

Corporate Social Responsibility Report 20 23



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TO OUR CLIENTS, EMPLOYEES, SHAREHOLDERS, AND SOCIAL PARTNERS

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Our Corporate Responsibility and Sustainability Policy is rooted in a systematic approach to monitoring evolving changes and needs within the country.

In 2010, a significant event took place that I would like to highlight. UN Women, an organization dedicated to gender equality and women's empowerment, and the UN Global Compact, an initiative implemented in 1999, which promotes corporate social responsibility, launched the Women's Empowerment Principles (WEPs) and began a campaign to engage as many companies as possible in this global initiative.

The declaration consists of seven principles that address core issues like Equity, Respect for Human Rights, Fair Treatment, and overall promotion of Gender Equality within organizations. One of the greatest strengths of the initiative is that it provides organizations with a clear and viable roadmap to achieve the fundamental goal of Gender Equality.

The Women's Empowerment Principles (WEPs) have shown continuous growth over the years. As one might expect, this is a project that will expand its reach and attract a growing number of affiliates. As of mid-2024, approximately 10 thousand companies worldwide have signed the declaration. We are proud that Banesco became the first Venezuelan bank to sign the initiative in 2022, and this has encouraged us to deepen our efforts in this area in 2023. This is an essential action on our path, which ratifies our longstanding commitment to human rights, a principle that has been a cornerstone of our institution for over three decades.



JUAN CARLOS ESCOTET RODRÍGUEZ
CHAIRMAN OF THE BOARD OF DIRECTORS

This commitment is not a standalone action but rather part of a broader, structured effort to adopt business practices aligned with the Sustainable Development Goals (SDGs). Immediately following the adoption of the SDGs in 2015, Banesco began evaluating how our practices aligned with each Goal. We also assessed the necessary changes to adapt our operations to the Sustainable Development Goals and to stay true to our commitment to building a more equitable world.

A thorough examination of this Corporate Responsibility and Sustainability Report 2023 will reveal that most beneficiaries of our actions have been supported in previous years. Furthermore, it will highlight the predominance of educational organizations among those who have benefited from our initiatives.



In line with our policy, Banesco has chosen, among the available options, to support initiatives that contribute to structural solutions. We understand structural solutions as those that focus on developing free, productive citizens, who are committed to society.



The Microentrepreneur Training Program is a prime example of a structural solution. In 2023, not only did the program train 8,763 individuals, forge partnerships, and expand its reach to more cities, but it also received prestigious academic recognition from Universidad Central Venezuela (UCV).

From now on, the digital certificate issued to participants of the Program will bear the seal and signature of the UCV's Office of University Extension Courses.

I used the Microentrepreneur Training Program as an example, but other instances could have been used as well.

The main point I want to highlight is the significant and ongoing commitment to Corporate Responsibility and Sustainability. As partnerships between companies and NGOs become more established, the higher the potential for successful management and outcomes.

The fact that an organization like Banesco persists with its programs, avoids one-off fleeting actions, however eye-catching, and consistently associates its brand with specific social causes —Fe y Alegría, A.C. Red de Casas Don Bosco, Fundana, UCAB Caracas, UCAB Guayana, AVEC, Asociación Venezolana contra la Parálisis Infantil, IESA, Museo de los Niños, Asociación Civil Damas Salesianas— is, in our opinion, a positive indicator of the progress toward a policy focused on structural solutions.

Our Corporate Responsibility and Sustainability Policy is rooted in a systematic approach to monitoring evolving changes and needs within the country. From that perspective, Banesco, is fully committed to the Sustainable Development Goals, as a financial organization in a constant state of vigilance and a profound dedication to the country and its clients. This commitment has been evident since the bank first opened its doors in 1986.

Our disciplined connection to Venezuela is the driving force behind our management, a commitment that has allowed us to consistently maintain leading positions in the Venezuelan private banking sector over the years, even in the face of a highly complex and dynamic environment. The pages that follow provide an overview of the efforts made and results achieved in 2023. They not only summarize what we accomplished but also outline our commitments for the near future, as our organization continues to strive for excellence, day by day.

Juan Carlos Escotet Rodríguez

CHAIRMAN OF THE BOARD OF DIRECTORS
BANESCO BANCO UNIVERSAL, C.A.



ORGANIZATION PROFILE

Mission, Vision,
and Values

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Banesco Banco Universal, C.A.
is a 100% Venezuelan-owned financial
institution offering comprehensive
financial services, with its
headquarters, Ciudad Banesco,
located at Urbanización Colinas de
Bello Monte, Caracas, Venezuela.

MISSION

Comprehensive and Innovative
Financial Services

- We are a comprehensive financial services organization, dedicated to understanding and meeting our clients’ needs through relationships built on trust, easy and secure access, and excellent service quality.
- We combine tradition and innovation with top talent and advanced technology to deliver a superior customer experience.
- We are committed to the well-being of our community, developing win-win relationships with our suppliers and employees, and optimizing shareholder returns.

VISION

Human-Driven Innovation
and Efficiency

- **Leading the way in client experience:** Providing tailored, end-to-end, simple, fast, and reliable service models through the country’s best omnichannel network.
- **Pioneering innovation:** Deeply understanding our clients’ needs and habits to anticipate their requirements with innovative, technologically integrated products and services that enhance their quality of life.
- **Setting an example of humanity:** Continuously developing top talent to foster balance, profitability, and human quality, ensuring the highest performance standards.

Powered by innovation, efficiency, and a human touch,
we are always there to support our clients. That is the meaning
of our “**Contigo**” (By Your Side) motto.

VALUES

Responsibility

- We fulfill our commitments to our customers, teams, and society.
- We practice what we preach.
- We stay focused until we exceed client’s expectations.
- We embrace valuable ideas, even if they differ from our own.

Reliability

- We put the interests of our clients and the organization above our own.
- We act with generosity, considering the impact of our decisions, and prioritizing collaboration.
- We openly discuss risks and limitations, and we acknowledge and take responsibility for our mistakes.

Quality

- We are passionate about providing the best solutions to our clients, optimizing time and resources.
- We have implemented streamlined, simple, and scalable processes to ensure we get things right from the start.
- We share best practices and challenge the status quo.

Innovation

- We foster a culture of innovation and experimentation, starting from the basics, where mistakes are seen as opportunities to learn.
- We create a shared vision for the future that spans all areas of our organization.
- We stay up-to-date on the latest technological and non-technological solutions and implement them efficiently.



BANKING SYSTEM



The performance of the banking market was characterized by a focus on innovative products and services, mainly digital, to meet the ever-growing demand of customers.

As of December 31, 2023, the financial system comprised 26 institutions, including 22 universal banks and four microfinance banks.

The performance of the banking market was characterized by a focus on innovative products and services, mainly digital, to meet the ever-growing demand of customers.

As reported by the Central Bank of Venezuela (BCV), 7,455.1 billion transactions were processed through different payment channels and services in 2023. Out of the total, 99.94% was conducted via electronic and/or digital channels. Point-of-sale transactions dominated with 3,861.8 billion, followed by interbank mobile payments with 2,187.7 billion, while in-branch transactions significantly decreased to just 54.6 billion.

Total assets grew to Bs. 329,415 billion, representing a 152.6% increase over the previous year. The growth was mainly attributable to a significant expansion in net loans (+299.4%), followed by cash and due from banks (+163.4%), and investment securities (+107.3%). As a result, the relative importance of the net portfolio to total assets increased to 15.5%, 5.7 percentage points higher than the previous year's level (9.8%).

The gross portfolio experienced an exceptional year-on-year increase of 299.6% (Bs. 39,582 billion) and a semiannual growth of 84.0% (Bs. 24,102 billion), reaching Bs. 52,792 billion.

This growth was primarily driven by increased credit card limits and improved access to loans granted by some institutions for the acquisition of new cars, as part of the banking sector's ongoing efforts to meet the needs of key sectors.

Despite an increase in the credit intermediation ratio to 37.78% by the end of 2023, from 28.39% in 2022, insufficient funding is still one of the main factors that affect private manufacturing in the country. This is attributed to the challenges posed by maintaining a high legal reserve requirement.

The economic slowdown experienced throughout much of the year triggered a slight impairment in the quality of the portfolio, pushing the delinquency rate up to 0.83% compared to 0.46% in 2022. This was offset by an adequate level of coverage for immobilized portfolio (358.56%).

Customers' deposits continued increasing, ending the year with a balance of Bs. 139,733 billion, which represents a year-on-year growth of Bs. 93,202 billion (200.3%). This was primarily attributed to the momentum of domestic currency accounts, which constituted 92.9% of such total.

The Shareholder's Equity of the system experienced a change of 124.7% (Bs. 38,116 billion) in 2023, amounting to Bs. 68,676 billion.

The Statement of Income shows a net profit of Bs. 8,414 billion, primarily driven by the significant



growth of other operating income to Bs. 18,908 billion (+325.5% over the second half of 2022), as well as higher income from the loan portfolio, which reached Bs. 13,436 billion at year end (+361.2%), leading to a greater reliance on other operating income.

The banking sector's Average Return on Assets (ROA) has remained below 10% in the last periods, averaging 6.87% in the second half of 2023, considering the high level of non-productive assets, which is around 38% with an upward trend; while the Average Return on Equity (ROE) was 27.01%.

Another factor that undoubtedly hinders the growth of the portfolio is linked to the high levels of informal labor in the country, with approximately 40% of the working-age population. This limits the opportunities to access loans, either for developing economic activities or acquiring consumer goods, or both.

There is also a high concentration in loans and deposits, with five institutions accounting for 75% in both areas. This concentration hinders the sector's ability to generate income for further growth and weakens borrowers' loan repayment capacity.

The Venezuelan banking sector is ready at all levels to address the needs of the country and contribute to its development. It has the workforce, a risk management framework adapted to current conditions, robust corporate governance

and processes, cutting-edge technology, continuous monitoring of market conditions, and a keen eye on the evolving business landscape, with its multiple scenarios, the evolution of which will guide the strategies to be implemented in the short and medium term.

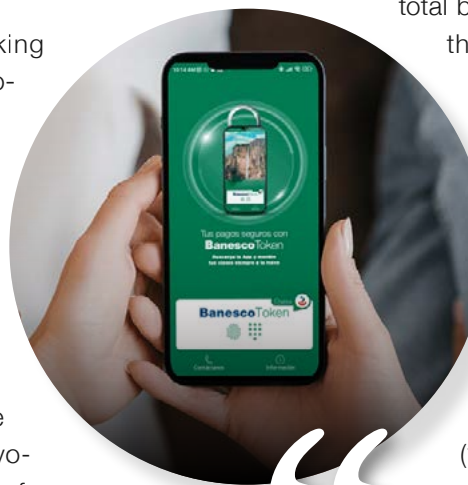
Projections for the banking sector in 2024 indicate a favorable performance, as long as oil licenses stay valid, the economy makes a gradual comeback, and the population's purchasing power improves. However, a contraction in the size of Venezuela's real sector has led to a decline in production and sales volumes, with the exception of essential goods and services.

BANESCO BANCO UNIVERSAL, C.A

BanESCO Banco Universal, C.A.'s total assets closed the period at Bs. 22,710 billion, after experiencing a semiannual variation of Bs. 8,367 billion (58.3%) and a year-on-year variation of Bs. 15,200 billion (202.4%). This variation is mainly caused by the significant rise in cash and due from banks (+169.8% over December 2022), with a balance of Bs. 11,002 billion (48.4% of total assets), due to legal reserve requirements, followed by the net loan portfolio (28.8% of total

assets), with a 2.76 percentage point growth compared to the close of 2022.

The gross loan portfolio experienced a significant increase of Bs. 2,343 billion (+54.0% compared to the first half of 2023), reaching a total balance of Bs. 6,692 billion by the end of December. A total of 4,536 loans were granted during this period, with a significant portion allocated to the Commercial, Restaurant, and Hotel sectors (37.67%), followed by the Agriculture, Fisheries, and Forestry sectors (31.17%) and the Manufacturing Industry (19.68%).



This growth resulted in a net loan intermediation ratio of 41.94%, exceeding the system average (36.65%) by 5.29 percentage points. Throughout this period, the Bank maintained a strong portfolio quality (0.19% delinquency rate) and a loan loss reserve ratio to non-performing loans of 1,135.5% that exceeds the market average (358.6%).



As to liabilities, deposits from our over four million customers amounted to Bs. 15,606 billion in December 2023 (+260.2% increase compared to December 2022). Demand deposits accounted for 94.5% of this total (Bs. 14,747 billion), 36.0% of which corresponded to foreign-currency deposits.

Banesco Banco Universal, C.A. maintained a robust capital position of Bs. 3,437 billion at the end of 2023, as a result of a 69.7% increase, a Tier 1 Leverage Ratio of 19.00%, and a Capital Adequacy Ratio of 32.68%, which exceeds regulatory requirements.

Based on Banesco's Statement of Income for the second half of 2023, net income amounted to Bs. 329 million. When added to the amount earned in the first half of year, it amounts to an annual net profit of Bs. 1,603 billion, which represents an increase of Bs. 1,238 billion compared to 2022 (+339.5%). The main reason was the substantial increase in other operating income, which amounted to Bs. 4,434 billion in 2023, closely followed by income generated from credit operations (Bs. 3,431 billion).

The bank achieved significant milestones in 2023. The 2023 fiscal year concluded with strong results, thanks to the joint effort of all Banesco Citizens to achieve the projected goals, maintaining indicators in line with expectations.

We offer our financial products and services to individuals and businesses throughout the country through both physical and digital channels.



FINANCIAL SUMMARY 2023

	First Half 2022	Second Half 2022	First Half 2023	Second Half 2023
(In million or billion of Bs,)				
TOTAL ASSETS	2,112	7,510	14,343	22,710
▸ Cash and Due from Banks	1,241	4,077	7,118	11,002
▸ Investment Securities	79	265	498	1,326
▸ Net Loan Portfolio	389	1,957	4,253	6,545
▸ Gross Loan Portfolio	408	2,001	4,349	6,692
CUSTOMERS' DEPOSITS	1,548	4,332	8,683	15,606
TOTAL SHAREHOLDERS' EQUITY	189	2,025	3,251	3,437
NET INCOME	31	334	1,273	329
RATIOS (%)				
▸ Provision for Loan Portfolio / Gross Non-performing Portfolio	133,762.96	61,098.42	958.79	1,135.49
▸ Non-performing Portfolio / Gross Loan Portfolio	0.00	0.00	0.23	0.19
▸ Net Income / Average Assets *	3.93	12.90	23.22	10.84
▸ Net Income / Average Equity *	61.00	82.10	88.27	49.96
▸ Liquidity	80.18	94.12	81.98	70.50

* Annualized percentages



COMPREHENSIVE RISK MANAGEMENT



Comprehensive Risk Management is carried out through a structure that encompasses both strategic and operational responsibilities, which allows for the effective management of all risks across the Institution

Comprehensive risk management is a priority that supports the business strategy, ensures compliance with the control framework and risk appetite, and contributes to value creation for stakeholders. Consequently, the structure and functions of this framework adheres to the regulations issued by the Superintendency of Banking Institutions, enabling the establishment of specialized areas focused on the calculation, control, and monitoring of inherent risk factors.

