularity must be indicated, no vague allegations against people being admitted.
- e) Entity that collects the notifications: the Audit Committee, under the terms of the law.
- f) Entity that investigates the notifications: depending on the matter in hand, the Audit Committee entrusts the investigation process to the Audit Department or to the Compliance Officer..
- g) Notifications file: notifications that clearly lack credibility are immediately destroyed. When an internal investigation process occurs, they are filed and remain confidential until the respective processes are concluded. When the investigations do not lead to further proceedings, whether disciplinary or legal, the notifications are destroyed within 3 months of the date on which they were sent.

3.5.2. Businesses between the Company and the members of the Board of Directors

All the businesses and transactions carried out by the Company with members of its Board of Directors and Audit Committee, with holders of qualified stakes or with companies under a parent-subsidiary or group relationship with it are cumulatively undertaken under normal market conditions for similar operations and are part of the Bank's day-to-day activity. In addition, any such businesses and transactions require the opinion of the Audit Committee and subsequent approval of the Board of Directors.

The total amount of credit granted to members of BES' Board of Directors in 2007 was euro 12.4 million, which compares with euro 8.6 million in 2006.

4. Shareholders and BES Shares

4.1. BES Shares

BES share capital of euro 2.5 billion is represented by 500 million shares with nominal value of euro 5 each.

Banco Espírito Santo has

- a) no capital subscribed and not paid up or non-issued authorised capital;
- b) no convertible bonds, warrants and/or shares conferring special rights or privileges;
- c) no forms of exponentially increasing the influence of shareholders, or figures such as golden shares or priority shares;
- d) no shareholder agreements on the exercise of voting rights, as far as BES is aware;
- e) no shares carrying multiple voting rights;
- f) no limits on the exercise of voting rights;
- g) no restriction in the by-laws on the acquisition or transferability of shares;
- h) no provisions in the by-laws specifically concerning share capital alterations, which are governed by the general legal regime;
- i) any increase in the share capital must be previously authorised by deliberation of the General Meeting of Shareholders.

BES Group also has non-voting preference shares issued by the subsidiary BES Finance, Ltd. (a wholly owned subsidiary of BES), totalling euro 600 million, represented by 600,000 shares with nominal value of euro 1,000 each. This issue is fully guaranteed by BES. These preference shares are listed on the Luxembourg Stock Exchange.

4.1.1. Measures intended to prevent a public offering for acquisition

BES has taken no measure susceptible of interfering with the success of public offerings for acquisition.

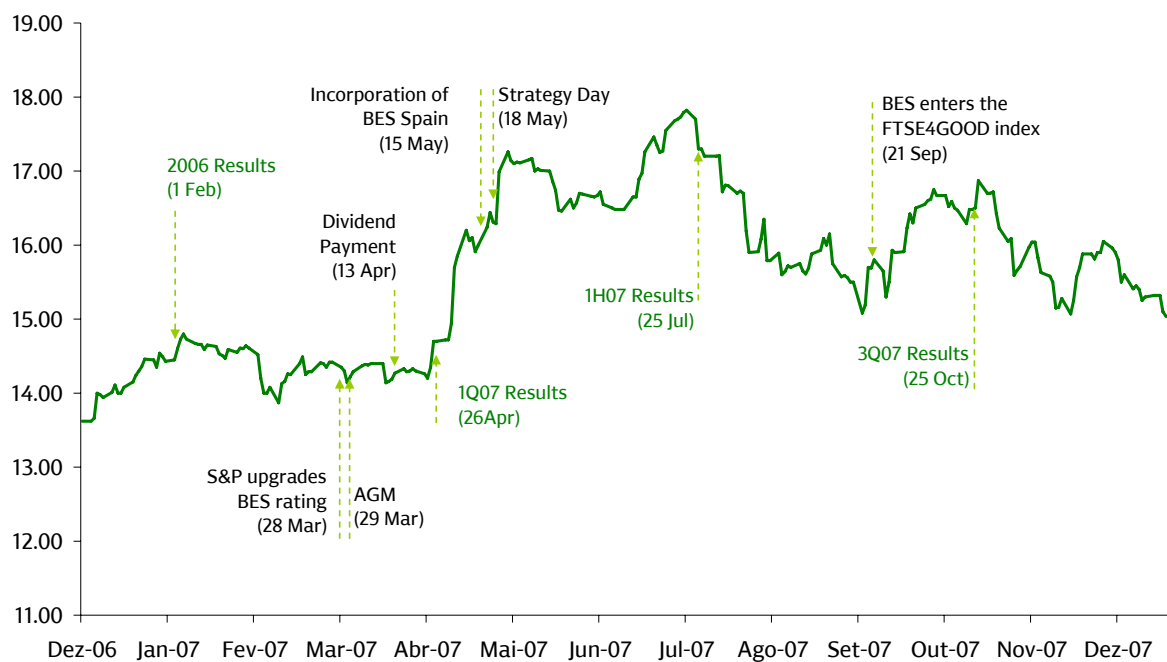
- a. There is no Shareholders agreement or strategic alliance intended to prevent a take-over bid from succeeding.
- b. There are no statutory defences such as the creation of multiple or plural voting rights or limitations to voting rights.
- c. There are no preference shares or any non-voting shares issued by BES.
- d. There are no classes of shares with special rights.
- e. There are no qualified majorities foreseen in the by-laws.
- f. There are no special qualification requirements for the Board of Directors.
- g. The mandate of all directors ends on the same date.

4.1.2. Share price and dividend policy

a. BES share price performance

The BES shares increased 10.1% in 2007, closing the year at euro 15.00 per share.

BES share price performance in 2007



The most relevant events occurred during 2007 and communicated to the market are described below.

February

1st – BES Group reports 2006 consolidated results. Net income reached euro 420.7 million, a year-on-year increase of 50.0% and corresponding to a return on equity (ROE) of 14.7%.

March

28th – Standard & Poor's international rating agency upgrades BES and BES Investimento credit ratings to A/A-1 (stable outlook), from A-/A-2.

29th – BES' General Meeting of Shareholders approves the management report, the individual and consolidated accounts for 2006 and the respective net income application, including a proposal submitted by the Board of Directors to pay a dividend per share of euro 0.40. The Shareholders also elected Jean Yves Hoher as a member of the Board of Directors, replacing Michel Victor François Villatte who had renounced his mandate on February 7th, 2007.

April

13th – Payment of dividends on 2006 results. The gross dividend of euro 0.40 per share corresponds to a payout ratio of 47.5% on a consolidated basis.

26th – BES Group reports first quarter 2007 results. Consolidated income reached EUR 139.8 million, corresponding to a year-on-year increase of 33% and to return on equity (ROE) of 15.3%.

May

8th – Banco Espírito Santo announces the conclusion of the merger by incorporation of its Spanish subsidiary into the Bank. The objective is to achieve greater operating efficiency through the use of common structures and to increase activity, namely in the corporate segment, in Spain.

18th – In the sixth edition of its Strategy Day, BES announces to the market the upward revision of its strategic objectives, for the period between 2006 and 2010.

July

25th – BES Group releases its first half 2007 results. Consolidated net income reaches euro 366.8 million, corresponding to a year-on-year increase of 83% and to a ROE of 20.5%.

26th – BES announces that Patrick Coudène has renounced his position in the Board of Directors, and that Michel Goutorbe was designated, by co-optation, to replace him.

September

21st – Banco Espírito Santo enters the FTSE4Good Index¹. As the only Portuguese bank in this index, BES' inclusion reflects the reinforcement of its positioning as a socially responsible institution.

October

10th – BES informs that the Vice-Chairman of the Board of Directors, Jean Gaston Pierre Marie Victor Laurent, renounced the position for which he was elected at the General Meeting of March 30th, 2004.

25th – BES Group releases third quarter 2007 results. Consolidated net income for the first nine months of 2007 was euro 487.8 million, corresponding to a year-on-year increase of 60% and to a ROE of 17.9%.

November

29th – Banco Espírito Santo is considered the best bank in Portugal by The Banker magazine (Financial Times Group).

December

31st – BES Group reaches net income of euro 607.1 million in 2007, corresponding to a year-on-year increase of 44.3% and a ROE of 16.6%.

¹ The Footsie4Good Index is an international benchmark index that tracks sustainable development best practices among listed companies.

Information on the main events occurred in 2007, including press releases and presentations, is available on the website of BES (www.bes.pt/ir).

The chart below shows the performance of the BES share in 2007, month by month, with the indication of the high, low, average and closing values in each month.

