



September 2014

To our stakeholders:

We recognize that a key requirement for participation in the UN Global Compact is the annual preparation and posting of a Communication on Progress (COP) that comprises of a CEO statement of continued support for the UN Global Compact, a description of practical actions with regard to the principles of the UN Global Compact, and a measurement of outcomes or expected outcomes.

We are late in creating, sharing and posting our COP report in part due to our short existence as Novo Banco, S.A. (Novo Banco) and also due to the recent change to the members of the board of directors of Novo Banco occurred on 17 September 2014.

As you may already be aware, on 3 August 2014, the Bank of Portugal implemented a resolution measure which resulted in the transfer from Banco Espírito Santo, S.A. (BES) to Novo Banco of the majority of the assets, liabilities, off-balance sheet items and assets under BES' management. This resolution measure was implemented under the terms of the banking recovery and resolution directive (Directive 2014/59/EU) that has been partially implemented in Portugal through amendments to the Portuguese Banking Act.

Novo Banco was incorporated as a Portuguese law joint stock company that initiated its activity immediately after the Bank of Portugal decision and is operating under a full banking license. The share capital of Novo Banco, S.A. is held by a sole shareholder: Fundo de Resolução (the Portuguese banking resolution fund) and its shares are not admitted to trading.

On 17 September 2014 the board of directors of Novo Banco welcomed new members including a new Chairman and CEO.

We hereby ask for an extension period in order to be able to post a COP that describes our company's efforts and progress to implement the principles of the UN Global Compact. Our new COP report will be posted on the UN Global Compact website by 15 January at the latest.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Paulo Vaz Tomé", written over a horizontal line.

Mr. Paulo Vaz Tomé

Head of Communication Office