In this sense, the use of advanced tools and methodologies, tailored to the local economic context, to support risk-related decision-making, combined with continuous training and development of our workforce, has led to increased profitable investment and improved investment quality.

COMPREHENSIVE RISK MANAGEMENT MODEL

The Comprehensive Risk Management Model is based on the guidelines established in current local regulations and international best practices, promoting ongoing enhancement of the Institution's risk culture. All of this is carried out in strict compliance with the guidelines and processes outlined in Resolutions No. 136.03 "Standards for Appropriate Comprehensive Risk Management" and No. 136.15 "Standards for Appropriate Comprehensive Bank Liquidity Risk

Management" issued by the Superintendency of Banking Institutions (SUDEBAN). These resolutions emphasize the functional segregation of activities related to risk acceptance and those arising from the ongoing monitoring and supervision of their implementation.

Daily risk management is the responsibility of businesses, which, in carrying out their activities, adhere to the general policies, regulations, infrastructures, and controls that, based on the framework established by the corporate bodies, are defined by the Vice Presidency of the Comprehensive Risk Management Unit (UAIR) within their respective areas of responsibility.

To ensure the effective performance of this task, comprehensive risk management has been designed as a standalone function, separate from commercial operations.

CORPORATE RISK GOVERNANCE

The Comprehensive Risk Management function in Banesco Banco Universal, C.A. is the cornerstone upon which all other functions are organized. This means that all departments must be engaged in identifying, assessing, measuring, and monitoring risks, requiring an organizational structure that is fully aligned with this responsibility.

The Corporate Risk Governance structure of Banesco Banco Universal, C.A. includes a defined set of responsibilities and specific



objectives, and is based on the inclusion of the Board of Directors as the primary authority for approving the risk management model, as to the periodic update of the risk appetite level, the adaptation of methodologies, procedures, and tools for risk management in response to changes in the economic, financial, and legal environment, and the strengthening of the risk culture.

Additionally, it acts as the global risk overseer, tracking performance and setting action plans aligned with defined risk appetite levels.

Comprehensive Risk Management is implemented through a structure with strategic and operational responsibilities, enabling the global management of all risks undertaken in any activity or area of the Institution.

Among other duties, the strategic structure is responsible for reviewing and approving strategies, policies, and methodologies to manage credit, market, interest rate, liquidity, operational, legal, and reputational risks. It also oversees the allocation of resources for the proper implementation of comprehensive risk management practices within the Institution.

This structure is represented by the Board of Directors, the Risk Committee, and the Vice Presidency of Comprehensive Risk Management (VPAIR, in Spanish), which assumes the role of the Comprehensive Risk Management Unit (UAIR, in Spanish), pursuant to Resolution No. 136.03

“ On the other hand, the operational structure in Banesco Banco Universal, C.A. is responsible for implementing strategies and proposing risk management policies, procedures, and methodologies (both qualitative and quantitative) in each functional unit of the Institution. ”

“Standards for Appropriate Comprehensive Risk Management,” issued by the Superintendency of Banking Institutions.

The Board of Directors, as a collegiate body, has delegated to the Risk Committee the responsibility of overseeing the comprehensive risk management of the Bank and the discharge and fulfillment of the duties of the Vice Presidency of Comprehensive Risk Management, which is responsible for proposing to the Risk Committee and the Board of Directors the annual risk plan,

policies, risk appetite levels, methodologies, tools, and procedures to address unforeseen changes in economic and financial conditions or in a particular situation of the Institution. It is also responsible for implementing the approved risk framework and monitoring the results to ensure compliance with the defined risk appetite level.

The Vice President of Comprehensive Risk Management, appointed by the Risk Committee and the Board of Directors, is the highest-ranking official in the Risk Management area and leads a multidisciplinary team responsible for managing credit, market, liquidity, operational, legal, and reputational risks.

RISK COMMITTEE

The Risk Committee, constituted by the Board of Directors of Banesco Banco Universal, C.A., has the main objective of ensuring the appropriate management of all risks to which the Institution is exposed. Therefore, the Risk Committee will establish a

comprehensive risk management framework, including objectives, policies, procedures, and the capacity to identify, measure, assess, and monitor risks, to support the Board



of Directors in the achievement of its strategic goals.

Thus, the Committee assists the Board of Directors in different areas related to risk control and monitoring, complementing these functions with analysis based on the strategic foundations established by the Board at any given time, and which are specifically materialized in the Risk Appetite Framework. After analysis, the Committee submits the Risk Appetite Framework proposal to the Board for review and approval. These responsibilities are fully outlined in Article 5 of Resolution No. 136.03.

The Risk Committee will be empowered by the Board of Directors to oversee the Comprehensive Management of the risks to which Banesco Banco Universal, C.A. is exposed. The Committee must meet at least monthly and document all meetings and decisions in minutes signed by each of its members.

The Committee must be made up of at least two Board members and the Bank President (voting members), as well as the Head of VPAIR, the Compliance Officer or the Prevention of Money Laundering, Terrorist Financing, and Proliferation of Weapons of Mass Destruction, the Internal Auditor, and risk-taking business officers (with voice, but non-voting). Likewise, external auditors may be invited as needed.



In 2023, the Risk Committee met twelve times to discuss, among other matters, the approval of methodologies and the risk appetite framework, follow-up of key financial and operational indicators, modifications to specific product and/or service limits, analysis of new product risks, updates to the market, liquidity, credit, and operational risk management manuals, and review and validation of the models used.

To achieve effective comprehensive risk management, Banesco Banco Universal, C.A., the Board of Directors, the Risk Committee, and the Vice Presidency of Comprehensive Risk Management promote a culture of risk and

control that fosters an understanding of the importance of risk management. They also ensure the existence of communication channels that facilitate continuous feedback between the strategic and operational structures.

RISK APPETITE FRAMEWORK

Risk management is built on three pillars: a) Setting a clear risk appetite, defining the desired levels and types of risk to balance the risk-return elements accepted by the shareholders. b) Proactive approaching to risk management through the identification, review, and constant monitoring of exposures. c) Using quantitative methodologies to measure risks, which adapt to the new requirements for monitoring the established risk appetite.

Risk appetite refers to the acceptable level and types of risk that Banesco is willing to take on to implement its business strategies, even under unexpected circumstances. Risk appetite is set considering adverse scenarios that could adversely affect capital levels, liquidity, and profitability.

Stress testing is conducted on Risk Appetite Framework (RAF) variables to identify potential deviations from established thresholds. If such deviations occur, timely actions are taken to bring these variables back within the target risk profile.



The definition of risk appetite is the responsibility of the Board of Directors and is linked to the Bank's business strategies. Risk appetite is expressed both qualitatively and through limits, structured around seven main axes:

1. COMPREHENSIVE RISK

- Capital Absorption
- Risk-Adjusted Return on Capital (RAROC)
- Solvency Ratio
- Risk Weighted Assets
- Return on Equity (ROE)
- Return on Assets (ROA)
- Cost Efficiency
- Capital Adequacy

2. CREDIT RISK

- Delinquency
- Provisioned non-performing loans (NPL)
- Average Days Past Due (DPD)
- Portfolio Concentration Ratio
- Cost of Credit
- Top 20 Loan Concentration
- Concentration: Clients Holding 80% of the Balance
- Expected Loss (EL)

3. MARKET AND LIQUIDITY RISK

- Structural Liquidity Ratio (RALE, in Spanish)
- Adjusted Structural Liquidity Ratio (RALEA, in Spanish)
- Customer Deposit Concentration Ratio (RACOCAP, in Spanish)
- Liquidity Gaps (Contractual, Expected, and Stressed)
- Liquidity Coverage Ratio (LCR)
- Net Stable Funding Ratio (NSFR)
- Excess Reserve-to-Deposit Ratio
- Legal Reserve Period
- Cost of Funding Deficit
- Banesco's Reserve Coverage Ratio vs. System's Reserve Coverage Ratio
- Foreign Exchange VaR
- Market VaR
- Interest Rate Sensitivity

4. OPERATIONAL AND LEGAL RISKS

- Initial exposure to events
- Recovery rates
- Average recovery time

- Event penalties
- Human Resources, Finance, and Legal related Fines, Lawsuits, and Penalties
- Gap Closure Indicator
- Turnover
- Succession Plan

5. REPUTATIONAL RISKS

- Negative social media mentions
- Net Satisfaction Index and Net Promoter Score (NPS)

6. TECHNOLOGICAL RISKS

- Internal Availability
- System Reliability
- Changes (production deployment)
- Vulnerability Management, Patching, and Antivirus

7. COMPLIANCE RISKS

- AML/CFT/FPWMD Culture Index



Each core metric has three thresholds, ranging from routine business management to more significant levels of impairment:

Target: Amount deemed acceptable in pursuit of the Mission.

Alert: Acceptable level of variation in results or performance related to achievement.

Limit: Maximum amount of risk tolerable in pursuit of objectives.

Risk appetite limits are monitored periodically, and the Vice Presidency of Comprehensive Risk Management reports monthly to the Risk Committee and the Board of Directors on the risk profile and compliance with limits.

CREDIT RISK

Credit risk refers to the potential for financial loss arising from a borrower's failure to repay a loan or meet contractual obligations.

The credit risk methodologies implemented serve a dual purpose: estimating regulatory capital using the Basel standardized approach and supporting the Bank's lending decisions. Banesco Banco Universal, C.A. implements a predictive statistical model for granting loans and credit cards, known as Behavior, which leverages a comprehensive set of variables to assess customer payment behavior by estimating Probability of Default (PD). This model

is calibrated periodically to adapt it to the most recent payment dynamics, ensuring that credit granting decisions are based on up-to-date information.

A set of key indicators is estimated monthly and combined with the risk appetite levels authorized by the Board of Directors to measure the level of achievement of the Bank's objectives. Deviations from these targets trigger alerts, prompting the development of action plans aimed at correcting compliance gaps. Among the most significant indicators, we analyze delinquency of loan portfolio, provisioned non-performing loans, cost of credit, top 20 loan concentration, clients holding 80% of the portfolio, past due balance, average days past due, weighted average probability of default (PD), loss given default (LGD), and bad debt expense.

We have strengthened our credit risk monitoring procedures, supported by a set of strategies, a robust risk culture, a strong governance structure, and processes and tools, including:

- A credit risk management framework that outlines the roles and responsibilities of each department involved, with active participation from Credit Risk Management in the decision-making process. When granting loans, we assess several criteria to determine the borrower's ability to repay loans from new yields. We prioritize sectors with stronger economic growth and those generating

foreign currency cash flow, which can be used to honor contractual obligations under CVU (credit value units) loans. These loans have stricter repayment terms, with higher capital requirements as exchange rate fluctuations (Bs./USD) increase.

- Regularly generated, comprehensive portfolio analyses that provide detailed customer-level insights, including, among others, classification, economic group, business unit, collateral, past due balance, and concentration levels. Moreover, a weekly follow-up system is in place to manage accounts that are over 15 days past due to mitigate the impact on our delinquency ratio.
- Ongoing surveillance of economic sectors represented in the loan portfolio to foresee changes that may affect borrowers' ability to repay.
- Ongoing assessment of risk appetite and related metrics, paying close attention to the performance of portfolios under moratorium and its effect on loan loss provisions.

Given the foregoing, the main credit risk metrics of Banesco Banco Universal, C.A., developed as described below:

- Exposure to credit risk grew by 234.36% year-over-year, driven mainly by increased lending to new clients and a larger exposure to existing clients.



- Exposure to credit risk grew by 234.36% year-over-year, driven mainly by increased lending to new clients and a larger exposure to existing clients.
- The delinquency rate closed 2023 at 0.19%, exceeding the rate observed in December 2022 (0.0036%).
- The coverage ratio for non-performing loans closed 2023 at 1,135%. The cumulative cost of risk as of December 31, 2023 was 2.31% (3.38 percentage points lower than the previous year).

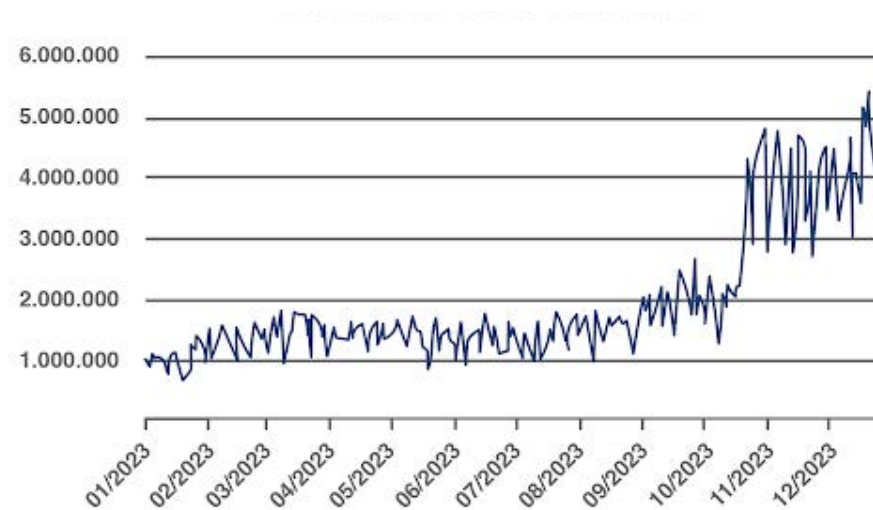
MARKET RISK

Market risk is the likelihood of losses occurring in the value of held positions (assets and liabilities), caused by adverse changes in market variables, such as interest rates, exchange rates, and prices of securities.

For market risk management, the Value at Risk (VaR) technique is implemented, a statistical measure that provides an estimate of the worst-case scenario loss for a portfolio within a defined timeframe and probability or confidence.

VaR can also be defined as the worst-case expected loss on a given position or investment portfolio, which is assumed to remain unchanged during the investment period in the event of a change in risk factors, over a specific time horizon and at a determined confidence level.

VaR MONTE CARLO YEAR 2023



This measure summarizes the bank's risk exposure, quantifying it in monetary terms.

There are several methods for estimating VaR, and the Organization applies the Parametric Delta Normal and Monte Carlo Simulation methods, based on the historical price returns of the instruments that make up the investment portfolio, at a 99% confidence level and daily frequency.