2007	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Maximum	14.73	14.91	14.58	14.82	17.40	17.09	17.98	17.19	16.28	16.98	16.78	16.16
Minimum	13.61	14.00	13.80	14.05	14.78	16.26	16.48	15.31	14.98	15.70	15.00	14.75
Average *	14.21	14.57	14.24	14.39	16.34	16.64	17.27	16.09	15.68	16.55	15.66	15.61
Close	14.73	14.00	14.29	14.72	17.03	16.48	17.21	15.88	15.90	16.72	15.88	15.00

(*)VWAP - Volume Weighted Average Price

Source: Bloomberg

b. Description of the dividend policy

The Bank seeks to pay dividends to its Shareholders corresponding to at least 50% of its net individual earnings. However, this depends on its financial conditions and results, as well as on other factors deemed relevant by the Board of Directors.

Over the last five years the consolidated pay-out ratio has consistently trended between 38% and 47% (calculated based on consolidated net income).

In this context, and as described in the proposal for the distribution of the 2007 net income, BES' Board of Directors will submit to the General Meeting a proposal to pay a gross dividend per share of euro 0.48. Excluding the 2007 extraordinary results, the proposed amount for distribution to shareholders corresponds to a payout ratio of 43%, which compares with 47.5% in 2006 (if extraordinary results are not excluded, the consolidated payout ratio is 39.5%).

This distribution of the last five years' results was the following:

	Gross dividend (EUR)	Shares Outstanding	Gross dividend per Share (EUR)	Payout Ratio	
				Individual	Consolidated
2003	99 000 000	300 000 000	0.330	51.6%	39.6%
2004	110 400 000	300 000 000	0.368	54.0%	40.1%
2005	120 000 000	300 000 000	0.400	63.1%	42.8%
2006	200 000 000	500 000 000	0.400	77.7%	47.5%
2007	240 000 000	500 000 000	0.480	48.5%	39.5%*

* Excluding non recurrent items (extraordinary results) the consolidated payout ratio would be 43.0%

4.2. BES Shareholders

4.2.1. Statistical data concerning the Shareholders of BES

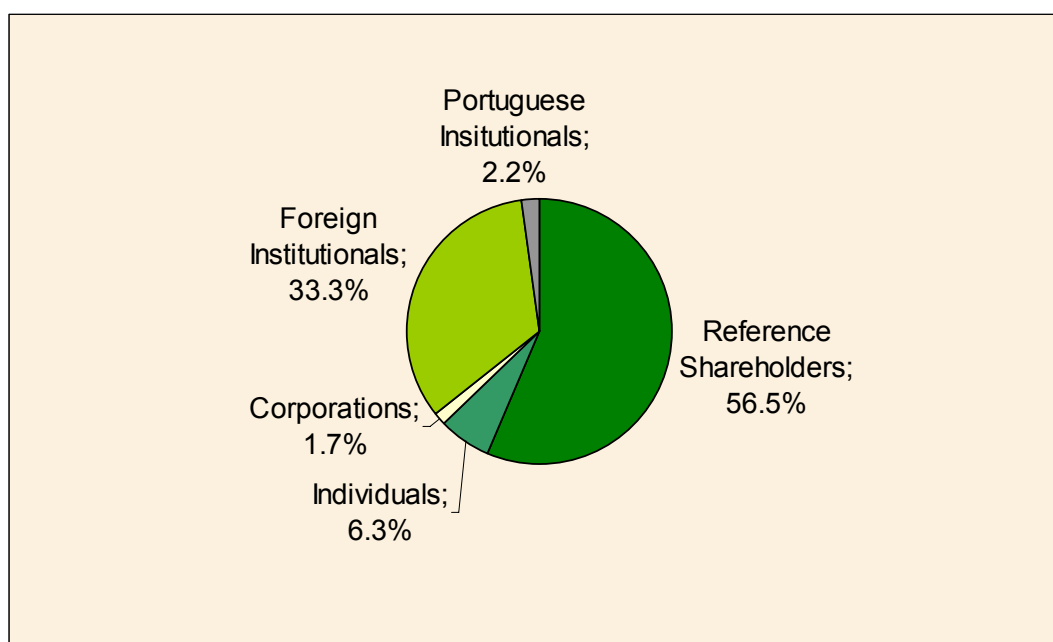
On December 31st, 2007 the share capital of BES was broken down as follows:

	% Capital
Individuals and Independent Professionals	6.3 %
Companies	1.7 %
Institutional Investors and Custodian Banks ⁽¹⁾	35.5 %
Reference Shareholders ⁽²⁾	56.5 %

(1) Institutional investors and custodian bank Shareholders registered with the Central Securities Depository.

(2) Includes all Shareholders having direct qualified holdings, as described in paragraph 4.2.2. of this report, i.e. excludes attributable voting rights under the terms of article 20 of the Securities Code, except for the voting rights inherent in the indirect stake held by Portugal Telecom through the Pension Funds managed by Previsão, SGFP whose associates are companies of the PT Group.

On December 31st, 2007 BES had the following shareholder structure:



(*) Institutional Investors refers to stakes held by asset management companies, including mutual funds, pension funds, discretionary management, custodian banks.

(**) IPs – Independent Professionals;

(***) Reference shareholders: Bespar, Crédit Agricole, Bradport, Portugal Telecom (through Previsão)

4.2.2. Qualified holdings in BES

a. Identification of holders of qualified shareholdings

The chart below lists the holders of qualified shareholdings, calculated under the terms of article 20 of the Securities Code.

QUALIFIED HOLDINGS	Dec.07	
	No of Shares	% of voting rights
BESPAR - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A		
- directly	200 000 000	40.00%
- through the members of its Board of Directors and Supervisory Bodies	932 221	0.19%
Total Attributable	200 932 221	40.19%
CRÉDIT AGRICOLE, S.A (França)		
directly	54 032 850	10.81%
Total Attributable	54 032 850	10.81%
BRADEPORT, SGPS, S.A		
directly	15 250 000	3.05%
Total Attributable	15 250 000	3.05%
HERMES PENSIONS MANAGEMENT LIMITED		
directly	10 158 374	2.03%
Total Attributable	10 158 374	2.03%
PORTUGAL TELECOM, SGPS, S.A		
- through the pension funds whose associates are companies of PT Group which are managed by Previsão - Sociedade Gestora de Fundos de Pensões, S.A	13 107 904	2.62%
- through the members of PT Group's Board of Directors and Supervisory Bodies	77 535	0.02%
Total Attributable	13 185 439	2.64%
ESPIRITO SANTO FINANCIAL GROUP, S.A (Luxemburgo)		
directly	6 475 169	1.30%
- through BESPAR, SGPS, S.A (controlled by Espírito Santo Financial (Portugal) - SGPS, S.A. which in turn is wholly owned by Espírito Santo Financial Group S.A)	200 932 221	40.19%
- through the members of its Board of Directors and Supervisory Bodies	95 728	0.02%
- through companies controlled by it directly and indirectly and/or members of their Boards of Directors and Supervisory Bodies	5 423 466	1.08%
Total Attributable	212 926 584	42.59%
ESPIRITO SANTO INTERNATIONAL, S.A (Luxemburgo)		
- through Espírito Santo Financial Group, S.A	212 926 584	42.59%
- through companies controlled by it directly and indirectly and/or members of their Boards of Directors and Supervisory Bodies	87 967	0.02%
Total Attributable	213 014 551	42.60%

b. BES relevant holdings in holders of qualified stakes in BES.

As of December 31st, 2007, BES had the following holdings in companies that held qualified stakes in BES:

In Portugal Telecom, SGPS, S.A.:

- 51,598,328 shares held directly, corresponding to 4.03% of the share capital.
- Under the terms of article 20 of the Securities Code, the voting rights of 79,924,811 shares, corresponding to 7.79% of the share capital, are attributable to BES.

In Banco Bradesco, S.A.:

- 47,779,080 shares, corresponding to 4.73% of the voting share capital.

4.2.3. Holdings of members of BES Board of Directors

Disclosure of share and bond holdings of the members of BES Board of Directors as of December 31st, 2007, as per terms of no. 5, article 447 of the Companies Code.

Shareholders/Bondholders	Securities	No. securities held as of 31/12/2006	Transactions during 2006			No. Securities held as of 31/12/2007	
			Date	Acquisitions	Disposals		Unit price (euro)
António Luis Roquette Ricciardi	BES Shares	150,000	02-05-2007	50,000	0	15.00	200,000
		0	27-09-2007	50,000		15.51	
			07-11-2007	25,000		15.50	75,000
Ricardo Espirito Santo Silva Salgado	BES Shares	436,880		0	0		436,880
	Fiduprivate Shares	20					20
Mário Mosqueira do Amaral	BES Shares	99,998	05-04-2007	0	5,446	14.38	94,552
	Fiduprivate Shares	20					20
José Manuel Pinheiro E. S. Silva	BES Shares	124,725		0	0		124,725
	Fiduprivate Shares	20					20
António José Baptista do Souto	BES Shares	54,730	05-04-2007	0	7,780	14.38	46,950
	BESI Cabaz Mundial Bonds	7,500	31-08-2007	0	7,500	10.00	0
	Besi Dual 5% Bonds	2,500					2,500
Jorge Alberto Carvalho Martins	BES Shares	72,158	28-12-2007	0	5,416	15.11	66,742
Anibal da Costa Reis de Oliveira	BES Shares	155,832	16-01-2007	20,000	0	14.15	
			01-02-2007	20,000		14.89	195,832
	ES Invest PLC 5% 28/05/2010 Bonds	25					25
	BES Inv 30/11/2011 Bonds	6,000					6,000
	BESI Range Accrual Bonds	10,000					10,000
José Manuel Ferreira Neto	BES Shares	37,321	15-05-2007	0	14,441	16.44	22,880
Manuel F. Moniz G. E.S. Silva	BES Shares	1,064					1,064
José Maria Espirito Santo S. Ricciardi	BES Shares	36,055	05-04-2007	0	12,709	14.38	
			28-12-2007	0	3,791	15.11	19,555
Jean-Luc Louis Marie Guinoiseau	BES Shares	51,507		0	0		51,507
Rui Manuel Duarte Sousa da Silveira	BES Shares	56,397	05-04-2007	0	25,935	14.38	30,462
	BES Finance 2035 Bonds	100	02-07-2007	0	100	743.83	0
Joaquim Anibal B. Freixial de Goes	BES Shares	53,333	28-12-2007	0	5,416	15.11	47,917
							160
Pedro J. de Sousa Fernandes Homem	BES Shares	72,133	07-05-2007	0	25,216	15.85	
			28-12-2007	0	5,416	15.11	41,501
Mário Martins Adegas	BES Shares	166,667		0	0		166,667
	ES Inv 5% 2024 Bonds	150					150
	BES Finance 2035 Bonds	50					50
Ricardo Abecassis Espirito Santo Silva	BES Shares	56,783	05-04-2007		15,679	14.38	
			11-04-2007	1,600		14.18	
			13-04-2007	300		14.23	43,004
Amílcar Carlos Ferreira de Moraes Pires	BES Shares	54,133	02-08-2007	0	15,000	16.74	
			20-11-2007	0	10,000	15.29	
			04-12-2007	0	4,842	15.74	24,291
José Manuel Ruivo da Pena	BES Finance 2035 Bonds	60					60

As of December 31st, 2007 the members of BES Board of Directors had a total of 1,614,529 BES shares, corresponding to 0.3% of the Bank's share capital.

According to the SIBA regulations, approved by the General Meeting of June 20th, 2000, the executive Board members are also covered by the programme's share allocation scheme, under the terms established by the Remuneration Committee, as referred in section 3.4.1. of this report.

4.2.4. Shareholdings of BES Group's employees

The chart below shows the evolution in the shareholdings of BES Group's employees over the last three years as a result of shares attributed within the scope of the SIBA.

(thousand shares)	2005	2006	2007
No. of shares held within the scope of the SIBA	7 617	5 668	3 483
% of share capital	2.54	1.13	0.7

4.2.5. Acquisition of own shares

On December 31st, 2007, BES' financial statements reflected the shares allocated within the scope of the share based incentive system (SIBA), whose recognition in the accounts follows the International Financial Reporting Standards (IFRS) and is duly explained in the Notes to the Financial Statements. On this date, a total of 3,483,000 shares were recognised as "treasury stock", at a cost of euro 41,437,000.

Transactions of own shares cannot be made freely, being subject to the prior approval of the General Meeting of Shareholders. The last authorisation granted for the purpose was approved by the General Meeting of March 29th, 2007 and is valid for a period of 18 months.

	2005	2006	2007
No. of own shares	0	0	0
% of share capital	0%	0%	0%

4.3. General Shareholders' Meetings

In Portugal, Shareholders deliberate on matters which are specifically attributed to them by law or by the Company's by-laws and on those which are not included within the powers of the other bodies of the company. Shareholders can only deliberate on management or administration acts at the request of the Board of Directors. A General Shareholders' Meeting must be held at least once a year.

4.3.1. Main powers of the General Meeting

- a) to approve the annual management report and accounts;
- b) to approve the proposed distribution of the year's results;
- c) to make a general appraisal of the Company's management and supervision, including to dismiss or express misgivings with regard to directors or managers;
- d) to elect the members of the Board of Directors and of the audit committee;
- e) to decide on the remuneration of the members of the Board of Directors, either directly or through a remuneration committee which it elects for the purpose;
- f) to authorise directors to exercise activities that compete with the Company's activity;
- g) to decide on the issue of any class of shares, whether ordinary or preference shares, as well as on the issue of bonds convertible into shares (the Board of Directors may deliberate on the issue of the other classes of bonds);
- h) to decide on the acquisition and disposal of own shares;
- i) to approve liability actions to be brought by the company against directors or managers;
- j) to approve any changes to the memorandum of association, including capital increases and decreases, merger and demerger operations, or the company's transformation or dissolution.

4.3.2. Composition of the Board of the General Meeting

The Board of the General Meeting is composed of one Chairman, one Vice-Chairman and one Secretary. Its members may or may not be Shareholders, they are elected for periods of four years, and their re-election is permitted.

The General Meeting of December 18th, 2006 elected the following new members of the Board of the General Meeting for the term of office ended 31st December, 2007.

Paulo de Pitta e Cunha (Chairman)

Graduate in Law from the Law School of the Lisbon University, with a PhD in Law (Legal and Economic Sciences) from the same university, where he is a professor since 1980. He is also a professor at the Portuguese Catholic University since 1984. Chairman of the Board of the European Institute of the Lisbon University Law school. Practicing lawyer and juriscult in Lisbon. “Specialist lawyer” in Tax and European Law.

Fernão de Carvalho Fernandes Thomaz (Vice-Chairman)

Graduate in Law (Legal Sciences) from the Law School of the Lisbon University, with a postgraduate degree in Taxation from the Instituto Superior de Gestão. A practicing lawyer since 1960, he also serves in the Board of companies and is a university lecturer.

Nuno Miguel Matos Silva Pires Pombo (Secretary)

Graduate in Law from the Portuguese Catholic University, with a master’s degree from the same university and a postgraduate degree in Taxation from the Instituto Superior de Gestão. Trainee assistant at the Portuguese Catholic University Law School since September 1991. Legal Advisor to the Board of Directors of ESCOM – Espírito Santo Commerce, S.A. since October 2005.

4.3.3. Functioning Rules of the General Meeting

The General Meeting is convened whenever the Board of Directors or the Audit Committee so deem convenient, or when requested by one or more Shareholders owning shares that correspond to at least 5% of the share capital.

Ordinary General Meetings should meet within three months of the date of the closing of the year or within five months of the same date in the case of companies that are obliged to present consolidated accounts.

Shareholders owning shares corresponding to at least 5% of the share capital may request that certain matters be included in the agenda of a general meeting already convened or to be convened.

During the fifteen days preceding the date of the General Meeting, the following elements are at the disposal of the Shareholders for consultation, at the Company's head office:

- a) the full names of the members of the Board of Directors and audit committee, as well as the names of the members of the board of the General Meeting;
- b) indication of positions occupied by members of the corporate bodies in other companies, except private professional companies;
- c) the proposals for deliberation to be submitted by the Board of Directors as well as any reports or other justification documents that must be attached;
- d) when the election of members of the corporate bodies is included in the meeting's agenda, the names of the persons proposed to fill those positions, accompanied by an account of their professional qualifications, professional activity in the previous five years, namely positions held in other companies or in the company itself, and number of shares held in the company;
- e) in the case of the annual General Meeting, the annual management report and accounts and other reporting documents, including the legal certification of accounts and the audit committee's annual report and opinion.

BES also publishes these documents on its website (www.bes.pt/ir) as well as the convening notices for each General Meeting, together with other information which the Shareholders wishing to exercise their voting rights may find relevant, including contacts for clarifying doubts.