Stressed VaR is also calculated in scenarios where the volatility of the prices of the instruments in the Bank's portfolio is increased by a certain percentage compared to its historical record.

Market risk is monitored through the monthly calculation of the VaR/ Equity ratio, in line with the risk appetite for this metric. Exposure relative to equity reached 0.80% at the end of 2023, representing an increase of 0.31 percentage points compared to 2022, but still remains at very conservative levels. This figure is mainly attributable to regulations restricting Venezuelan banks from investing in anything other than securities issued by the Republic and its decentralized entities, coupled with a limited supply of such instruments in recent years.

In October 2023, the prices of the state-owned oil company's securities rose due to changes



in the economic environment, associated with the expectation of improvements in the issuer's revenue generation. This upward trend was reflected in increases of around 500 basis points for the PDVSA 2027 and PDVSA 2037 Bonds, and 929 basis points for the GLOBAL 2027 during the last quarter. Consequently, the Value at Risk (VaR) of these instruments increased at the end of the second half of 2023.

Back-testing is used to assess the efficiency of VaR in accurately estimating risk. This process compares estimated VaR with actual realized profits and losses, by applying different tests, such as the exception rate (counting instances where observed losses exceed VaR) and the Kupiec test (evaluating a null hypothesis where the proportion of exceptions matches theoretical expectations). In other words, if the number of actual exceptions is close to the expected number of exceptions (2-3), it falls within the Basel green zone (optimal).

Back-testing results for both the parametric and Monte Carlo Simulation models indicate that both models provide adequate fits to the data, demonstrating statistical soundness in terms of accuracy and precision. Both models remained within the Basel Committee's "green zone" (0-4 exceptions). The test results show:

1. Exception count: The parametric method showed one (1) exception, while the Monte

Carlo Simulation showed two (2). These results indicate that the estimates of the portfolio's worst-case scenario are statistically reasonable for both models.

- 2. Average exception rate:** The parametric method produced an average of 1.56 exceptions, demonstrating higher accuracy than the Monte Carlo method with 1.68 exceptions.
- 3. Required adjustment for coverage:** For both models, the observed exceptions remained below the expected exceptions (2.52), so the required adjustment factor was one (1).
- 4. Randomness test:** Given that the number of exceptions for both methods remained below the expected value (2.52) and no runs of exceptions were observed, this test was not applicable.



EXCHANGE RISK

Regarding foreign exchange risk management, to preserve capital ratios and ensure a stable statement of income, a VaR is calculated for the Foreign Exchange Desk operations to determine the maximum potential loss in the valuation of the position of the exchange rate desk's assets in the balance sheet due to fluctuations in the local currency against the currency of the desk's position (USD/EUR). At the close of 2023, the VaR was Bs. 214,997, representing only 0.21% of the Foreign Exchange Desk's position.

On the other hand, the sensitivity of equity to an extreme exchange rate variation (-5%) is determined, which could affect the valuation of both asset and liability positions in foreign currency, as well as the impact on the institution's solvency ratio. At the end of 2023, the Equity Solvency Ratio, calculated as the ratio of equity to total assets, was 19%. Sensitivity analysis revealed that even under a severe exchange rate appreciation scenario, the ratio would only decrease slightly to 18%, significantly exceeding the regulatory minimum of 9%.

To estimate expected losses, counterparty risk is assessed for the trust portfolio, considering its composition. For major financial institutions, the CAMEL rating system is used based on an evaluation of financial and managerial soundness (when the portfolio includes



interbank transactions); while for corporate counterparties, two rating estimation methods are used: one based on the evaluation of companies previously assessed by the Financial Management System (SAFI) for credit granting, and another for companies not assessed by SAFI (for commercial paper portfolios).

Additionally, a VaR is calculated to predict the maximum potential loss of the portfolio with a 99% confidence level for Domestic Public Debt Securities. Furthermore, losses for the portfolio are estimated under several stress scenarios.

INTEREST RATE RISK

Interest rates in Venezuela's banking sector have been strictly regulated by the authorities, who have established minimum and maximum interest rate for both deposits and loans. This has led to very low-interest rate volatility in recent years.

Nevertheless, Banesco measures interest rate risk through a sensitivity analysis based on the modified duration methodology. This allows the Bank to determine the change in the present value of its main financial assets and liabilities (loan portfolio, investment portfolio, and customers' deposits), and consequently, in equity, in response to a hypothetical increase or decrease in interest rates.

As of year-end 2023, the sensitivity indicator shows that a 100-basis point (1%) increase in

interest rates would result in a 6.18% decrease in the Bank's equity and operational reserves.

LIQUIDITY RISK

Liquidity risk refers to the risk that a financial institution may face when it is unable to meet its funding obligations, both on and off-balance sheet, without incurring high financial costs or experiencing unacceptable losses.

Given the local economic and financial environment, liquidity risk has become a top priority for monitoring and developing action plans to align with the risk appetite. In order to fulfill these requirements, the Bank adheres to internationally accepted standards for management and monitoring.

A methodology used to measure liquidity involves estimating short-term and medium-term gaps to assess the difference between the organization's assets and liabilities on its balance sheet. This allows for the anticipation of liquidity challenges by evaluating the availability and use of funds. This analysis is conducted under three scenarios. The first, the contractual scenario, considers the behavior of cash flows as detailed in the contracts supporting these operations, including amounts, maturities, rates, terms, and other pre-agreed clauses. The second scenario, the expected scenario, is built upon the contractual scenario by simulating cash flows based on historical patterns and expected future

trends. The third scenario, the stressed scenario, is constructed by considering extreme, adverse conditions that could impact projected cash flows, using both the contractual and expected scenarios as a basis. Throughout 2023, these gaps exhibited a positive mismatch in all scenarios, indicating that liquid assets and incoming funds were sufficient to cover potential outflows.

As part of these liquidity indicators, the concentration of the Bank's 20 largest depositors was also measured. Throughout 2023, this concentration maintained an average of 12.16%, reflecting a diversified deposit portfolio.

In our liquidity management framework, we have been implementing indicators over the past few years to provide early warnings of liquidity deterioration, aligned with international best practices. Each liquidity indicator was closely monitored throughout 2023 and consistently exceeded the minimum liquidity requirements prescribed by international regulatory standards. The Liquidity Coverage Ratio (LCR) was particularly strong, averaging 485% for the year.

The Net Stable Funding Ratio (NSFR) was also monitored. This is a structural measure designed to foster long-term stability by encouraging banks to appropriately manage their maturity mismatches, funding long-term assets with long-term liabilities. Banesco reported average NSFR ratios of 270% and 274%



at the end of the first and second half of 2023, respectively.

Furthermore, the Bank regularly updates its Liquidity Risk Contingency Plan (LRCP), which outlines three types of contingencies: (i) Idiosyncratic events affecting only the Bank; (ii) Systemic events impacting the broader banking system; and (iii) Regulatory events stemming from changes in monetary policy. To identify the Bank's liquidity contingency level, the calculation and monitoring of a range of regulatory, internal, and market indicators is conducted. By comparing these indicators against predefined limits and thresholds, an overall risk weight is assigned, allowing for the classification of the severity of the liquidity contingency. This enables the Bank to implement appropriate risk mitigation actions and communication plans.

This contingency plan helps mitigate the risks associated with the legal reserve requirements (73% of public deposits) established by the Central Bank of Venezuela (BCV), which have been reflected in overnight market rates and volumes, as well as the impact on the financing cost of the legal reserve requirement shortfall, if any. In line with the foregoing, and taking into account the current condition of the Venezuelan financial system, a simple exponential model was implemented. This model was based on three equations: forecast, slope, and trend, which analyzed

the daily variation of Banesco's single-account balance at the Central Bank of Venezuela. With this model, it is possible to generate early warnings of negative fluctuations that could affect compliance with the legal reserve requirement. In such cases, working groups are formed between the Risk and Treasury Units to define the most suitable strategies for managing the Bank's liquidity on a daily basis.

OPERATIONAL, LEGAL AND REPUTATIONAL RISK

Operational risk encompasses a wide range of potential damages and losses arising from organizational methods, management processes, internal control weaknesses, operational errors, security failures, outdated business contingency plans, and inadequate systems. It also includes risks associated with human error, fraud, delayed responses, and external events that could compromise the financial institution's interests.

Additionally, it encompasses Legal Risk (legal proceedings stemming from Operational Risk) and Reputational Risk, such as negative publicity that could harm the Bank's image, including involvement in illicit business transactions with clients or damaged image caused by adverse events.

The Operational Risk Model takes a process-based approach, evaluating all bank



processes from end to end. It is a continuous cycle of application designed to identify, evaluate, and mitigate risk situations, and is grounded in self-management by process owners. This means that risk management is not solely the responsibility of the Risk department but of all employees. Consequently, process owners must identify, control, and report risks they encounter in their daily work.

Operational risk management is focused on identifying the root causes of risks to prevent their occurrence and mitigate potential consequences. This is achieved through the establishment of mitigation plans, the evolution and compliance of which are monitored monthly and



certified by Internal Audit (as a third line of defense). The objective is to minimize monetary and reputational losses, reduce their impact on recurring income generation, and contribute to improving the quality and availability of services.

In addition, aligned with best practices and recommendations, the Bank has procedures for collecting materialized risks, both internal and external, with or without a financial impact (regardless of their amount), at a level of detail sufficient to enable effective analysis that provides useful information for management. At the end of 2023, 692 events were managed using this approach, resulting in the development of 42 risk mitigation strategies.

Banesco Banco Universal, C.A., has Comprehensive Risk Delegates who are responsible for strengthening the approved risk framework within the supervised areas, supporting the management of risks assumed in the processes they execute, and informing the Vice Presidency of Comprehensive Risk Management of any materialized loss events. The goal is to identify management strategies for mitigating future events that could result in losses for the Bank. Finally, as risks are inherent in all businesses and support areas and are linked to all products, processes, and systems, employees are responsible for managing the risks associated with their activities.

THE OPERATIONAL RISK MODEL CONSISTS OF THREE STEPS:

- **To determine the operational risk profile** through an assessment, anticipation, and mitigation of potential operational risks and their business impact, employing a range of tools and approaches that meet the most rigorous international standards, including Basel, ISO 31000, COBIT, and COSO.
- **To promote synergy in control and operational risk** through the Operational Risk Committee, which held 130 sessions in 2023. These sessions led to the incorporation of 533 strategies to monitor and ultimately close a total of 409 risks.
- **To promote and enhance our risk culture** with the main objective of raising employee awareness of the importance of risk management in their daily duties, by sharing newsletters, wallpapers, and webinars, combined with training for Comprehensive Risk Delegates (DRI, in Spanish) and Master DRIs to establish solid risk management disciplines. These efforts are essential for effective oversight and control, supporting the long-term sustainability of the Institution.

To control and monitor operational risks in processes, new products, and services, we apply the operational risk management model with the aim of minimizing unexpected events and safeguarding the reputation of the Organization.

In 2023, we implemented an automated Governance, Risk, and Compliance (GRC) management tool as part of our ongoing process improvement efforts. This tool provides a comprehensive overview of risk directly to risk owners, aiding in decision-making for their respective processes.

Regarding legal risk, the methodology employed to ensure the Institution's compliance with the current regulatory framework is based on the review, understanding, dissemination, and interpretation of each specific regulation linked to the Bank's scope of operations. Furthermore, the VPAIR's operational loss and risk management tools are used to record risks associated with non-compliance with current regulations. Appropriate controls are established to mitigate these legal risks.

Regarding the monitoring of credit operations to ensure compliance with current regulations, a robust corporate governance framework is in place. A key element of this framework is the delegation of credit authority to different levels of the Organization.



As part of the approval process for new products and services, a legal analysis is conducted to evaluate the characteristics of each new product and ensure compliance with all applicable regulations.

Given the difficulty to predict the outcome of current and potential future legal actions, three factors are taken into account when establishing provision amounts: (i) the amount claimed, which remains at historical values unless there is a judgment against the Bank ordering its indexation; (ii) the probability of success, determined based on the factual and legal arguments used in the defense, assesses the likelihood of a ruling favorable to the Bank; and (iii) the procedural stage of the trial, which provides an indication of the phase and status of the case, and how long it may take before a final decision is rendered. For cases with a higher likelihood of loss, an initial provision of up to 10% of the claimed amount is established. This provision is subject to ongoing adjustments based on the progression of the legal proceedings.

BUSINESS CONTINUITY

A cornerstone of our operational resilience is our Business Continuity Management program, aimed at preventing and/or mitigating the impact of partial or total disasters that could disrupt operations due to human error, equipment failure,

infrastructure damage, regulatory non-compliance, natural, economic, or social disasters, or resource constraints. This is achieved through the establishment of strategies and procedures to be implemented by a cross-functional team that provides the necessary guidance, support, equipment, methodologies, and standards to ensure the continuity of critical operations.

KEY OBJECTIVES OF BUSINESS CONTINUITY MANAGEMENT:

- To mitigate organizational vulnerabilities by maintaining and preserving technology services.
- To design preventive activities and recovery plans for critical technology services that support core business processes, at a reasonable cost. To guarantee the prompt restoration of essential IT services after a service outage.
- To develop policies and procedures aimed at mitigating, to the extent possible, the potential impact of disasters or force majeure events.

At year-end 2023, we successfully conducted 197 partial tests of critical services/ applications, as outlined in our Business Impact Analysis (BIA). This analysis clearly identifies the entity's mission-critical processes and assesses the impact level on business operations. By exercising our Contingency Plans, we were able to verify the proper functioning, robustness of the technological platform, and the simultaneous activation logistics of the main critical services/ applications in the Alternate Data Center (CPDA, in Spanish) of El Rosal. This supports our ongoing efforts to improve and update our Contingency Processes.

DIALOGUE WITH STAKEHOLDERS, CONSULTATION BY CLIENTS AND EMPLOYEES

Dialogue with stakeholders is of paramount importance to Banesco Banco Universal, C.A., by fostering open and continuous communication with our employees, shareholders, customers, suppliers, communities, and other key stakeholders, we can gain a deeper understanding of their needs, expectations, and concerns.

This dialogue allows us to align our strategies and operations with market trends and societal values. Actively engaging with our stakeholders enables us to identify opportunities for improvement and prevent conflicts, fostering transparency and building strong relationships based on mutual trust.



INDIRECT AND INDUCED VALUE GENERATED

Indirect value refers to the creation of wealth and sustainable development arising from the Bank's social, environmental, and economic initiatives, such as indirect employment. Collectively, these effects operate through multiple channels, including: activities stimulated by the Bank's clients as a result of the products and services provided to them, and the dynamics generated by suppliers through the operations they carry out to materialize the activities contracted by their clients. The impacts identified can also be traced to more indirect effects on the environment and different stakeholder groups resulting from the Entity's activities, thereby amplifying its reach and enhancing the social value generated from such activities.