The General Meeting of Shareholders may not be held on first call when Shareholders holding at least fifty per cent of the share capital are not present or represented, regardless of the matters in the agenda. The General Meeting may be held on second call to pass resolutions regardless of the number of Shareholders present or represented and the percentage of the share capital represented by them.

General Meeting resolutions can only be passed by a majority of votes. However, resolutions concerning changes in the by-laws, merger, demerger, transformation or winding up of the company and other matters for which the law requires a qualified majority corresponding to a given percentage of the share capital or voting rights, must be approved by two thirds of the votes expressed, whether the Meeting is held on first or second call.

Preparatory information for the General Shareholders' Meeting and available information media:

	Made available by BES		Other Channels CMVM website (www.cmvm.pt)
	Office	Internet (www.bes.pt/ir)	
Mandatory information			
Convening Notice	X	X	x
Proposals	X	X	-
Annual Report	X	X	X
Management and supervisory positions held by the members of the Corporate Bodies of BES	X	X	X
Additional information published by BES			
Drafts of Proxy vote forms	X	X	-
Instructions for the exercise of postal voting	X	X	-
Clarification of matters	X	X	-
BES by-laws	X	X	-
Results of voting on the proposals	X	X	X

4.3.4. Rights of Shareholders in General Meetings**a. Information**

In the course of General Meetings, any shareholder can request that true, comprehensive and clarifying information be supplied so that he can form a solid opinion about the matters being deliberated. The obligation to provide information also applies to the relations between the company and other companies associated to it.

Such information can only be refused if their disclosure is liable of causing serious damage to the company or to another company associated to it, or if it constitutes a violation of a duty of secrecy imposed by law.

b. Attendance of General Meetings and rules on representation

Only those shareholders with voting rights, whose shares are registered in their name in a securities account on the fifth working day preceding the date of the General Meeting may attend and participate in the General Meeting, or in each of its sessions, in case the meeting is suspended.

Until the fifth day prior to the day of the meeting, those Shareholders who may wish to nominate proxies must, under the provisions of the law, deliver to the company the relevant representation documents. Those Shareholders who are companies must also indicate their proxies. However, the Chairman of the General Meeting may authorise the participation in the meeting of proxies that were not appointed within the above

time period, if he thinks that such decision will cause no inconvenience to the work sessions during the Meeting.

The prior period required for the deposit or blocking of shares for purposes of participating in general meetings is five working days.

Shareholders without voting rights and bondholders are not allowed to attend General Meetings. However, should they wish to do so, they may request an authorisation for the purpose from the Chairman of the General Meeting through the Company's website (investor.relations@bes.pt) or through the BES Secretary (phone no. +351 213 501 010). Shareholders without voting rights and bondholders who attend General Meetings are not allowed to participate in the discussion on the items in the agenda.

In order to confirm the identity of the entities admitted to participate in the General Meeting or that of whomever validly represents them, they may be required on entry to the meeting to show a personal identification, either a Passport or National Identity Card.

c. The right to vote

Each one hundred shares are entitled to one vote. However, Shareholders owning less than one hundred shares may form a group so as to complete the required number or a higher number and nominate one representative from among the group.

There are no limits to the right to vote or shares conferring plural votes or any other special voting right.

According to the Companies Code, there exist legal prohibitive impediments to vote. A shareholder is not allowed to vote, either on his own or through a proxy or in representation of a third party, when the law expressly forbids it or when the deliberation in question concerns issues such as the existence of a dispute between the company and that shareholder, or a relation established or to be established between the company and the shareholder that is not foreseen in the by-laws.

Shareholders owning more than one vote are not allowed to divide their votes so as to vote differently on the same proposal, or to withhold from voting with all their shares having voting rights.

Shareholders acting as proxies for others may vote differently with their shares and the shares of the represented parties, and may also withhold from voting with their shares or with the shares of the represented parties.

d. Postal voting and voting via electronic means

Convening notices to General Meetings refer that voting rights may be exercised by post, also setting out the manner in which the scrutiny of votes cast by correspondence is conducted.

Shareholders who wish to vote by correspondence may easily obtain draft voting instructions for the exercise of postal voting either from BES' Secretary (Mr. Fernando Quintais Lopes, Phone no: +351 213 501 010) or from the Company's website (www.bes.pt). These draft voting instructions set out the items in the agenda of the meeting as well as, when appropriate, the specific motions to which they relate.

Postal voting does not prevent a shareholder from being represented in the General Meeting. Postal votes count towards the constitution of the General Meeting quorum and are equally valid for the same general meeting when convened on second call. Postal votes must be received at least three business days prior to the date when the General Meeting is held.

Postal votes count as votes against motions submitted after their date of issue.

The Company Secretary and the Chairman of the Board of the General Meeting are responsible for checking the authenticity of postal votes and for ensuring their confidentiality up to the time of voting, under the following terms: postal votes are immediately placed in the care of the Company Secretary, who keeps them and hands them over to the Chairman of the Board of the General Meeting at the time each item is being voted.

Postal votes can at any time be revoked. Postal votes cast by a shareholder who is present or represented at the General Meeting shall be ignored. At present, the exercise of voting rights by electronic means is not allowed.

e. Statistical data on meetings' attendance and voting

Shareholder participation in General Meetings:

	30.03.2005	17.04.2006	18.12.2006	29.03.2007
% of share capital present or represented	73%	69.79%	66.76%	66.49%

Main proposals presented to the General Meetings held in the last 3 years and respective percentage of approval votes (calculated as a percentage of share capital):

	30.03.2005	17.04.2006	18.12.2006	29.03.2007
Approval of Management Report and Individual and Consolidated Accounts	72%	70%	-	66%
Approval of Proposed Distribution of Earnings	72%	70%	-	66%
Appraisal of management and supervision	72%	70%	-	66%
Resolution on acquisition and subsequent sale of own shares	72%	-	-	66%
Election of Board members Bernard Delas and Miguel Horta e Costa ¹	72%	-	-	-
Election of Board members Nuno Godinho de Matos and António Oliveira Pinto		69%		
Approval of capital increase through incorporation of reserves and rights issue		70%		
Ratification of designation, by cooptation, of Board Member João Freixa ²			65%	
Change of by-laws			65%	
Audit Committee and Statutory Auditor (ROC)			65%	
Filling of a vacancy in the Remuneration Committee				65%
Election of Board member Jean Yves Hocher				65%

¹ To fill two vacancies in the Board of Directors due to renunciation of Michel le Masson and Francisco Murteira Nabo.

² To fill a vacancy in the Board of Directors due to renunciation of Herman Agneessens.

5. Disclosure of Information to the Market

Investor Relations

Investor Relations communicates to the market all the information on results, events or any other facts concerning BES Group that may be of interest to the financial community in general. It also provides direct information to shareholders, investors and analysts. The Representative for the Relation with the Portuguese Securities Market Commission (CMVM) is responsible for BES' relationship with the CMVM and for disclosure of information through this supervising authority's website, by means of announcements or "privileged information" notices.

Investor Relations regularly issues presentations, notices or press releases on quarterly, interim and annual results, as well as on any other facts concerning the life of the Company that may be of interest to the financial community in general, and to the Shareholders and investors in particular. Regular meetings are also arranged with shareholders and potential investors. BES also participates in a number of international conferences organised by investment banks.

The website (www.bes.pt/ir) as well as "Valor BES", a quarterly newsletter for shareholders, are used as favoured tools for disclosing relevant information (including compulsory disclosure information and other). BES also publishes on its website information concerning its Corporate Governance model, General Meetings and a calendar of company events, among other. Within the scope of BES' relationship with Shareholders, investors and analysts, it is also possible to contact the Bank, make inquiries or ask for clarifications through the Internet. Finally, anyone can request to be sent the annual report of BES or of any other Group company, or other information on a regular basis. In addition to the website, electronic mail (investor.relations@bes.pt) is increasingly used to answer or clarify questions addressed to BES.

Information available in the website, at www.bes.pt

	Online	For download
BES Group Overview		
Mission and Objectives, Milestones, BES Group Structure, International Presence and Shareholder Structure. Identity of the members of the Corporate Bodies.	✓	
Corporate Governance		
BES Corporate Governance Model, Governing Bodies and their main functions, Company's Management (main competencies, management model, <i>Curricula</i> of the Executive Members of the Board and Remuneration), Supervision of the Company, Shareholder Structure, Qualified Holdings and Holdings of Members of the Board of Directors, Dividend Policy, Shareholder's rights, Plans to allot shares and stock option plans, Company organisation, Disclosure of Information, BES by-laws, Corporate Governance Report.	✓	✓
Shareholder		
"Valor BES", Information on General Meetings: Convening Notices, Motions and voting instructions.	✓	✓
Social Responsibility		
"Accomplish More" Program, Staff relations, Customer relations, Supplier relations, Photography, Community affairs and the Environment.	✓	✓
Financial Information		
Quarterly, interim and annual results, Annual and Interim Reports, Key figures.	✓	✓
News and Events		
Material Events and other filings, Results presentations and Strategy day, other presentations and Calendar of events.	✓	✓
Shares information		
Information on BES shares (dividends, capital increases, yield) and Analyst coverage.	✓	
Debt information		
Preference shares, EMTN & ECP, Securitisation transactions, Rating, Analyst coverage.	✓	✓
Useful information		
Useful links, FAQs.	✓	
IR Contacts		
Investor Relations Office, functions and IR contacts. Representative for Market and CMVM relations.	✓	

Any investor may contact BES by post, phone or e-mail to the following addresses (which are also published on BES' investor website):

Investor Relations

Avenida da Liberdade, 195 – 11.º
 1250-142 Lisboa
 Portugal
 Phone / Fax: (+ 351) 21 359 7390 / (+ 351) 21 359 7309
 E-mail: investor.relations@bes.pt
 Website: <http://www.bes.pt/ir>

Representative for the relation with the Portuguese Securities Market Commission (CMVM)

Júlio André
 Avenida da Liberdade, 195 – 14.º
 1250-142 Lisboa
 Portugal
 Phone / Fax: (+ 351) 21 350 88 38 / (+ 351) 21 350 12 89
 E-mail: juandre@bes.pt

Annex 1. CMVM Recommendations on the Governance of Listed Companies

1. The company must ensure that it has permanent contact with the market, that the principle of equality among shareholders is upheld and that uneven access of investors to information is prevented. To these ends, companies should set up an investor support office.

2. The active exercising of voting rights, whether directly, by post or by proxy, should not be restricted. To this end, the following examples are considered to restrict the active exercise of voting rights: a) The imposition of a period of more than 5 working days between the deposit or blocking of shares and permission to participate in the general meeting; b) any statutory restriction on postal voting; c) the imposition of a requirement that postal votes be received more than 5 days in advance; d) the non-availability of voting slips for shareholders wishing to submit their vote by post.

3. It is recommended that companies establish an internal control system, for the efficient detection of risks linked to their activity, as a means of safeguarding their assets and enhancing the transparency of their corporate governance practices.

4. Measures adopted to prevent the success of takeover bids should respect the interests of the company and its shareholders. Measures considered contrary to these interests include defensive clauses intended to cause an automatic erosion of company assets in the event of the transfer of control, or of changes to the composition of the board which prove detrimental to the free transferability of shares and the free assessment by shareholders of the performance of members of the board.

5. The board should be composed of a number of members who provide effective guidance for the management of the company and the persons responsible for said management.

5-A. The board of directors should include a sufficient number of non executive directors, whose role it is to continuously monitor and assess the management of the company by the executive members of the board. Members of other corporate bodies may exercise ancillary roles or, at the very most, substitute board members, if the supervisory powers involved are equivalent and exercised in fact.

6. The non-executive members of the board of directors must include a sufficient number of independent members. When there is only one non executive director, he/she must also be independent. Independent members of other corporate bodies may exercise ancillary roles or, at the very most, substitute board members, if the supervisory powers involved are equivalent and exercised in fact.

7. The board of directors should create internal audit committees, with the power to assess the corporate structure and its governance.

8. The remuneration of members of the board of directors should be structured in such a way as to permit the interests of board members to be in line with those of the company, and should be disclosed annually in individual terms.

8-A. A declaration on the policy for remunerating members of a company's corporate bodies should be submitted to the attention of shareholders at the annual general meeting.

9. Members of the remuneration committee or equivalent should be independent with regard to the members of the board of directors.

10. A proposal should be submitted to the general meeting with regard to the approval of plans for the allotment of shares, and/or options to purchase shares or based on variations in share prices, to members of the board of directors and/or employees. Said proposal should contain all information necessary to ensure that the plan is correctly assessed. The proposal should be accompanied by the rules of procedure for the plan, or, if these have not yet been drafted, by the general conditions for the plan.

10-A. The company should adopt a policy whereby alleged irregularities occurring within the company are reported, containing the following information: the method through which the irregular practices are reported internally, including the persons permitted to receive such information, the manner in which such reports are to be dealt with, including confidential treatment of the information, if such is the wish of the person making the declaration. The general direction of this policy should be disclosed in the corporate governance report.

11. Institutional investors should take into consideration their responsibility to contribute to the diligent, efficient and critical use of the rights conferred on them by the securities they hold or whose management has been entrusted to them, particularly with regard to information and voting rights.

Annex 2 Corporate Positions Held by Members of the Board of Directors of Banco Espírito Santo

António Luís Roquette Ricciardi

Corporate positions held in companies of BES Group

Board of Directors / management bodies

Higher Council of Espírito Santo Group (Member)
 Bespar - Sociedade Gestora de Participações Sociais, S.A. (Vice-Chairman)
 Banque Espírito Santo et de la Vénétie, S.A. (Honorary Chairman)
 Banque Privée Espírito Santo, S.A. (Member)
 Espírito Santo Control, S.A. (Chairman)
 Espírito Santo International, S.A. (Chairman)
 Espírito Santo Financial Group, S.A. (Member)
 Espírito Santo Resources Limited (Member)
 Espírito Santo Resources (Portugal), S.A. (Chairman)
 Espírito Santo Services, S.A. (Chairman)
 Espírito Santo Tourism (Portugal) – Consultoria de Gestão Empresarial, S.A. (Chairman)

Board of the General Meeting

Espírito Santo Golfes, S.A. (Chairman)
 Espírito Santo Property Holding (Portugal), S.A. (Chairman)
 Espírito Santo Resources (Portugal), S.A. (Chairman)
 Espírito Santo Tourism (Portugal) - Consultoria de Gestão Empresarial, S.A. (Chairman)
 Espírito Santo Viagens - Sociedade Gestora de Participações Sociais, S.A. (Chairman)
 Gestres - Gestão Estratégica Espírito Santo, S.A. (Chairman)

Ricardo Espírito Santo Silva Salgado

A. Corporate positions held in companies of BES Group

Board of Directors

Banco Espírito Santo de Investimento, S.A. (Chairman)
 BES Finance, Ltd. (Member)
 BEST - Banco Electrónico de Serviço Total, S.A. (Chairman)
 ES Tech Ventures - Sociedade Gestora de Participações Sociais, S.A. (Chairman)
 ESAF - Espírito Santo Activos Financeiros - Sociedade Gestora de Participações Sociais, S.A. (Chairman)
 Espírito Santo Bank (Member)
 Espírito Santo – Empresa de Prestação de Serviços 2, A.C.E. (Chairman)
 Espírito Santo Ventures, Sociedade de Capital de Risco, S.A. (Chairman)

B. Corporate positions held in companies outside BES Group

Board of Directors

Banque Espírito Santo et de la Vénétie (Member)
 Banco Bradesco, S.A. (Member)
 Bespar - Sociedade Gestora de Participações Sociais, S.A. (Chairman)
 Casa dos Pórticos - Sociedade de Administração de Bens, S.A. (Chairman)
 Banque Privée Espírito Santo, S.A. (Member)
 ES Bankers (Dubai) Limited (Chairman)
 Espírito Santo Control, S.A. (Member)

E.S. Holding Administração e Participações, S.A. (Vice-Chairman)
 Espírito Santo Financial (Portugal) - Sociedade Gestora de Participações Sociais, S.A. (Chairman)
 Espírito Santo Financial Group, S.A. (Chairman)
 Espírito Santo Financial Services Inc. (Member)
 Espírito Santo International, S.A. (Member)
 Espírito Santo Resources Limited (Member)
 Espírito Santo Saúde - Sociedade Gestora de Participações Sociais, S.A. (Chairman)
 Espírito Santo Services, S.A (Member)
 Partran - Sociedade Gestora de Participações Sociais, S.A. (Chairman)
 Sociedade de Administração de Bens Pedra da Nau, S.A. (Chairman)
 ESFG Overseas, Limited (Chairman)
 NYSE Euronext (Member)

Other

NYSE Euronext (Member of the Human Resources & Compensation Committee)

Mário Mosqueira do Amaral

A. Corporate positions held in companies of BES Group

Board of Directors

BES Finance, Limited (Member)
 Banco Espírito Santo North American Capital Corporation (Chairman)