“ Indirect value refers to the creation of wealth and sustainable development arising from the Bank's social, environmental, and economic initiatives, such as indirect employment. ”

DIRECT TANGIBLE VALUE

The Economic Value Added (EVA) for 2023 amounted to Bs. 7,118 billion. The Net Interest Margin accounted for the vast majority of this value at 99.52% (Bs. 7,084 billion), with Net Fees contributing the remaining 0.05%.

CREATION OF TANGIBLE VALUE • BREAKDOWN BY STAKEHOLDER GROUP

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Stakeholders	Value Indicator	2023	2022
Shareholders	Dividends ¹	96,149,900	21,875,700
Employees	Personnel Expenses ²	1,232,929,940	194,850,044
Clients	Interest and Related Costs ³	241,025,140	68,678,444
Suppliers	Other General and Administrative Expenses ⁴	3,199,702,801	612,303,803
Society	Taxes ⁵	1,462,420,015	242,957,140
	Community Support Resources ⁶	16,147,229	2,687,486

1) **Source:** Shareholders' Unit Management

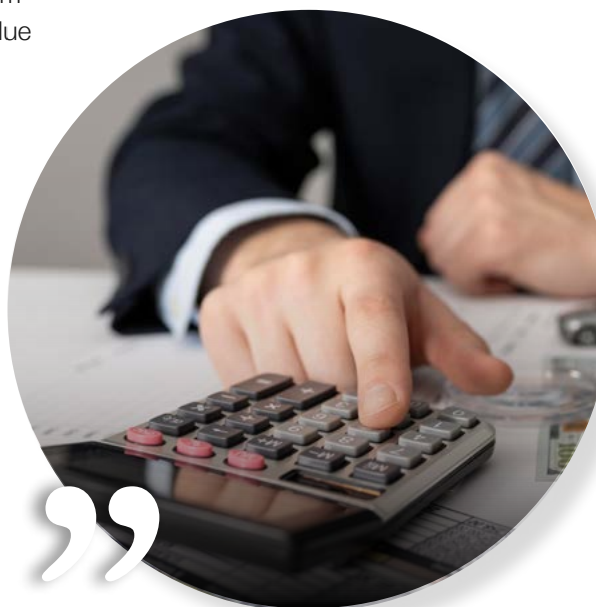
2) **Source:** SUDEBAN (Superintendency of Banking Institutions). Published Statement of Income or CONRP, Conversion Expenses (Personnel Expenses Group 441)

3) **Source:** SUDEBAN. Published Statement of Income or CONRP, Customers' Deposits Expenses (Financing Expenses on Customers' Deposits Group 411)

4) **Source:** SUDEBAN. Published Statement of Income or CONRP, Conversion Expenses (Item 440 General and Administrative Expenses, except 441 Personnel Expenses, 449-12 Contributions to the Deposit Guarantee and Banking Protection Fund, 449-13 Contributions to the Superintendency of Banks and Other Financial Institutions)

5) **Source:** CONRP (Banesco Banco Universal, C.A. Financial Statements): Includes Income Tax, Municipal Taxes, Value Added Tax, Contributions to SUDEBAN, FOGADE, SSO, SPF, LPH, and LOSEP. (Accounts 445-01 Municipal Taxes, 445-99 Other Taxes and Contributions, 441-22 Employer Contributions, 449-12 Contributions to the Deposit Guarantee and Bank Protection Fund, 449-13 Contributions to the Superintendency of Banks and Other Financial Institutions, 471 Income Tax, LOSEP Contribution (see Published Balance Sheet), Provisions of the Law on Social Contributions to Communes, and LOCTI Contribution

6) **Source:** SUDEBAN. Published Income Statement or CONRP, Extraordinary Expenses (Group 450)



ECONOMIC VALUE GENERATED AND DISTRIBUTED

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Interest Group	2023	2022
ECONOMIC VALUE GENERATED (EVG)	7,118,736,604	1,360,002,653
Intermediation Margin ⁷	7,084,662,475	1,318,686,521
Net Commissions ⁸	3,697,534	775,620
Other Ordinary Income ⁹	19,292,653	6,737,225
Other Net Income ¹⁰	11,083,942	33,803,287
ECONOMIC VALUE DISTRIBUTED (EVD)	5,991,202,656	1,071,986,687
Dividends ¹	96,149,900	21,875,700
Suppliers And Other General and Administrative Expenses ⁴	3,199,702,801	612,303,803
Taxes ⁵	1,462,420,015	242,957,140
Personnel Expenses ²	1,232,929,940	194,850,044
ECONOMIC VALUE RETAINED (EVR=EVG-EVD)	1,127,533,948	288,015,966

PERCENTAGE SHARE OF ECONOMIC VALUE GENERATED AND DISTRIBUTED

I %

	2023	2022
ECONOMIC VALUE GENERATED (EVG)	100.00%	100.00%
Intermediation Margin ⁷	99.52%	96.96%
Net Commissions ⁸	0.05%	0.06%
Other Ordinary Income ⁹	0.27%	0.50%
Other Net Income ¹⁰	0.16%	2.49%
ECONOMIC VALUE DISTRIBUTED (EVD)	100.00%	100.00%
Dividends ¹	1.60%	2.04%
Suppliers and Other General and Administrative Expenses ⁴	53.41%	57.12%
Taxes ⁵	24.41%	22.66%
Personnel Expenses ²	20.58%	18.18%

7) **Source:** SUDEBAN. Published Statement of Income or CONRP (Item 510 Financial Income, less 410 Financial Expenses add 520 Income from Recoveries of Financial Assets, less 420 Bad Debt Expense and Impairment of Financial Assets, add 530 Other Operating Income (excluding 533 Income from Realizable Assets, 537 Income from Special Programs, and 539 Miscellaneous Operating Income), less 430 Other Operating Expenses (excluding 433 Expenses on Realizable Assets, 435 Depreciation and Impairment of Sundry Assets, 439 Miscellaneous Operating Expenses)

8) **Source:** SUDEBAN. Published Statement of Income or CONRP, (Item 530 Other Operating Income, excluding 533 Income from Realizable Assets, 537 Income from Special Programs, and 539 Miscellaneous Operating Income), less 430 Other Operating Expenses (excluding 433 Expenses on Realizable Assets, 435 Depreciation and Impairment of Sundry Assets, 439 Miscellaneous Operating Expenses)

9) **Source:** SUDEBAN. Published Statement of Income or CONRP, (Account 539 Miscellaneous Operating Income)

10) **Source:** SUDEBAN. Published Statement of Income or CONRP, (Account 533 Income from Realizable Assets, less 433 Expenses on Realizable Assets)

DIALOG WITH STAKEHOLDER AND MATERIALITY

These topics are a comprehensive roadmap for business management that we have designed with a focus on sustainability to effectively address stakeholder expectations and the Sustainable Development Goals.

This materiality assessment includes inputs from our clients, employees, Board of Directors, and Social Partners. It also takes into account the external context, market trends, regulatory requirements, sustainability frameworks and standards, as well as other financial institutions.

We focus on a double materiality approach, as we consider issues in terms of both financial materiality and environmental and social materiality.

The matrix was developed based on the weightings and scores assigned to the different sources and stakeholders surveyed.

We have identified eight material topics across economic, social, and environmental dimensions.

We have developed active listening and ongoing commitment throughout the year to prioritize these material topics. We conducted surveys and opinion channels for employees and clients. We assessed externalities to identify risks and opportunities and assess our impact on the community.



MATERIAL TOPICS		Stakeholders						Materiality Level		Main Actions	2023 Materiality Topic under the GRI Framework
N°	Material Issues and/or Topics	Shareholders	Human Capital	Clients	Social Partners Community	Suppliers	Authorities	Bank	Stakeholders		
1	Financial Solvency, Transparency and Business Ethics	X	X	X	X	X	X	High	High	<ul style="list-style-type: none"> ▶ Maintain and promote sound corporate governance ▶ Proactively respond to new regulatory requirements ▶ Continuous monitoring of control systems ▶ Generate direct and indirect economic value through efficient banking operations ▶ Maintain key financial metrics, including solvency, profitability, and liquidity ▶ Monitor compliance with the Banesco Citizen Code of Ethics ▶ Support for inclusion and banking, and access to our platforms./Development of business diversification plans 	<ul style="list-style-type: none"> ▶ GRI 201: Economic Performance 2016 ▶ GRI 203: Indirect Economic Impacts 2016 ▶ GRI 207: Tax 2016
2	Bank Security and Compliance	X	X	X	X	X	X	High	High	<ul style="list-style-type: none"> ▶ Maintain advanced technology and innovate products and services tailored to the needs of the population ▶ Ongoing process improvement and system optimization 	<ul style="list-style-type: none"> ▶ GRI 205: Anti-corruption 2016



MATERIAL TOPICS		Stakeholders						Materiality Level		Main Actions	2023 Materiality Topic under the GRI Framework
N°	Material Issues and/or Topics	Shareholders	Human Capital	Clients	Social Partners Community	Suppliers	Authorities	Bank	Stakeholders		
3	Innovation, Financial Products and Services	X	X	X	X	X	X	High	High	<ul style="list-style-type: none"> Continue conducting market research studies to enable the Bank to understand the environment in which customers, the community, and the general public operate, properly segmented in order to identify and meet their needs in a timely manner. 	<ul style="list-style-type: none"> GRI 416: Customer Health and Safety 2016 GRI 417: Marketing and Labeling 2016 GRI 418: Customer Privacy 2016
4	Talent Acquisition, Development, and Retention	X	X	-	-	-	-	High	High	<ul style="list-style-type: none"> Comprehensive training and professional development program for all bank employees Corporate Volunteering development programs Implement activities that benefit employees and their families - Work-life balance programs and activities to benefit employees and their families Collective bargaining agreement. Performance evaluations based on job responsibilities and performance 	<ul style="list-style-type: none"> GRI 202: Market Presence 2016 GRI 401: Employment 2016 GRI 402: Labor/ Management Relations 2016 GRI 403: Occupational Health and Safety 2018 GRI 404: Training and Education 2016 GRI 405: Diversity and Equal Opportunity 2016



MATERIAL TOPICS		Stakeholders						Materiality Level		Main Actions	2023 Materiality Topic under the GRI Framework
N°	Material Issues and/or Topics	Shareholders	Human Capital	Clients	Social Partners Community	Suppliers	Authorities	Bank	Stakeholders		
5	Social Investment and Community Relations	X	–	X	X	–	–	High	High	<ul style="list-style-type: none"> Manage community outreach initiatives to identify community needs through social dialogue Microentrepreneur development program and Participatory Budget Build partnerships to promote volunteering 	<ul style="list-style-type: none"> GRI 413: Local Communities 2016
6	Eco-efficiency	X	X	–	X	–	–	Medium	Medium	<ul style="list-style-type: none"> Environmental program management 	<ul style="list-style-type: none"> GRI 302: Energy 2016 GRI 303: Water and Effluents 2018 GRI 306: Waste 2020
7	Relations with Suppliers	X	–	–	–	X	–	Medium	Medium	<ul style="list-style-type: none"> Foster the development and training of our suppliers, while promoting adherence to and respect for the United Nations Global Compact principles 	<ul style="list-style-type: none"> GRI 204: Procurement Practices 2016
8	Digital Conversion	X	X	X	X	X	X	High	High	<ul style="list-style-type: none"> Adapt to new digital trends to enhance both external and internal customer experiences 	<ul style="list-style-type: none"> GRI 416: Customer Health and Safety 2016



INTERNAL DIMENSION OF OUR SOCIAL RESPONSIBILITY



CORPORATE GOVERNANCE



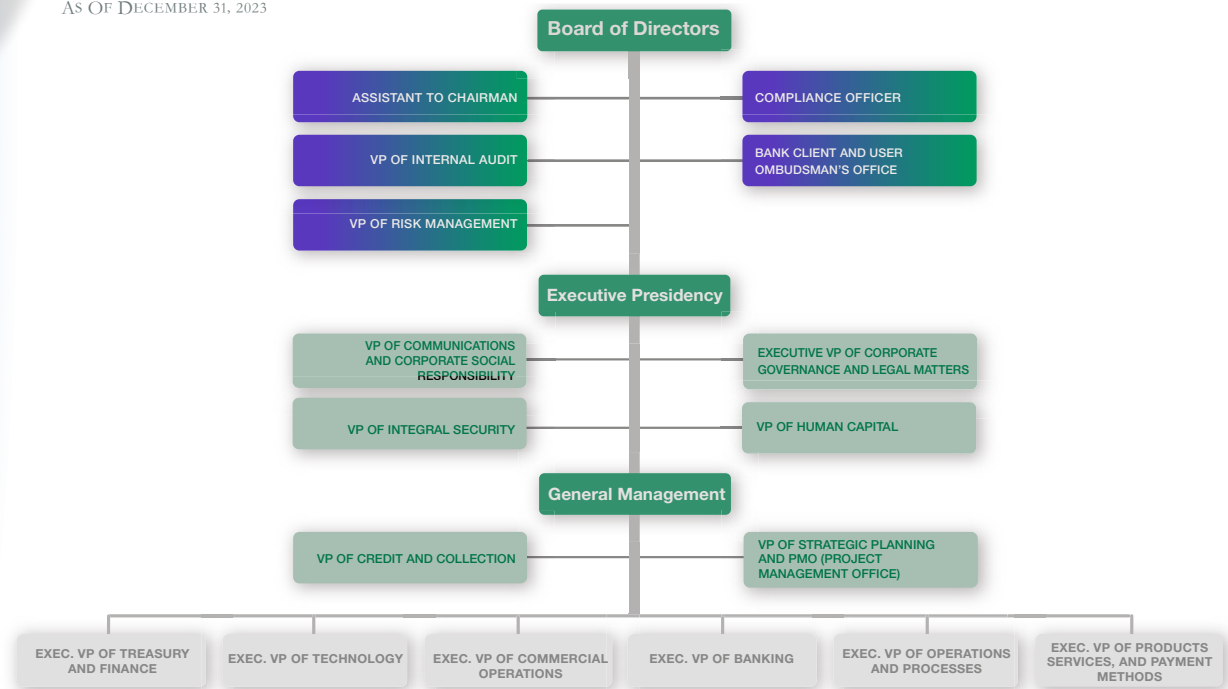
Our focus was on driving the strategic initiatives outlined in the Organization's planning through governance bodies, serving as a support channel between core areas to generate timely and innovative action plans, aiming to achieve the desired results.