B. Corporate positions held in companies outside BES Group

Board of Directors

Amaral & Pinto - Empreendimentos Imobiliários, S.A. (Chairman)
 Banque Marocaine du Commerce Extérieur (Member and Member of the Audit Committee)
 Espírito Santo International, S.A. (Vice-Chairman)
 Bespar - Sociedade Gestora de Participações Sociais, S.A. (Member)
 Banque Privée Espírito Santo, S.A. (Member)
 Coporgest - Companhia Portuguesa de Gestão e Desenvolvimento Imobiliário, S.A. (Member)
 Espírito Santo Control, S.A. (Vice-Chairman)
 Espírito Santo Financial Group, S.A. (Member)
 Espírito Santo Resources Limited (Member)
 Espírito Santo Services, S.A (Member)

Board of the General Meeting

Gesfimo - Espírito Santo, Irmãos - Sociedade Gestora de Fundos de Investimento Imobiliário, S.A. (Chairman)
 Herdade da Comporta, S.A. (Chairman)

José Manuel Pinheiro Espírito Santo Silva

A. Corporate positions held in companies of BES Group

Board of Directors

Banco Espírito Santo de Investimento, S.A. (Member)
 ESAF - Espírito Santo Activos Financeiros, Sociedade Gestora de Participações Sociais, S.A. (Member)
 Espírito Santo Bank (Member)
 Espírito Santo Financial Consultants, Gestão de Patrimónios, S.A (Chairman)

B. Corporate positions held in companies outside BES Group

Board of Directors

Bespar - Sociedade Gestora de Participações Sociais, S.A. (Member)
 Banque Espírito Santo et de la Vénétie, S.A. (Member)
 Banque Privée Espírito Santo, S.A. (Chairman)
 Espírito Santo Control, S.A. (Member)
 ESFG Overseas Limited (Vice-Chairman)
 Espírito Santo Financial (Portugal) - Sociedade Gestora de Participações Sociais, S.A. (Vice-Chairman)
 Espírito Santo Financial Group, S.A. (Vice-Chairman)
 Espírito Santo International, S.A. (Member)
 Espírito Santo Resources Limited (Member)
 Espírito Santo Services, S.A (Member)
 Europ Assistance - Companhia Portuguesa Seguros Assistência, S.A. (Member)
 Fiduprivate - Sociedade de Serviços, Consultoria, Administração de Empresas, S.A. (Chairman)

António José Baptista do Souto

A. Corporate positions held in companies of BES Group

Board of Directors

Besleasing & Factoring, IFIC, S.A. (Chairman)
 Espírito Santo Data - Sociedade Gestora de Participações Sociais, S.A. (Chairman)

B. Corporate positions held in companies outside BES Group

Board of Directors

Angra Moura - Sociedade de Administração de Bens, S.A. (Chairman)
 Companhia de Seguros Tranquilidade, SA (Member)
 SIBS - Sociedade Interbancária de Serviços, S.A. (Member)

Jorge Alberto Carvalho Martins

Corporate positions held in companies outside BES Group

Board of Directors / Management Bodies

Locarent - Companhia Portuguesa de Aluguer de Viaturas, S.A. (Member of the Board of Directors)
 Primus, Promoção e Desenvolvimento Regional, S.A. (Member of the Higher Council)

Fiscal Board

Agência de Desenvolvimento Regional de Entre-o-Douro e Tâmega (Chairman)

Aníbal da Costa Reis de Oliveira

Corporate positions held in companies outside BES Group

Board of Directors

ACRO, Sociedade Gestora de Participações Sociais, S.A. (Chairman)
 Diliva — Sociedade de Investimentos Imobiliários, S.A. (Chairman)
 Espírito Santo Financial (Portugal), Sociedade Gestora de Participações Sociais, S.A. (Member)
 Espírito Santo International, S.A. (Member)
 Olinveste, Sociedade Gestora de Participações Sociais, Lda. (Manager)
 Saramagos - Sociedade Produtora de Energia, S.A. (Chairman)
 Olinerg - Sociedade Gestora de Participações Sociais, S.A. (Chairman)
 Oliren - Sociedade Gestora de Participações Sociais, S.A. (Chairman)

Board of the General Meeting

Olifil Têxteis, S.A (Chairman)

Texarte Têxteis, S.A. (Chairman)

José Manuel Ferreira Neto**A. Corporate positions held in companies of BES Group****Board of Directors / management bodies**

ESAF — Espírito Santo Activos Financeiros, Sociedade Gestora de Participações Sociais, S.A. (Member of the Board of Directors)

ES Recuperação de Crédito, ACE (Chairman of the Board of Directors)

Parsuni, SGPS, Sociedade Unipessoal, Lda. (Madeira offshore) (Manager)

B. Corporate positions held in companies outside BES Group**Board of Directors**

Sogesis – Gestão de Investimentos e Serviços, S.A. (Member)

Fiscal Board

Fundação Cultursintra (Chairman)

Manuel de Magalhães Villas-Boas**A. Corporate positions held in companies of BES Group****Board of Directors**

Banco Espírito Santo de Investimento, S.A. (Member)

BES Finance Limited (Member)

B. Corporate positions held in companies outside BES Group**Board of Directors**

Espírito Santo Financial Group, S.A. (Member)

ESFG Overseas Limited (Member)

Manuel Fernando Moniz Galvão Espírito Santo Silva**A. Corporate positions held in companies of BES Group****Board of Directors**

Espírito Santo Bank (Member)

B. Corporate positions held in companies outside BES Group**Board of Directors /management bodies**

Higher Council of Espírito Santo Group (Member)

Academia de Música de Santa Cecília (non executive Chairman)

Bespar – Sociedade Gestora de Participações Sociais, S.A. (Member)

Espírito Santo Control, S.A. (Member)

Espírito Santo Financial Group, S.A. (Member)

Espírito Santo Health & SPA, S.A. (Chairman)

Espírito Santo Industrial S.A. (Chairman)

Espírito Santo International, S.A. (Member)

Espírito Santo Resources, Limited (Chairman of the Executive Committee)

Espírito Santo Resources (Portugal), S.A. (Member)

Espírito Santo Services, S.A (Member)

Espírito Santo Tourism (Europe), S.A. (Chairman)

Espírito Santo Tourism (Portugal) - Consultoria de Gestão Empresarial, S.A. (Vice-Chairman)

Euroamerican Finance Corporation, Inc. (Chairman)

Herdade da Comporta – Actividades Agro Silvícolas e Turísticas, S.A. (Chairman)

PT Multimédia, Serviços de Telecomunicações e Multimédia, Sociedade Gestora de Participações Sociais, S.A. (Member)

Santogal – Sociedade Gestora de Participações Sociais, S.A. (Member)

Sociedade de Investimentos Imobiliários Sodim, S.A. (Member)

Board of the General Meeting

Espart - Espírito Santo Participações Financeiras, Sociedade Gestora de Participações Sociais, S.A. (Chairman)

Sociedade Imobiliária e Turística da Quinta do Peru, S.A. (Chairman)

José Maria Espírito Santo Silva Ricciardi

A. Corporate positions held in companies of BES Group

Board of Directors

Banco Espírito Santo de Investimento, S.A. (Vice Chairman and Chairman of the Executive Committee)

BES Investimento do Brasil, S.A. (Chairman)

ES Recuperação de Crédito, ACE (Member)

Board of the General Meeting

ESAF – Espírito Santo Gestão de Patrimónios, S.A (Vice-Chairman)

B. Corporate positions held in companies outside BES Group

Board of Directors

Espírito Santo Financial Group S.A. (Member)

General and Supervisory Board

EDP – Energias de Portugal, S.A (Member)

Fiscal Board

Sporting Clube de Portugal (Vice-Chairman)

Board of the General Meeting

Espart - Espírito Santo Participações Financeiras - Sociedade Gestora de Participações Sociais, S.A. (Vice-Chairman)

Jean-Luc Louis Marie Guinoiseau

Corporate positions held in companies of BES Group

Board of Directors

Espírito Santo – Informática, ACE (Chairman)

Rui Manuel Duarte Sousa da Silveira

A. Corporate positions held in companies of BES Group

Board of the General Meeting

Banco Espírito Santo dos Açores, S.A. (Chairman)

BEST - Banco Electrónico de Serviço Total, S.A. (Chairman)

ESAF - Espírito Santo Fundos de Investimento Imobiliário, S.A. (Chairman)

ESAF - Espírito Santo Fundos de Investimento Mobiliário, S.A. (Chairman)

ESAF - Espírito Santo Fundos de Pensões, S.A. (Chairman)

ESAF - Espírito Santo Participações Internacionais, Sociedade Gestora de Participações Sociais, S.A. (Chairman)

Capital Mais - Assessoria Financeira, S.A. (Chairman)

ES Tech Ventures – SGPS, S.A. (Chairman)

ESAF - Espírito Santo Activos Financeiros, Sociedade Gestora de Participações Sociais, S.A. (Chairman)

Espírito Santo Data - Sociedade Gestora de Participações Sociais, S.A. (Chairman)

ESAF – Espírito Santo Gestão de Patrimónios, S.A (Chairman)

Espírito Santo Ventures – Sociedade de Capital de Risco, S.A (Chairman)

B. Corporate positions held in companies outside BES Group

Board of Directors

Sociedade de Administração de Bens, Casa de Bons Ares, S.A. (Member)

Cimigest – SGPS, S.A. (Member)

Sociedade de Silvicultura Monte do Arneirinho, Lda. (Manager)

Fiscal Board

Companhia de Seguros Tranquilidade, S.A. (Member)

Board of the General Meeting

Bespar - Sociedade Gestora de Participações Sociais, S.A. (Chairman)

Casa dos Pórticos – Sociedade de Administração de Bens, S.A. (Secretary)

BES, Companhia de Seguros, S.A. (Chairman)

ESEGUR - Empresa de Segurança, S.A. (Vice-Chairman)

Espírito Santo Equipamentos de Segurança, S.A. (Chairman)

SGPICE – Sociedade de Serviços de Gestão de Portais na Internet e de Consultoria de Empresas, S.A. (Secretary)

Esumédica – Prestação de Serviços Médicos, S.A. (Chairman)

Europ Assistance - Companhia Portuguesa de Seguros de Assistência, S.A. (Vice-Chairman)

Espírito Santo Saúde - Sociedade Gestora de Participações Sociais, S.A. (Chairman)

Fundo de Turismo - Capital de Risco, S.A. (Chairman)

Fundo de Turismo - Sociedade Gestora de Fundos de Investimento Imobiliário, S.A. (Chairman)

Oblog Consulting, S.A. (Chairman)

Partran - Sociedade Gestora de Participações Sociais, S.A. (Chairman)

T - Vida – Companhia de Seguros, S.A. (Chairman)

Joaquim Aníbal Brito Freixial de Goes

A. Corporate positions held in companies of BES Group

Board of Directors

Espírito Santo Data, Sociedade Gestora de Participações Sociais, S.A. (Member)

ES Tech Ventures, Sociedade Gestora de Participações Sociais, S.A. (Member)

Espírito Santo – Empresa de Prestação de Serviços 2, A.C.E. (Member)

Espírito Santo Ventures - Sociedade de Capital de Risco, S.A. (Member)

B. Corporate positions held in companies outside BES Group

Board of Directors

BES - Companhia de Seguros, S.A (Member)

Portugal Telecom, Sociedade Gestora de Participações Sociais, S.A. (Member)

Fiscal Board

Centro Social e Paroquial de Nossa Senhora da Ajuda (Chairman).

Fundação da Universidade Católica Portuguesa (Chairman)

Pedro José de Sousa Fernandes Homem

A. Corporate positions held in companies of BES Group

Board of Directors

ESAF — Espírito Santo Activos Financeiros, Sociedade Gestora de Participações Sociais, S.A. (Member)

Espírito Santo Financial Consultants, Gestão de Patrimónios, S.A. (Member)

B. Corporate positions held in companies outside BES Group

Board of Directors

Spinnaker Global Opportunity Fund Ltd. (Member)

Mário Martins Adegas

Corporate positions held in companies outside BES Group

Fiscal Board

E Tempus, SGPS - Sociedade Gestora de Participações Sociais, S.A. (Chairman).

Other positions

Fundação Económicas (Chairman of the General Board)

Economic and Social Council (Member – financial area)

Portuguese Economy Association (Economy and Business Management Specialty College)

Luís António Burnay Pinto de Carvalho Daun e Lorena

Corporate positions held in companies outside BES Group

Board of Directors

Campeque, Lda (Manager)

Lázaro de Mello Brandão

Corporate positions held in companies outside BES Group

Board of Directors

Banco Bradesco, S.A. (Chairman)

Banco Bradesco Luxembourg, S.A. (Chairman)

Bradesco Leasing, S.A. (Chairman)

Bradespar, S.A. (Chairman)

Cidade de Deus - Companhia Comercial de Participações (Chairman)

Elo Participações e Investimentos, S.A. (Chairman)

Fundação Instituto de Moléstias do Aparelho Digestivo e da Nutrição (Chairman)

Executive Board

Caixa Beneficente dos Funcionários do Bradesco (Chairman)

Top management

Cidade de Deus - Companhia Comercial de Participações (CEO)

Elo Participações e Investimentos, S.A. (CEO)

NCF Participações S.A. (CEO)

Nova Cidade de Deus Participações S.A. (CEO)

Fundação Bradesco (CEO)

Fundação Instituto de Moléstias do Aparelho Digestivo e da Nutrição (CEO)

Top Clube Bradesco, Segurança, Educação e Assistência Social (CEO)

Management

Bradport – Sociedade Gestora de Participações Sociais, Sociedade Unipessoal, Lda. (Manager)

Board of the General Meeting

Banco Bradesco S.A. (Chairman)

Bradespar, S.A. (Chairman)

Cidade de Deus - Companhia Comercial de Participações (Chairman)

Elo Participações e Investimentos, S.A. (Chairman)

Fundação Bradesco (Chairman of the Governing Board)

NCF Participações, S.A. (Chairman)

Nova Cidade de Deus Participações, S.A. (Chairman)

Other positions

Banco Bradesco S.A (Coordinator of the Remuneration Committee)

Fundação Getúlio Vargas (Member of the Board of Curators)

Ricardo Abecassis Espírito Santo Silva**A. Corporate positions held in companies of BES Group****Board of Directors**

Banco Espírito Santo de Angola (Chairman)

Banco Espírito Santo de Investimento, S.A. (Member)

BES Finance Limited (Member)

BES Investimento do Brasil, S.A. (Member)

Espírito Santo Investimentos, S.A. (Brazil) (Chairman)

Espírito Santo Bank (EUA) (Vice-Chairman)

Top management

BES Investimento do Brasil, S.A. (Chairman)

Espírito Santo Investimentos, S.A (Brazil) (Chairman)

GESPAR S/C Ltda. (Brazil) (Manager)

Fiscal Board

Banco Espírito Santo do Oriente, S.A. (Chairman)

B. Corporate positions held in companies outside BES Group**Board of Directors**

Agriways, S.A. (Brazil) (Vice-Chairman)

Bradespar, S.A. (Brazil) (Member)

Câmara Portuguesa de Comércio no Brasil (Member)

Companhia Agrícola Botucatu (Chairman)

E.S. Holding Administração e Participações, S.A. (Brazil) (Member)

Espírito Santo Control, S.A. (Member)

Espírito Santo Financial (Portugal) - Sociedade Gestora de Participações Sociais, S.A (Member)

Espírito Santo International, S.A (Member)

Euroamerican Finance Corporation, Inc. (BVI) (Member)

Companhia Brasileira de Desenvolvimento Imobiliário Turístico - Invest Tur Brasil (Member)

Monteiro Aranha, S.A. (Brazil) (Member)

Pojuca, S.A. (Brazil) (Chairman)

Top management

Associação Espírito Santo Cultura (Brazil) (Manager)

Companhia Agrícola Botucatu (Chairman)
 E.S. Holding Administração e Participações, S.A. (Brazil) (Chairman)
 Europ Assistance (Brazil) (Manager)
 ESAI - Espírito Santo Activos Imobiliários Ltda. (Brazil) (Manager)
 ESAP Brasil Agro-Pecuária (Manager)
 ESCAE - Administração e Participações Ltda. (Brazil) (Manager)
 ES Consultoria, Ltda. (Brazil) (Manager)
 Inter-Atlântico S.A. (Brazil) (Chairman)
 Pojuca Administração, S.A. (Brazil) (Chairman)
 Quinta da Baroneza Emp. e Part Ltda. (Manager)
 Terras de Bragança Participações Ltda. (Manager)
 Seicor - Comércio Administração e Participações S.A. (Brazil) (Chairman)
 Sintra Empreendimentos Imobiliários Ltda (Manager)

Fiscal Board

Banco Bradesco, S.A. (Member)