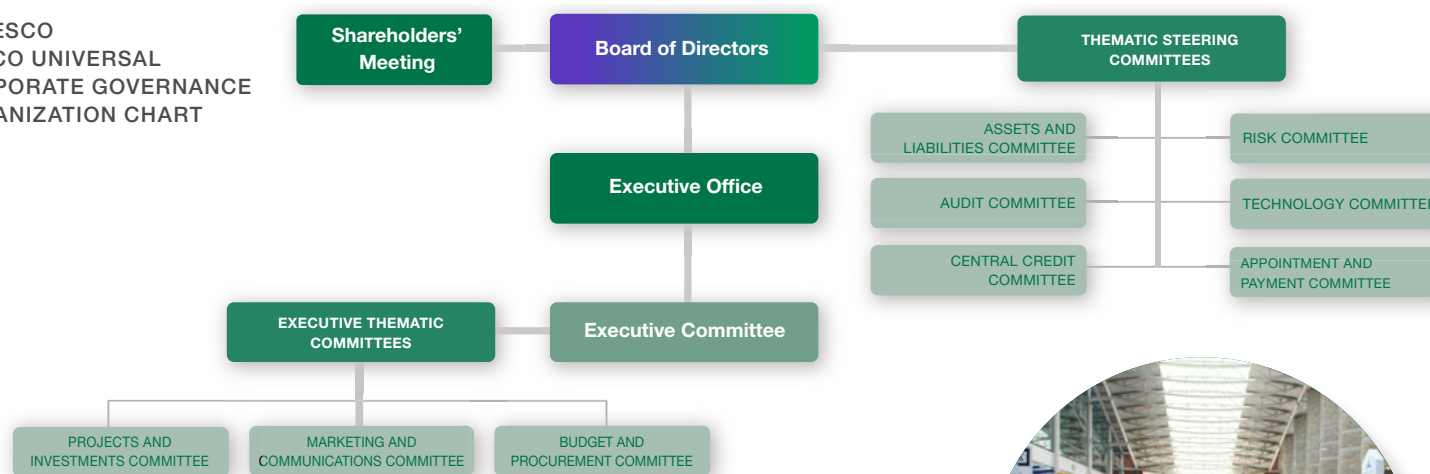
MISSION

We promote efficient and effective management of the Organization's governing bodies by aligning and implementing policies, standards, principles, and procedures that optimize their operations and enhance decision-making, with a primary focus on profitability, transparency, and long-term sustainability. We create value for our stakeholders, ensuring transparent and trustworthy relationships with each of them.

ORGANIZATIONAL STRUCTURE OF BANESCO BANCO UNIVERSAL

AS OF DECEMBER 31, 2023



**BANESCO
BANCO UNIVERSAL
CORPORATE GOVERNANCE
ORGANIZATION CHART**

**BODIES AND MECHANISMS
OF CORPORATE GOVERNANCE**

The Bank's corporate governance structure is derived from the company's bylaws, the Banking Law, the Commercial Code, the regulations issued by the Superintendency of Banking Institutions, and the decisions made by the Board of Directors, aligned with current trends, in order to implement best practices.

Our corporate governance structure consists of the Shareholders' Meeting, the Board of Directors, the Chairman of the Board, the Vice Chairman of the Board, the Chief Executive Officer, the Executive and Management Committees, the Compliance Officer, and the Internal Auditor.

SHAREHOLDERS' MEETING

It represents all shareholders and has the highest authority within the company. It meets regularly within 90 days following the close of each six-month period and extraordinarily, whenever the Board of Directors deems it convenient to the company's interests, or when requested by a group of shareholders representing at least 20% of the share capital. Its acts and resolutions bind the Bank and all its shareholders.

The Shareholders' Meeting is responsible for, among other things: i) establishing the number of directors that will make up the Board; ii) appointing the members of the Board of Directors and set their remuneration; iii) appointing the Main Statutory Auditor and his or her alternate



and set their remuneration; iv) discussing, approving or modifying the financial statements presented, based the Auditors' Report; v) enacting and amending the Bylaws; vi) resolving on early dissolution, extension, merger with another company, sale of the company's assets, change of corporate purpose, increase, reduction or repayment of the share capital, and amendment of the Bylaws in the matters specified; vii) deciding on the declaration of dividends and the method of payment thereof, in the amount, with the frequency and at the time it deems appropriate, under the Law and the Bylaws of the Bank; viii) deciding

and set their remuneration; iv) discussing, approving or modifying the financial statements presented, based the Auditors' Report; v) enacting and amending the Bylaws; vi) resolving on early dissolution, extension, merger with another company, sale of the company's assets, change of corporate purpose, increase, reduction or repayment of the share capital, and amendment of the Bylaws in the matters specified; vii) deciding on the declaration of dividends and the method of payment thereof, in the amount, with the frequency and at the time it deems appropriate, under the Law and the Bylaws of the Bank; viii) deciding



on the creation of reserves or special funds as proposed by the Board of Directors; and ix) addressing and decide on any other matter within its competence, in accordance with the Law and the Company's Bylaws.

BOARD OF DIRECTORS

This governing body is responsible for the general administration of the business and operations, and has the broadest powers of administration and disposition of the Bank, including the approval of the Corporate Social Responsibility policy. The Board of Directors is comprised of qualified individuals with extensive banking experience, recognized standing and good reputation. The Board of Directors is responsible for defining and directing the Organization's strategy, as well as approving business principles and policies, and regulating the autonomy of executive decisions. Furthermore, it oversees the work of the Bank's operations and performance, and assesses and compares business forecasts and the results of each period with previous years.

The appointment of its members complies with the LISB (Banking Law), Sudeban regulations, and the Bank's bylaws.

This governing body is also responsible for knowing and approving policies to manage risks the Organization is exposed to, including economic, environmental, and social risks, based on reports and analyses prepared by the Risk Unit and the Risk Management Committee.



CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the Board acts as the legal representative of the Bank, in the broadest manner, before every authority and any other public or private person or entity, and also presides over Board meetings. The Vice Chairman assumes the Chairman's duties in his absence.

CHIEF EXECUTIVE OFFICER

The CEO is appointed by the Board of Directors and is responsible for the day-to-day management and operations of the Bank and its internal services, and must report regularly to the Board on the Bank's financial situation and results of its operations, and carry out other duties that the Board may assign.

GENERAL MANAGER

This is the executive body that reports to the Executive Presidency and works closely with the CEO in the overall management, supervision, and operation of the Bank.

EXECUTIVE COMMITTEE

As the main executive body, it is responsible for ensuring compliance with the policies, strategies, standards, procedures, and guidelines established and approved by the Board of Directors, since it acts on behalf of the Board. It is the responsibility of this committee to ensure the correct execution of the Bank's goals; the approval of the most relevant matters related to the administration of movable and immovable property, the monitoring and control of business plans and their financial results, the approval of new products, services, and channels and improvements in their functionalities, seeking continuous improvement of processes, defining policies for the prevention of financial crimes, information security, and business continuity, and the definition of customer segments.

COMPLIANCE OFFICER

A Board-reporting officer, responsible exclusively for carrying out tasks to prevent and control crimes of Money Laundering, Terrorist Financing and Financing of the Proliferation of Weapons of Mass Destruction (ML/TF/FPWMD), in charge of supervising and controlling the ML/TF/FPWMD Prevention and Control Unit.



Key responsibilities include: a) promoting and supervising compliance with the policies, procedures, provisions, and controls related to the Prevention and Control of ML/TF/FPWMD, approved by the Board of the Bank; b) designing the Annual Operational Plan together with the ML/TF/FPWMD Prevention and Control Unit; c) presenting annual and quarterly reports to the Board of Directors of the Bank, which, among other aspects, contain the progress of the Annual Operational Plan, the Annual Training Program on Prevention and Control of ML/TF/FPWMD, and recommendations to improve adopted procedures; d) submitting suspicious activity reports to the National Financial Intelligence Unit (UNIF) as well as responses to information requests from this and other relevant authorities within the timeframe required by law, and communications requesting information; e) maintaining institutional relations with other competent authorities, non-governmental organizations, and institutions tasked with preventing, suppressing, and controlling ML/TF/FPWMD; and f) developing communication strategies aimed at informing and raising awareness among clients and employees on issues related to the matter, among others.

INTERNAL AUDITOR

Is the person in charge of guaranteeing that the Bank's transactions and procedures are compliant with the Law, prudential regulations, internal process manuals, and accounting principles approved by the Superintendency of Banking Institutions.

The Internal Auditor is also in charge of supervising the due operation of internal control systems; guaranteeing compliance with the resolutions issued by the General Shareholders' Meeting, the Board of Directors, and the Superintendency of Banking Institutions; endorsing the financial statements jointly with the legal representative and the general accountant; internally coordinating the analysis of the diverse operations of the institution and, together with the Audit Committee, informing the Board of Directors on the findings of the audits performed in order to improve processes and be able to correct any gaps that may arise, and issuing valuable recommendations to correct internal control weaknesses and to improve process efficiency. Its duties are outlined in the Decree Law of Banking Institutions and other sub-legal regulations issued by the banking authority.



The Internal Auditor is the person in charge of guaranteeing that the Bank's transactions and procedures are compliant with the Law, prudential regulations, internal process manuals, and accounting principles approved by the Superintendency of Banking Institutions.



THEMATIC COMMITTEES

These committees support the Board of Directors in fulfilling its responsibilities, promoting corporate policy compliance and business transparency. In 2023, the Bank had the following committees:

STERRING COMMITTEES

ASSETS AND LIABILITIES COMMITTEE

This committee is responsible for overseeing liquidity risk management to support the Board of Director and the President of the Bank in setting, monitoring, and controlling asset and liability management policies to optimize returns and achieve goals set in the financial planning of the Organization.

AUDIT COMMITTEE

The Audit Committee is responsible for promoting the improvement and efficiency of corporate governance, risk management, and internal control within the Organization, by following up and supervising the performance of Internal Audit, as well as the results from External Audit evaluations and inspections by regulatory agencies.

This Committee meets monthly and is chaired by an Independent Director. The Audit Unit has carried out the assurance assessments established in the Annual Operating Plan, which included regulatory audits in the Risk area and in matters of Prevention and Control of Money Laundering, Terrorism Financing and Financing

of the Proliferation of Weapons of Mass Destruction (AML/CFT/FPWMD), which are reported to the Audit Committee, the Board of Directors of the Bank, and the regulatory body in accordance with existing regulations.

A summary table is presented below:

Audits Conducted	Reports Issued	
	2023	2022
Agencies	191	196
Centralized Areas	64	48
Comprehensive Risk	4	4
Compliance Office	13	10
GRAND TOTAL	272	258

CENTRAL CREDIT COMMITTEE

By delegation of the Board of Directors, its purpose is to approve loan applications, up to an amount equivalent to the maximum established in the Banking Law or in any other legal or statutory text that may regulate in the future the maximum amount of credit operations that banking institutions may grant individually to specific persons or to groups of related persons, including those that individually exceed five percent (5%) of the Institution's equity.

ETHICS, APPOINTMENT, AND PAYMENT COMMITTEE

It is a body with information, oversight, advisory and approval powers to support the Board of Directors in fulfilling its responsibilities related to the management of appointments, payments, human resources strategies, and compliance with the Organization's Code of Ethics and Conduct.

RISK COMMITTEE

It is responsible for ensuring the existence and implementation of a set of objectives, policies, procedures, and actions aimed at managing, identifying, measuring, and mitigating the risks to which the Bank is exposed, so that the risk profile is the one desired by the Bank, thus supporting the Board of Directors in achieving the Organization's strategic planning and goals.

TECHNOLOGY COMMITTEE

It is the body responsible for ensuring that technological implementations are aligned with the Organization's strategies and objectives, maintaining a global vision of the business, using resources responsibly and identifying and managing the associated risks.



EXECUTIVE COMMITTEES

MARKETING AND COMMUNICATIONS COMMITTEE

Its goal is to develop and implement marketing and communications strategies that support the Bank's strategic plan and business goals, and those related to brand studies, campaigns, promotions of different products and services, communication plan, and the Responsibility and Sustainability policy.

PROJECTS AND INVESTMENTS COMMITTEE

It is the body in charge of overseeing the execution of projects and investments, from inception to completion, ensuring alignment with the Bank's strategic objectives and fulfillment of the portfolio's value proposition. It is also responsible for ensuring that the portfolio of projects and investments to be presented to the Executive Committee for approval (annual or emergency) meets the elements that justify the allocation of resources in terms of: (i) impact on achieving the strategy; (ii) value generated for the Organization; (iii) business continuity and risk; (v) regulatory compliance; (vi) feasibility of the investment amount and required execution capacity; (vii) reasonableness and feasibility of the business cases for each approved investment; and (viii) monitoring and tracking of approved projects and investments.

BUDGET MANAGEMENT AND PROCUREMENT COMMITTEE

It is responsible for overseeing the Bank's budget management and procurement processes, from budget formulation to the procurement of goods and services, guaranteeing efficient spending levels, as well as the selection of the best option offered in the market, in order to meet the Organization's strategic objectives.

CORPORATE GOVERNANCE COMPLIANCE REPORT

Banesco Banco Universal, C.A.'s commitment to good corporate governance means conducting its activities in accordance with the following standards:

- **Efficiency:** Oriented towards generating maximum value at the lowest cost, in the shortest time, and achieving the stated objectives.
- **Equity:** Strict adherence to the right to equal treatment of shareholders, employees, customers and suppliers; as well as any person who has a relationship with the company.
- **Respect:** For the economic and political rights of shareholders and customers.



- **Transparency, Communication, and Integrity:** Generating the highest level of trust and credibility with regulators, internal bodies, and our clients, through the timely and accurate disclosure of information related to the governing bodies, with the aim of contributing to corporate knowledge.

“

Banesco Banco Universal, C.A. recognizes the importance of ensuring proportionality between the percentage of shareholding and the corresponding right to decision-making within the Institution, which is achieved through the informed exercise of the political rights of shareholders.

”

The Organization, through the Executive Vice Presidency of Corporate Governance and Legal Affairs, ensures compliance with governance standards, evaluates the effectiveness of



governing bodies, contributing to strengthening the Organization's governance and promoting the trust of the stakeholders through transparent disclosure of management incentive and discipline policies. Performance evaluations of each instance are conducted annually, based on adherence to institutional standards and internal regulations. Based on the results, actions are taken, as needed, to optimize their performance, taking into account the criteria of efficiency and effectiveness in achieving the objectives of each committee. Likewise, it conducts continuous reviews before the Board of Directors of the composition, objectives, and critical points of the governance bodies to optimize and oversee them.

REGULATION, LABOR UNION PARTICIPATION, AND BUSINESS INVOLVEMENT

Banesco Banco Universal, C.A., is regulated in accordance with the Banking Law, the Law of the Central Bank of Venezuela (BCV), prudential regulations issued by the Superintendency of Banking Institutions (SUDEBAN), among others.