Advisory Board

Associação Brasileira de Bancos Internacionais, S.A (Member)
 Portugal Telecom - Brasil (Member)

Bernard Henri Georges De Wit

Corporate positions held in companies outside BES Group

Board of Directors

Banco del Desarrollo (Chile) (Member)
 Bespar - Sociedade Gestora de Participações Sociais, S.A. (Member)
 Crédit Uruguay Banco, S.A. (Uruguay) (Vice-Chairman)
 Emporiki Bank (Greece) (Member)
 Europabank, N.V.(Belgium) (Member)
 Inversora del Suquia, S.A. (Argentina) (Member)
 Meridian Bank (Serbia) (Chairman)
 Sicsa S.A. (Argentina) (Member)

Other positions

Index Bank (Ukraine) (Member of the Supervisory Board)

José Manuel Ruivo da Pena

Corporate positions held in companies outside BES Group

Fiscal Board

BES, Companhia de Seguros, S.A. (Chairman)
 BES - Vida, Companhia de Seguros, S.A. (Chairman)
 Companhia de Seguros Tranquilidade, S.A. (Chairman)
 Partran - Sociedade Gestora de Participações Sociais, S.A.(Chairman)

Jean-Frédéric de Leusse

Corporate positions held in companies outside BES Group

Board of Directors

BSF Bank Saudi Al Fransi (Saudi Arabia) (Member)
 BESPARG – Sociedade Gestora de Participações Sociais, S.A. (Member)
 Crédit Agricole Egypt S.A.E. (Vice-Chairman)
 Emporiki Bank (Greece) (Chairman)
 IUB Holding (Chairman)

Supervisory Board

De Dietrich (France) (Member)

Other positions

Credit Agricole, S.A. (Manager of International Development Group, Manager of International Retail Banking, Member of the Executive Committee)

Amílcar Carlos Ferreira de Morais Pires

A. Corporate positions held in companies of BES Group

Board of Directors

Bank Espírito Santo International Limited (Chairman)
 Banco Espírito Santo de Investimento, S.A. (Member)
 Banco Espírito Santo do Oriente, S.A. (Member)
 BES Finance Limited (Member).
 ESAF - Espírito Santo Activos Financeiros - Sociedade Gestora de Participações Sociais, S.A. (Member)
 BIC – International Bank, Limited (Chairman)
 Espirito Santo PLC (Member)

B. Corporate positions held in companies outside BES Group

Board of Directors

BES-Vida, Companhia de Seguros, S.A (Member)
 Portugal Telecom, SGPS, S.A. (Member)

Bernard Delas

Corporate positions held in companies outside BES Group

Board of Directors

BES – Companhia de Seguros, S.A (Vice-Chairman)
 BES – Vida, Companhia de Seguros, S.A (Vice-Chairman)
 Credit Agricole Reinsurance (Member)
 Crédit Agricole Japan Limited (Member)
 Crédit Agricole Risk Insurance (Member)
 Pacifica (France) (Member)
 PO Vita (Italy) (Member)

Supervisory Board

Gimar Finance (France) (Member)
 Credit Agricole Life Insurance (Serbia) (Chairman)

Other positions

Crédit Agricole, S.A (Manger of l'Assurance à l'International“)

Finaref Insurance Company Ltd (Member of the Managing Committee)
 Finaref Life Ltd. (Member of the Managing Committee)
 Space Holding (Ireland) (Member of the Managing Committee)
 Space Reinsurance Company Ltd (Member of the Managing Committee)

Miguel António Igrejas Horta e Costa

A. Corporate positions held in companies of BES Group

Board of Directors

Banco Espírito Santo de Investimento, S.A. (Vice-Chairman of the Board of Directors and Member of the Executive Committee)

B. Corporate positions held in companies outside BES Group

Board of Directors

Carbon Assets Fund (EUA) (Member)
 Sociedade de Administração de Bens Casa da Holanda, S.A (Chairman)
 Bindcity – Soluções de relacionamento Digital, S.A.,(Chairman)

Advisory Board

Associação Portuguesa para o Desenvolvimento das Comunicações (APDC) (Member)
 Orizon – Investimentos Imobiliários e Turísticos, S.A. (Chairman)

Other positions

Portuguese Association of the Sovereign and Military Order of Malta (Vice-Chairman)
 CIEP - Confederação Internacional dos Empresários Portugueses (Chairman of the Executive Committee)
 Fundação Batalha de Aljubarrota (Member)
 Fundação Luso Brasileira (Vice-Chairman)
 Prémio Infante D. Henrique (Chairman of the Board)
 ACP - Automóvel Clube de Portugal (Vice- Chairman of the Board)
 Club de Golf do Campo Real (Honorary Chairman)
 Clube Naval de Cascais (Commodore)
 Honorary Consul of the Republic of El Salvador in Portugal
 Ambassador of the Sovereign and Military Order of Malta in the Republic of Cape Verde

Nuno Maria Monteiro Godinho de Matos

Corporate positions held in companies outside BES Group

Board of the General Meeting

VAA - Vista Alegre Atlantis, SGPS, S.A (Chairman)

Alberto Alves de Oliveira Pinto

Corporate positions held in companies outside BES Group

Board of Directors

Galp Energia, SGPS, S.A. (Member)

João Eduardo Moura da Silva Freixa

Corporate positions held in companies of BES Group

Board of Directors

Banco Espírito Santo dos Açores, S.A. (Vice-Chairman)

Jean-Yves Hocher

Corporate positions held in companies outside BES Group

Board of Directors

Banque de Gestion Privée Indosuez (Member)

Pacífica (Member)

La Medicale de France (Member)

Gecina (Member, as permanent representative of Predica)

Siparex (permanent representative of Predica, Censeur)

Caisse d'Assurances Mutuelles du Credit Agricole (Member)

Fédération Française des Sociétés d'Assurance (Member of the Bureau, Member of the Executive Committee)

Agro Paris Tech (Member)

Attica (Member)

Supervisory Board

Korian (Member)

Unipierre Assurance (Chairman)

Other positions

Crédit Agricole, SA (Directeur du Pôle Assurances, Member of the Executive Committee)

Groupement Français des Bancassurers (Chairman)

Mouvement des Entreprises de France (Member of the Board of the General Meeting)

Predica (Directeur Général non Administrateur)

Michel Joseph Paul Goutorbe

A. Corporate positions held in companies of BES Group

Board of Directors

Besleasing e Factoring, - Instituição Financeira de Crédito, S.A. (Member)

ESAF – Espírito Santo Activos Financeiros - Sociedade Gestora de Participações Sociais, S.A. (Member)

B. Corporate positions held in companies outside BES Group

Board of Directors

Banco Credibom, S.A (Member)

BES - Vida, Companhia de Seguros, S.A (Member of the Board of Directors and Chairman of the Executive Committee)

BES, Companhia de Seguros, S.A. (Member of the Board of Directors and Chairman of the Executive Committee)

General Information

BES Shares

On December 31st, 2007 the share capital of Banco Espírito Santo was represented by 500 000 000 shares with the nominal value of euro 5 each. BES shares are listed on the Euronext Lisbon Stock Exchange and are part of several indices, namely the PSI 20, Euronext 100, Dow Jones Eurostoxx, Dow Jones Stoxx 600 Banks, FTSE All World Developed, FTSE4Good. BES Group also has 600,000 non voting preference shares with nominal value euro 1,000 each issued by its subsidiary BES Finance, Ltd. listed on the Luxembourg Stock Exchange.

Information

Shareholders, investors and analysts should address their requests for information or other queries to:

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ISIN Code: PTBESOAM0007

Reuters Ticker – BES.LS

Bloomberg Ticker – BESNN PL

Annual Reports, press releases and other information are available on the website of BES (<http://www.bes.pt/ir>).

Calendar of Corporate Events 2008

Date	Event
January 28th, 2008	2008 Results Release
March 31st, 2008	General Shareholders' Meeting
April 2008	Dividends Payment
April 29th, 2008	1st Quarter 2008 Results Release
July 30th, 2007	1st Half 2008 Results Release
Until September 28th, 2008	Publication of 2008 Interim Report
October 28th, 2008	3rd Quarter 2008 Results Release

BANCO ESPÍRITO SANTO, S.A.
Public Traded Company
Corporate Registration no. 500 852 367
Registered Office: Avenida da Liberdade nº 195
1250-142 Lisboa - Portugal
Registered with the Lisbon Registrar of Companies under no. 1607
Registered Share Capital: EUR 2 500 000 000.00