It is an active member of the Venezuelan Banking Association (ABV) and participates in its various committees. Additionally, it works with franchises and committees related to its businesses, such as Suiche 7B, Visa, and MasterCard.

From a social action perspective, the Bank holds membership in the Venezuelan-American Chamber of Commerce and Industry

(Venamcham) at the national level, the Voluntary Dividend for the Community, and the Caracas Chamber of Industries.

COMPREHENSIVE RISK MANAGEMENT SYSTEM FOR MONEY LAUNDERING, TERRORISM FINANCING, AND FINANCING OF THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION (SIAR ML/TF/FPWMD)

In Banesco Banco Universal, C.A., the Comprehensive Risk Management System for Money Laundering, Terrorism Financing, and Financing of the Proliferation of Weapons of Mass Destruction (SIAR ML/TF/FPWMD) is adapted to the nature and complexity of the financial products and services offered, and complies with the legal provisions governing the matter.

By means of the SIAR ML/TF/FPWMD, potential suspicious SIAR ML/TF/FPWMD activities at all stages are detected and prevented, carrying out the following tasks:

- **Prevention:** To reduce the likelihood of funds derived from ML/TF/FPWMD-related activities being introduced into the Banking System, through the implementation of policies, procedures, and internal controls for adequate customer and employee due diligence, complemented by ongoing information, training, and education for all levels of Bank personnel, in accordance with the training policies set forth in Resolution 083.18.
- **Monitoring and Detection:** Of activities intended to be carried out or have been carried out to disguise the illicit origin of transactions related to ML/TF/FPWMD, through the implementation of appropriate, timely, and effective monitoring controls and tools.
- **Reporting:** Timely, efficient and effective reporting of detected transactions that are intended to be carried out or have been carried out and that are suspected of being related to ML/TF/FPWMD.
- **Retention:** All files, transaction records, and documentation, both physical and electronic, resulting from the preceding tasks must be retained for a period of 10 years as required by law. These records are to be provided to the competent authorities upon request for the purpose of conducting investigations.



OUR ETHICS AND HUMAN RIGHTS POLICY

We promote equality for all employees and clients, regardless of the ethnic origin, socio-economic status, marital status, age, physical appearance, disability, political affiliation, religious belief or lack thereof, sexual orientation, or any other particularity. We respect the dignity of all individuals and ensure equal opportunities. In our business relationships, we base our interactions on equity, fair transactions, and mutual benefit, and we apply a non-discriminatory supplier selection policy.

Our commitment is to protect human rights, in line with the UN Guiding Principles on Business and Human Rights. Consequently, we are establishing strategies in our operations to incorporate such principles into the organizational management.

Social and environmental issues are present in all our activities. We are signatories of the United Nations Global Compact, an agreement through which organizations around the world voluntarily commit to establishing in their strategies and operations, principles related to labor standards, the environment, human rights, corruption, and transparency.

Our annual Sustainability and Social Responsibility Report details our progress in the implementation of the ten Principles of the United Nations Global Compact in the areas of human



rights, labor, environment, and anti-corruption.

Banesco Banco Universal, C.A., is actively working to implement these commitments within its business strategy. Hence, these initiatives were fulfilled:

- The content of the Ten Principles of the Global Compact was disseminated through our internal and external media (blog). Additionally, we carried out activities that promote the implementation of the Sustainable Development Goals (SDGs) with an emphasis on collaboration and innovation.
- All supplier contracts include a commitment to align with the UN Global Compact's principles and promote and implement the Sustainable Development Goals (SDGs).

OUR RESPONSIBILITY AND SUSTAINABILITY POLICY

Its purpose is to achieve Economic, Social, and Environmental Sustainability and responsible management in all areas of the Organization.



We are committed to the Sustainable Development of our stakeholders, and to achieve this goal, we have established a value proposition based on products, services, and programs that promote Economic, Social, and Environmental Development in a balanced manner. Thus, we commit to respecting human rights, promoting well-being in our operations, and interacting ethically with all stakeholders, including employees, clients, suppliers, authorities, shareholders, and the broader society.

As a standout factor, Banesco Banco Universal, C.A., has set out to actively supporting small businesses and microentrepreneurs, training entrepreneurs, and developing inclusive financial products and services, which constitute an opportunity for all sectors of the population.



SUSTAINABLE DEVELOPMENT OBJECTIVES

We have aligned our corporate strategy with the UN's Sustainable Development Goals (SDGs) and the 2030 Agenda to be agents of change and ensure a prosperous world, improving lives through the eradication of poverty, environmental protection, promotion of gender equality, and quality education.



In 2023, we launched a series of workshops on Social Responsibility, the 2030 Agenda, in partnership with diverse social, public, corporate, and educational organizations, with 709 participants, including Banesco employees, to promote training in these crucial issues to our planet and society.

Similarly, the communication campaign promoting the SDGs was maintained, as well as the 2nd edition of the "For a Sustainable Future" Contest through social media, the website, blog, and other media, to promote sustainability issues and raise awareness among our stakeholders about the importance of contributing to the Sustainable Development Goals.

We are committed to contributing to the United Nations Sustainable Development Goals (SDGs) through our corporate management have identified and aligned our material topics with the following:



Our employees and their families have a Hospitalization, Surgery, and Maternity Health Insurance policy, as well as support in case of critical illnesses. In addition, we offer on-site medical services at the Bank's headquarters and support health initiatives for vulnerable communities.



Education is a fundamental topic in our socially and environmentally responsible policy. We contribute to educational and infrastructure projects at all levels of formal education; we grant university scholarships; we train entrepreneurs through the Microentrepreneur Training Program and maintain a Publishing Fund to preserve Venezuela's cultural heritage. All of this is possible through alliances with our Partners and Social Allies.



We are the first bank in Venezuela to sign the United Nations Women's Empowerment Principles (WEPs). Our Code of Ethics expresses our principles of non-discrimination, an open attitude towards diversity, and respect for every human being. These principles apply to our human capital and stakeholders. We promote an inclusive and diverse workplace, as well as equal opportunities.



We are a competitive employer seeking to attract and retain the best talent. We systematically strive to keep our professionals motivated, engaged, and rewarded. We have a skilled, reliable, and business-oriented workforce that allows us to meet our customers' needs promptly.



We use resources efficiently and promote the adoption of sustainable technologies and business processes.



We run programs aimed at increasing financial inclusion and providing entrepreneurship training in communities, empowering individuals to successfully run their businesses and drive economic growth.



We are dedicated to fostering the development of individuals and organizations to promote sustainability in communities.



We are diligent and committed to integrating ethical, social, and environmental criteria into our operations in an effective and transparent manner.



We are committed to preventing money laundering and corruption and to being accountable to all our stakeholders for the ethical responsibilities associated with these risks.



We actively contribute to Sustainable Development Goal #17: 'Partnerships for the Goals,' integrating it into all aspects of our operations at Banesco Banco Universal, C.A. We are convinced that strategic partnerships among a variety of multilateral, governmental, social development organizations, and businesses enable us to contribute holistically to the sustainable development of communities. We also adhere to all relevant laws and regulations.



OUR SHAREHOLDERS



OUR POLICY

Our commitment is to generate value for our shareholders through sustainable and profitable growth in a responsible and ethical manner. We foster trust among our shareholders through a pluralistic and participatory approach to business management. Diverse ideas and perspectives enable us to achieve high profitability and solvency. Likewise, we share information that meets their expectations and is consistent with our corporate values and culture.

We adhere to the rights of all shareholders when it comes to dividend payments.

OUR MANAGEMENT

Our risk and opportunity management in 2023 was made possible by a strong corporate

governance framework, safeguarding the interests of our shareholders and the broader community.

In 2023, the company held Ordinary General Meetings on March 27th and September 25th, and Extraordinary General Meetings on March 27th, June 20th, and September 25th. The frequency and timing of these meetings were consistent with those held in 2022. All the meetings convened with the necessary quorum to conduct business and vote on all items on the agenda.

All items on the agenda, including cash and stock dividends, were approved at these Meetings.

Our shareholders and the public can access all meeting notices, resolutions, and related information through our website at <https://www.banesco.com/somosbanesco/>



SHAREHOLDERS UNIT


The Shareholders Unit is responsible for providing comprehensive and transparent service to all our shareholders. This area coordinates both ordinary and extraordinary general meetings to provide a transparent overview of the company's operations.

We are committed to maintaining direct communication channels with our shareholders, providing them with official

information in a transparent, timely, and easily accessible manner.

For timely and accurate information, please visit the Shareholders section of our website (www.banesco.com). Alternatively, you can contact us via email at (atencion_al_accionista@banesco.com) or by phone at (+58) 212-501-92-59/77-34.

CALLS ANSWERED

	2023	2022
	783	1.080

E-MAIL MESSAGES

	2023	2022
	625	5.674



SHAREHOLDERS

As of December 31, 2023, Banesco Banco Universal, C.A. had 5,932 shareholders, owners of Banesco common shares, which had a dividend value of Bs. 96,149,900.

BASIC PROFILE TABLE

CAPITAL STOCK (BS.)

2023	Total Shareholders' Equity Bs. 61,000,000.00
2022	Total Shareholders' Equity Bs. 61,000,000.00

Shares	2023	2022
Number of Shares	610,000,000,025,000,000	610,000,000,025,000,000
Outstanding	610,000,000,022,045,467	610,000,000,022,045,467
Treasury	2,954,533	2,954,533

Number of Shareholders	2023	2022
Total	5,932	5,935



DIALOGUE WITH OUR SHAREHOLDERS

Our main objective is to maintain a close relationship with our shareholders and other stakeholders. Therefore, we maximize the dissemination and quality of information and use all necessary means to maintain fluid and transparent communication with each of them.

Among these channels, we have:

- The Shareholder Relations Unit
- Ordinary and Extraordinary General Shareholders' Meetings
- Semi-annual Financial Reports
- Annual Corporate Social Responsibility Report
- Digital CSR Newsletter, sent via email to our clients
- Direct contact and meetings with shareholders
- Our agency network
- Our corporate website, www.banesco.com, which offers relevant information such as financial statements issued by the bank and external auditors, CSR reports, and semi-annual financial reports
- Additionally, we publish daily news of interest on our official social media profiles on X (formerly Twitter), Instagram, Facebook, and LinkedIn.



OUR HUMAN CAPITAL



Our purpose is to create stable and non-discriminatory employment opportunities, aligned with the United Nations Guiding Principles on Business and Human Rights

OUR POLICY

We are committed to fostering a humane and harmonious work environment that aligns with Banesco's objectives and values. We empower our employees by developing their skills and capabilities to provide our customers with exceptional service.

We respect diversity and differences. We select, develop, promote, and evaluate talent based on their performance, values, and potential.

OUR MANAGEMENT

In 2023, our Organization focused on strengthening our customer-centric culture, driving business growth, and promoting employee well-being and quality of life through different initiatives and activities.

Our primary goal was to enhance the overall experience and well-being of all our employees in administrative offices and branches through communication initiatives, solution design, and streamlining HR procedures.

Since 2022, our "Avanza" initiative has been dedicated to enhancing the skills of our employees by establishing specialized knowledge schools in areas like Audit and Banking & Sales. Through these schools, we offer targeted coaching and training. This initiative focused on optimizing performance (upskilling), facilitating

adaptation to new roles (reskilling), and developing the skills needed for the future (new-skilling) through both virtual and in-person learning experiences nationwide.

In 2023, to drive business evolution, the VP of Business Development and the VP of Commercial Execution rolled out the "Systematic Commercial" methodology. This strategic framework, leveraging the C4/Hanna CRM tool, was implemented across all sales units to boost sales productivity. To support this strategic initiative, Human Resources provided change management support to facilitate the adoption of the new methodology and the integration of new management tools.

Throughout 2023, we placed a strong emphasis on cultivating a high-performance culture that prioritized employees' productivity. To support this, we promoted an agile mindset, enabling our teams to respond quickly and effectively to customer needs. This approach strengthened our commitment to responsibility, cooperation, quality. To support this strategic direction, we implemented the "Agile Cells" initiative under the leadership of the VP of Strategic Planning and PMO. This initiative is designed to progressively introduce agile working practices, enhancing the skills of leaders and teams alike. HR supported the initiative by identifying talent, developing skills, and providing ongoing coaching and operational support.



In terms of leadership, which is central to the Bank's management, we continued to reinforce the Leader's Decalogue, a leadership framework based on relational competencies and knowledge. These aspects facilitate communication, monitoring, and control of business strategies, with a focus on experiential learning and collaborative development.

Our purpose is to create stable and non-discriminatory employment opportunities, aligned with the United Nations Guiding Principles on Business and Human Rights.

We hired 632 new employees this period, bringing our total workforce to 3,375, including 12 interns.

BANESCO CITIZEN CODE OF ETHICS AND CONDUCT

BanESCO Citizens have access to a Code of Ethics and Conduct, which has been periodically updated, was last revised in 2021. These updates focus on improving the employee experience, particularly regarding Extraordinary Income, and streamlining communication with the Ethics Committee.

This document sets forth the ethical principles and expected conduct for all employees, ensuring alignment with the corporate, ethical, and human values that govern all relationships within BanESCO Banco Universal, C.A.



The Code of Ethics and Conduct is committed to upholding human rights and adhering to the highest standards of ethical conduct, particularly in the areas of preventing and controlling money laundering, terrorist financing, and the financing of the proliferation of weapons of mass destruction. It also establishes corporate values: Responsibility, with a focus on key actions like fulfilling commitments to clients, teams, and society; ensuring alignment between words and actions; maintaining focus until exceeding client expectations; and respecting different perspectives; Reliability, with key actions that include protecting the interests of clients and the organization, considering the broader impact of decisions, prioritizing collaborative work, openly discussing risks and limitations, and acknowledging and taking responsibility for mistakes; Quality, with key actions that include working with passion and providing the best solution for the customer, optimizing time and resources, implementing agile, simple, and

scalable processes, doing things right the first time, and sharing best practices; and the value of Innovation, as demonstrated through actions such as: embracing experimentation, learning from failures, and a relentless pursuit of optimal solutions to enhance efficiency.

We maintained a consistent effort to distribute the Code throughout the year. Every new employee was provided with a copy of the Code and undergoes training on its content. Similarly, our suppliers and partners are continuously engaged with the Code's provisions through in-person and online activities, as well as an annual communication plan. Among the activities, we designed contests based on their knowledge, ethical case studies to solve, trivia, and fun and recreational activities that reinforced their content across the board. Additionally, in 2023, the "Escuela de Valores" (School of Values) was introduced, a space dedicated to family integration through activities involving parents and children, aligned with our corporate, ethical, and civic values.

Another key activity to promote and raise awareness of our corporate values is the annual "Semana Huella" (Impact Week). This time, our "Regalamos Sonrisas" (Giving Smiles) initiative took place in Caracas, Barquisimeto, and Maracay, featuring the conferences "Hay un héroe en todos nosotros" (The Hero Within Us) and "Huellas que transforman" (Transforming Footprints), which were streamed to all regions of the country.



We enhanced our service quality by shaping the image of the Banesco Citizen through our “Pasarela de la Moda” (Fashion Runway) initiative and promoting stronger team cohesion through both virtual and face-to-face recognition programs. “Semana Huella” engaged approximately 1,500 employees nationwide, reaching all branches and administrative offices, fostering dynamism, participation, and connection.

As part of our Communication Plan, approximately 70 communications were sent throughout the year, each addressing a key aspect of our Code of Ethics.

Our employees can reach out to the Coordination of the Human Capital Service Center (CACH, in Spanish) directly via the email addresses Contigo_Capital_Humano@banesco.com and tuvozech@banesco.com. These areas handle requests from Banesco Citizens related to Human Capital management that require immediate or short-term responses. All incoming requests undergo a coordinated response process, handled by the relevant departments to guarantee the safety, confidentiality, and protection of all the parties concerned.

By implementing these initiatives, the Bank has cultivated a culture that values and promotes Human Rights, fostering an environment of respect and inclusion. As a testament to these efforts, in 2023, the Institution did not receive any complaints regarding human rights violations from employees, shareholders, customers, the community, or suppliers.

DEMOGRAPHIC INFORMATION OF THE BANESCO POPULATION

BREAKDOWN BY AGE AND GENDER

Range	2023			2022			% Variation		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
15-17	36	20	56	22	19	41	63.64	5.26	36.59
18-25	231	176	407	182	134	316	26.92	31.34	28.80
26-30	213	160	373	198	156	354	7.58	2.56	5.37
31-35	268	167	435	263	150	413	1.90	11.33	5.33
36-40	343	148	491	351	151	502	-2.28	-1.99	-2.19
41-45	331	153	484	330	159	489	0.30	-3.77	-1.02
46-50	287	138	425	289	129	418	-0.69	6.98	1.67
51-55	195	140	335	182	132	314	7.14	6.06	6.69
56-60	119	109	228	113	102	215	5.31	6.86	6.05
61-65	58	44	102	55	44	99	5.45	0.00	3.03
66-70	19	9	28	16	10	26	18.75	-10.00	7.69
71-75	3	3	6	7	3	10	-57.14	0.00	-40.00
> 75	4	1	5	1	1	2	300.00	0.00	150.00
TOTAL	2,107	1,268	3,375	2,009	1,190	3,199	4.88	6.55	5.50

BREAKDOWN BY AGE AND POSITION

LEVEL	2023						2022					
	15-17	18-30	31-40	41-50	> 50	TOTAL	15-17	18-30	31-40	41-50	> 50	TOTAL
Interns / Apprentices	56	108	1	0	0	165	40	90	0	0	0	130
Junior Staff	0	352	315	199	93	959	0	278	332	194	93	897
Professional / Technician	0	314	510	497	379	1,700	1	297	484	492	349	1,623
Supervisory	0	6	24	29	35	94	0	4	24	31	35	94
Manager	0	0	71	167	169	407	0	1	70	175	159	405
Vice Presidents	0	0	4	12	22	38	0	0	4	10	23	37
General Manager	0	0	0	1	0	1	0	0	0	1	0	1
Executive Vice President	0	0	1	4	5	10	0	0	1	4	6	11
President	0	0	0	0	1	1	0	0	0	0	1	1
TOTAL	56	780	926	909	704	3,375	41	670	915	907	666	3,199



BREAKDOWN BY GENDER AND POSITION

LEVEL	2023					2022					% Variation		
	WOMEN	%	MEN	%	TOTAL	WOMEN	%	MEN	%	TOTAL	WOMEN	MEN	TOTAL
Interns/Apprentices	96	58.18	69	41.82	165	78	60.00	52	40.00	130	23.08	32.69	26.92
Junior Staff	664	69.24	295	30.76	959	633	70.57	264	29.43	897	4.90	11.74	6.91
Professional/Technician	998	58.71	702	41.29	1,700	947	58.35	676	41.65	1,623	5.39	3.85	4.74
Supervisory	38	40.43	56	59.57	94	44	46.81	50	53.19	94	-13.64	12.00	0.00
Manager	287	70.52	120	29.48	407	284	70.12	121	29.88	405	1.06	-0.83	0.49
Vice Presidents	21	55.26	17	44.74	38	19	51.35	18	48.65	37	10.53	-5.56	2.70
General Manager	0	0.00	1	100.00	1	0	0.00	1	100.00	1	0.00	0.00	0.00
Executive Vice Presidents	3	30.00	7	70.00	10	4	36.36	7	63.64	11	-25.00	0.00	-9.09
President	0	0.00	1	100.00	1	0	0.00	1	100.00	1	0.00	0.00	0.00
TOTAL	2,107	62.43	1,268	37.57	3,375	2,009	62.80	1,190	37.20	3,199	4.88	6.55	5.50

CONTRACTUAL RELATIONSHIP AND GENDER

LEVEL	2023		2022		% Variation	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
Apprentices	91	62	64	45	42.19	37.78
Interns	5	7	14	7	-64.29	0.00
Contracted workers	143	95	138	91	3.62	4.40
Employees	1,868	1,104	1,793	1,047	4.18	5.44
Sub-Total	2,107	1,268	2,009	1,190	4.88	6.55
TOTAL	3,375		3,199*		5.50	

* The figure reported in 2022 is corrected.

GENDER EQUALITY

We are committed to fostering gender balance in all our teams. By the end of 2023, 62.43% of our workforce were women. Notably, 68.05% of these women, totaling 311 individuals, held managerial or executive roles.

We are committed to having a gender-balanced workforce and ensuring that our hiring, selection, and promotion processes are respectful and fair. We are committed to ensuring equal opportunities and empowering women as a core part of our culture.



NATIONAL BREAKDOWN

REGION	2023		2022		Variation	
	EMPLOYEES	% OF THE TOTAL	EMPLOYEES	% OF THE TOTAL	N° OF EMPLOYEES	WEIGHT / TOTAL (IN PERCENTAGE POINTS)
Metropolitan	2,348	69.57%	2,180	67.52%	168	2.05
Central - Llanos	284	8.41%	288	8.90%	-4	-0.49
Western - Andes	276	8.18%	274	8.41%	2	-0.23
South - Eastern	263	7.79%	259	8.60%	4	-0.81
North - Western	204	6.04%	198	6.57%	6	-0.53
GRAND TOTAL	3,375	100.00%	3,199	100.00%	176	

NATIONAL BREAKDOWN

Our hiring policy is consistent across all regions of the country. Currently, our candidate interview and evaluation processes are conducted in person; however, we maintain a virtual option for some cases. Our regional Human Resources departments review and assess candidate applications to verify that they meet our company's specific job requirements.

Each of our Sales Network Vice Presidents is a native of the region they oversee, giving them a deep understanding of local economies and clients. This benefits the communities we serve and strategically strengthens decision-making based on the unique characteristics of each area.

Our territorial division aligns with our business strategy, making it a significant source of employment in various regions. 88.06% of our workforce consists of permanent employees.



NETWORK VICE PRESIDENTS

REGION	2023		2022	
	QUANTITY	% FROM LOCAL COMMUNITY	QUANTITY	% FROM LOCAL COMMUNITY
Metropolitan	2	100.00%	1	100.00%
Western - Andes	1	100.00%	1	0.00%
South - Eastern	1	100.00%	1	100.00%
North - Western	1	100.00%	1	100.00%
Central - Llanos	1	100.00%	0	0.00%
GRAND TOTAL	6	100.00%	4	75.00%

N° OF EMPLOYEES

Year	Total Employees
2023	3,375
2022	3,199
% Variation	5.50

BREAKDOWN BY GENDER

Year	Women	%	Men	%
2023	2,107	62.43	1,268	37.57
2022	2,009	62.80	1,190	37.20
% Var.	4.88	-0.59	6.55	0.99

AVERAGE SENIORITY

Year	Average Seniority
2023	9.76
2022	10.26
%Variation	-4.87



EMPLOYEE TURNOVER TRENDS

It is calculated by computing the coefficient between the rates of hiring and turnover, and correlating it to the number of employees in the department over a given period.

The Turnover Index showed a modest decline from 20.12% in 2022 to 16.28% in 2023. Such fluctuations are aligned with current labor laws, reflecting enhanced employment relationships and a positive organizational culture, in accordance with the provisions of the Organic Law for the Prevention, Conditions and Work Environment (LOPCYMAT).



TURNOVER RATIO

CONCEPT	2023				2022	
	MEN	%	WOMEN	%	TOTAL	TOTAL
New Hires *	273	43.20%	359	56.80%	632	721
Turnovers	196	41.97%	271	58.03%	467	566
Workforce	1,268	37.57%	2,107	62.43%	3,375	3,199
TOTAL	18.49%		14.95%		16.28%	20.12%

* Permanent hires and contract renewals were excluded from the inflow calculation. The turnover rate is calculated using the formula $[(\text{Inflows} + \text{outflows})/2] / [\text{year-end population} \times 100]$

TURNOVER RATIO BY REGION

REGION	2023			2022		
	WORKFORCE	NEW HIRES + TURNOVERS	TURNOVER RATIO	WORKFORCE	NEW HIRES + TURNOVERS	TURNOVER RATIO
Metropolitan	2,348	832	17.72%	2,180	951	21.81%
Central - Llanos	284	70	12.32%	288	88	15.28%
Western - Andes	276	65	11.78%	274	88	16.06%
North - Western	204	74	18.14%	198	99	25.00%
South - Eastern	263	58	11.03%	259	61	11.78%
GRAND TOTAL	3,375	1,099	16.28%	3,199	1,287	20.12%

TURNOVER BY REGION AND GENDER

REGION	2023						2022					
	Workforce		New Hires / Turnovers		Turnover Ratio		Workforce		New Hires / Turnovers		Turnover Ratio	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
Metropolitan	1,367	981	159	139	5.82%	7.08%	1,264	916	515	436	20.37%	23.80%
Central - Llanos	215	69	23	9	5.35%	6.52%	217	71	64	24	14.75%	16.90%
Western - Andes	195	81	19	10	4.87%	6.17%	193	81	55	33	14.25%	20.37%
North - Western	134	70	23	10	8.58%	7.14%	136	62	73	26	26.84%	20.97%
South - Eastern	196	67	19	7	4.85%	5.22%	199	60	41	20	10.30%	16.67%
GRAND TOTAL	2,107	1,268	243	175	5.77%	6.90%	2,009	1,190	748	539	18.62%	22.65%



TURNOVER BY REGION, AGE, AND GENDER

REGION	2023									
	<18		18-30		31-40		41-50		>50	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
Metropolitan	26.39%	27.50%	9.84%	12.76%	4.26%	6.39%	3.21%	2.36%	2.86%	3.18%
Central - Llanos	—	—	6.25%	11.11%	4.38%	8.00%	6.41%	2.50%	4.55%	6.67%
Western - Andes	—	—	11.90%	25.00%	3.85%	7.41%	3.85%	0.00%	5.56%	6.25%
North - Western	—	—	5.56%	15.00%	7.78%	4.17%	9.78%	6.67%	8.82%	7.14%
South - Eastern	—	—	10.53%	6.67%	4.55%	10.00%	3.52%	0.00%	4.90%	2.78%

REGION	2022									
	<18		18-30		31-40		41-50		>50	
	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
Metropolitan	68.75%	50.00%	31.06%	38.36%	14.90%	19.54%	7.02%	10.87%	7.49%	5.94%
Central - Llanos	—	1.00%	26.47%	41.67%	20.24%	9.26%	7.64%	10.87%	6.06%	16.67%
Western - Andes	—	—	46.55%	41.67%	15.43%	22.00%	13.39%	16.07%	4.17%	15.38%
North - Western	—	—	23.53%	33.33%	17.71%	31.25%	14.29%	22.73%	13.79%	19.05%
South - Eastern	—	—	72.22%	30.00%	7.53%	16.67%	6.79%	11.76%	5.95%	8.82%

PERFORMANCE EVALUATION OF NON-EXECUTIVE STAFF

Evaluation	2023	2022	% Variation
Total Employees	3,375	3,199	5.50%
No. of Assessed Employees	2,871	2,686	6.89%
% of Employees with Evaluation*	85.07%	83.96%	1.11 pp

* Variation in Percentage Points (pp)

PERFORMANCE EVALUATION

During 2023, non-executive employees underwent two semi-annual performance evaluations. These assessments were based on the Bank's strategic indicators, unit performance, 2-3 operational objectives, and role-specific competencies. The goal was to evaluate employee performance and develop tailored development plans. A total of 2,871 people were evaluated, representing 85.07% of the Banesco workforce; the remaining percentage corresponds to inactive personnel who were not evaluated by their leaders within the established timeframes.



Additionally, a 360-degree performance evaluation was conducted for vice presidents and directors (81 people), which allowed for the examination of their job performance in terms of their leadership competencies, through feedback from their superiors, subordinates, and peers.



JOB PROMOTIONS

The development and growth of our employees is a priority in the Bank's strategy. We focus on our employees growing internally into positions of greater responsibility. Consequently, in 2023, we promoted 232 employees (62.5% women, 37.5% men) to fill vacancies and offer growth opportunities within the Organization.

PERFORMANCE EVALUATION BY JOB CATEGORY

LEVEL	2023				2022			
	Men		Women		Men		Women	
	EVALUATION	%	EVALUATION	%	EVALUATION	%	EVALUATION	%
Junior Staff	246	22.47	578	31.13	226	21.32	574	31.40
Professional / Technician	660	60.27	953	51.32	646	60.94	920	50.33
Supervisory	63	5.75	57	3.07	49	4.62	42	2.30
Management	91	8.31	223	12.01	105	9.91	254	13.90
Vice Presidents	28	2.56	43	2.32	27	2.55	36	1.97
Directors	7	0.64	3	0.16	7	0.66	2	0.11
Total by Gender	1,095	100.00	1,857	100.00	1,060	100.00	1,828	100.00
GRAND TOTAL OF ASSESSED STAFF	2,952				2,888			

TABLE OF JOB PROMOTIONS

AREAS	2023					2022	% Variation
	WOMEN	%	MEN	%	TOTAL	TOTAL	
General Management	12	5.17%	8	3.45%	20	19	5.26
Board of Directors	4	1.72%	4	1.72%	8	24	-66.67
Executive Chair	5	2.16%	6	2.59%	11	17	-35.29
Exec. VP of Banking	13	5.60%	2	0.86%	15	3	400.00
Exec. VP of Human Capital	3	1.29%	0	0.00%	3	7	-57.14
Exec. VP of Commercial Operations	35	15.09%	12	5.17%	47	42	11.90
Exec. VP of Corporate Governance and Legal Matters	0	0.00%	0	0.00%	0	5	-100
Exec. VP of Operations and Processes	49	21.12%	24	10.34%	73	117	-37.61
Exec. VP of Products, Services and Payments Methods	9	3.88%	3	1.29%	12	27	-55.56
Exec. VP of Technology	8	3.45%	17	7.33%	25	38	-34.21
Exec. VP of Treasury and Finance	7	3.02%	11	4.74%	18	23	-21.74
GRAN TOTAL	145	62.50%	87	37.50%	232	322	-27.95



PAYMENT POLICY

At Banesco Banco Universal, C.A., we have a robust policy that involves the constant evaluation of the country's macroeconomic variables and the adjustment of our practices to meet the needs of our employees. We also strive to provide them with better working conditions. To comply with the most recent regulations, a general average salary increase of 176% was implemented in January 2023.

PROCESSES FOR SETTING COMPENSATION

Our compensation is determined by analyzing the relative value of each position within its respective work unit, taking into account government decrees, the allocated budget, macroeconomic indicators, and any other relevant variables to establish the most suitable allocation in each case.

An employee's annual compensation includes a monthly base salary, vacation bonus, profit sharing, and 11% employer contribution to a savings fund.

RATIO BETWEEN THE ANNUAL REMUNERATION OF THE HIGHEST-PAID INDIVIDUAL AND THE AVERAGE ANNUAL REMUNERATION OF THE REST OF THE ORGANIZATION

The pay gap between the top earner and the organization's average employee has narrowed during the reporting period.

- The Average Remuneration is calculated by taking the organization's average annual salary at year-end, excluding the salary of the highest-paid employee.
- The calculation includes full-time, part-time, and contract employees.
- Due to the specific nature of the local operating environment of Banesco Banco Universal, C.A., certain information must be kept confidential to safeguard the personal security of our employees and executive management.

Compensation	2023	2022
Average pay of the rest of the workforce	320.00	130.00
Total annual compensation ratio	2.03	5.00

RELATIONSHIP BETWEEN THE PERCENTAGE INCREASE IN ANNUAL COMPENSATION OF THE HIGHEST-PAID INDIVIDUAL AND THE AVERAGE PERCENTAGE INCREASE IN ANNUAL COMPENSATION OF THE REST OF THE ORGANIZATION

Compensation	2023	2022
Highest-paid position	0%	306%
Average compensation	146%	420%
Annual % Increase	176%	321%



EMPLOYEES WITH DISABILITIES

Aligned with our corporate values, we promote the integration and professional development of people with disabilities within the Organization.

We develop inclusion strategies for people with special needs, guided by international and national guidelines. Their development has enabled them to feel fulfilled and be productive members of society, making their hard work and perseverance an example both inside and outside the bank.

In 2023, the “La Discapacidad es parte de la Diversidad” (Disability is Part of Diversity) Program was carried out at Banesco, with the participation of approximately 902 employees. The modules covered topics such as: I. New Culture of Disability and the Convention on the Rights of Persons with Disabilities; II. Human Rights and Proper Treatment of Persons with Disabilities; III. Prevention and Disability; IV. Strategies for Addressing Persons with Disabilities; V. Disability and Family.

In line with this, the bank has a plan that includes actions related to fair treatment, accessibility, and the inclusion of people with disabilities in conjunction with CONAPDIS (National Council for Persons with Disabilities), the government agency responsible for defending the rights of people with disabilities.

- **Accessibility:** This involves the provision of accommodations in physical settings to facilitate the unobstructed movement of individuals with

TYPE OF DISABILITY BY GENDER

TYPE OF DISABILITY	2023		2022	
	WOMEN	MEN	WOMEN	MEN
Visual, Musculoskeletal	1	0	1	0
Visual, Intellectual, Mental	1	2	1	3
Visual	0	0	0	0
Musculoskeletal	0	2	0	2
Intellectual, Mental	1	2	1	1
Musculoskeletal Disability and Others	1	0	1	0
TOTAL BY GENDER	4	6	4	6
GRAND TOTAL	10		10	

DISABILITY BY REGION

Region	2023	2022	Var. %
Metropolitan	10	10	0.00
TOTAL	10	10	0.00

disabilities. In other words, “All national, state, and municipal government agencies and entities, as well as all natural and legal persons under private law, who plan, design, project, construct, remodel, and adapt buildings and urban and rural environments at the national, state, and municipal levels, must comply with the standards of the Venezuelan Standards Commission (COVENIN), and also with the technical regulations issued by the relevant authorities regarding the accessibility and mobility of individuals with disabilities.”

Common areas in residential zones, interior designs for educational, sports, cultural, health-care, center, establishment, and commercial



office use, recreation and tourism sites, and urban environments shall have areas that allow for unobstructed movement and barrier-free access to different environments and sanitary facilities for people with disabilities.

● **Fair Treatment:** “All national, state, and municipal government agencies and private individuals or entities are required to ensure full access, provide preferential treatment, and create adequate and effective mechanisms to facilitate information, procedures, and other services for people with disabilities.”

● **Inclusion and/or Integration:** “All national, state, and municipal government agencies and entities, as well as public, private, or mixed companies, shall incorporate into their workforces no less than 5% of persons with permanent disabilities, in their total payroll; whether they be executives, employees, or labors.”

Job assignments for people with disabilities must not hinder their performance, block their access to the position, or go beyond their capabilities. Employees with disabilities are not required to perform tasks that pose a risk due to their disability.

Furthermore, it was agreed that, at the Organization’s discretion, a multidisciplinary team from CONAPDIS could be relocated to Ciudad Banesco to update the employee certifications.

TRAINING

We empower our employees by offering opportunities to acquire new knowledge and upgrade their business-related skills and competencies in technical, banking, regulatory, and competency development areas, aiming at efficient performance of their duties, in order to support them in achieving high-quality results. We leverage a variety of learning experiences, including in-person, online (synchronous), and virtual modalities, to enable them to better manage their time.

NATIONAL DISTRIBUTION

LEVEL	Number of Participants			Man-Hours			Average Hours		
	2023	2022	% Var.	2023	2022	% Var.	2023	2022	% Var.
Junior Staff	18,396	9,922	85.41	133,890	6,034	2,118.93	7.28	6.08	19.74
Professional / Technician	28,511	22,857	24.74	171,783	132,322	29.82	6.03	5.79	4.15
Supervisory	1,157	1,095	5.66	7,512	7,841	-4.20	6.49	7.16	-9.36
Manager	9,918	7,914	25.32	49,665	32,077	54.83	5.01	4.05	23.70
Vice Presidents	744	843	-11.74	2,964	4,040	-26.63	3.98	4.79	-16.91
Directors	33	43	-23.26	109	148	-26.35	3.30	3.44	-4.07
President	1	0	0	6	0	0.00	6.00	0.00	0.00
TOTAL	58,760	42,674	37.70	365,929	236,768	54.55	5.44	5.55	-1.98

TRAINING BY GENDER

REGION	Trained Employees							
	2023				2022			
	WOMEN	%	MEN	%	WOMEN	%	MEN	%
Junior Staff	756	35.67%	330	26.19%	1,071	31.43%	382	20.66%
Professional / Technician	1,001	47.23%	723	57.38%	1,695	49.74%	1,084	58.63%
Supervisory	41	1.93%	58	4.6%	80	2.35%	86	4.65%
Manager	272	12.83%	112	8.9%	481	14.11%	190	10.28%
Vice Presidents	46	2.17%	31	2.46%	76	2.23%	98	5.30%
Directors	3	0.14%	5	0.39%	5	0.15%	9	0.49%
President	0	0	1	0.07%	0	0.00%	0	0.00%
TOTAL	2,119	100.00%	1,260	100.00%	3,408	100.00%	1,849	100.00%





TRAINING BY TYPE OF KNOWLEDGE

TYPE OF KNOWLEDGE	Hours of Training		
	2023	2022	% Variation
Banking or Regulatory Knowledge	165,335	189,452	-12.73
Technical Knowledge	110,975	40,913	171.25
Skills Development	91,777	6,403	1,333.34
Total Hours of Training	368,087	236,768	55.46
Total Employees	3,375	3,199	5.50
Average Hours of Training	109.06	74.01	47.36
Total Employees Trained	3,247	3,147	3.18
% of Employees Trained	96.21%	98.37%	-2.16

OPERATIONAL RISK WORKSHOPS

As a primary objective of our business strategy, we continuously implement initiatives to enhance employees' banking and regulatory knowledge in risk management. We accomplish this through targeted training programs for new hires and by providing ongoing learning opportunities on our virtual platform, which is accessible to all active employees. The content of these programs is validated by leaders from our Comprehensive Risk Management Unit. As a result of these efforts, 491 employees now actively participate in Banesco's risk culture.

OPERATIONAL RISK WORKSHOPS AND TRAINING

DESCRIPTION	2023		2022	
	PARTICIPANTS	CERTIFIED/ COMPLETED	PARTICIPANTS	CERTIFIED/ COMPLETED
Specialized talks on (RIA) Regulatory Impact Analysis, Risk Management Methodology, and Operational Risk Tools/ Film Forum	74	74	403	403
Comprehensive Risk Management Workshops for new hires	381	381	241	241
Online Risk Culture Course 2022	36	36	1,837	1,837
GRAND TOTAL	491	491	2,517	2,481*

* The figure differs from the one reported in 2022, as the Young Talent Program, which was erroneously included, has been removed.

Our team of risk-expert facilitators conducted these trainings, providing in-depth analysis and practical case studies tailored to the Organization's reality.

OPERATIONAL RISK DELEGATES
TRAINING BUDGET

Since all Operational Risk training, including for risk delegates, was conducted by internal experts, there were no extraordinary financial implications.

TRAINING IN ANTI-MONEY LAUNDERING AND COUNTER-TERRORIST FINANCING

LEVEL	Number of Training Sessions			Amount Bs.		
	2023	2022	% Var.	2023	2022	% Var.
New Hires	4,644	716	548.60	0	0	—
Active Personnel	5,126	4,019	27.54	679,378.84	114,194.78	494.93
TOTAL	9,770	4,735	106.33	679,378.84	114,194.78	494.93



SKILLS DEVELOPMENT

We offer a range of digital tools to enable our employees to develop their skills in different business areas.

We develop innovative learning experiences designed to enhance the technical and professional skills of our Banesco Citizens, enabling them to perform their duties efficiently in all circumstances and deliver high-quality results. Our most important initiatives focus on training in key business areas such as sales, technology applications across various business areas, products and services, legal updates, processes, and more.

Leadership, Productivity, and Agility skills were a major focus this year. Conferences on these topics were conducted, and they were reinforced through feedback clinics, leadership labs, online workshops and courses, all designed to enhance employee skills.



“

Thanks to Google's collaborative tools, including online sessions, webinars, and our Virtual

Learning Platform, we have successfully promoted self-directed learning and skill

development, accumulating 91,777 hours of training.

”

INTERSHIP PROGRAM

We are committed to fostering the professional development of young people. We have welcomed 98 interns, including 43 from Fe y Alegría Schools, 44 from Higher Institutes, and 11 Banesco employees, who are fulfilling their internship requirements to earn a university degree.

YOUNG TALENT TRAINING PROGRAM

We continue our Young Talent Program, which provides final-year university students or recent graduates with their first work experience in areas related to their studies, serving as a pool of talent to fill other positions and building a career within the organization. This year, we have 33 young people participating in the program.

YOUNG TALENT TRAINING PROGRAM

	2023	2022	Var. %
Young Talent	33	36	-8.33



INTERNSHIPS

INTERNSHIPS	2023	2022	% Var.
External*	87	51	70.59
Internal **	11	6	83.33
TOTAL	98	57	71.93

* External Interns: High school and technical school students. In 2023, the program was offered to 87 external interns, either university or technical school students.

** Internal Interns: Employees who are currently studying and wish to complete their internships within the Organization. In 2023, we supported 11 internal interns.



OCCUPATIONAL HEALTH AND SAFETY

ABSENTEEISM BY TYPE OF ILLNESS/ INJURY

TYPE OF ILLNESS / INJURY	2023			2022		
	LEAVES	DAYS LOST	% PERCENTAGE OF HEALTH-RELATED ABSENCES	LEAVES	DAYS LOST	% PERCENTAGE OF HEALTH-RELATED ABSENCES
Common Illness	580	3,914	0.30	400	3,462	0.31
Occupational Injuries	3	16	0.00	5	36	0.00
Common Injuries	58	581	0.05	42	413	0.04
GRAND TOTAL ABSENTEEISM DUE TO ILLNESS/ INJURY	641	4,511	0.35	447	3,911	0.35

ABSENTEEISM DUE TO OCCUPATIONAL INJURY - LEAVE COUNT BY REGION AND GENDER

REGION	2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Central - Llanos	0	1	1	0	1	1
Metropolitan	0	2	2	0	4	4
Western - Andes	0	0	0	0	0	0
South - Eastern	0	0	0	0	0	0
Zulia - Falcón	0	0	0	0	0	0
GRAND TOTAL ABSENTEEISM DUE TO OCCUPATIONAL INJURY	0	3	3	0	5	5

ABSENTEEISM DUE TO COMMON INJURIES - LEAVE COUNT BY REGION AND GENDER

REGION	2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Central - Llanos	0	10	10	1	12	13
Metropolitan	10	32	42	13	13	26
Western - Andes	0	2	2	0	0	0
South - Eastern	0	0	0	0	2	2
Zulia - Falcón	0	4	4	0	1	1
GRAND TOTAL ABSENTEEISM DUE TO COMMON INJURIES	10	48	58	14	28	42



GRAND TOTAL OF ABSENTEEISM BY LEAVE COUNT AND GENDER

OVERALL ABSENTEEISM	2023					2022				
	MEN	% OF THE TOTAL	WOMEN	% OF THE TOTAL	TOTAL	MEN	% OF THE TOTAL	WOMEN	% OF THE TOTAL	TOTAL
Total	197	30.73	444	69.27	641	96	21.48	351	78.52	447

Data on the type of illness/ injury for 2023 and 2022 is presented at a general level and broken down by region, gender, and number of days lost.

ABSENTEEISM DUE TO COMMON INJURIES - DAY COUNT BY REGION AND GENDER

REGION	2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Central - Llanos	0	113	113	5	140	145
Metropolitan	115	285	400	98	138	236
Western - Andes	0	31	31	0	0	0
South- Eastern	0	0	0	0	14	14
Zulia - Falcón	0	37	37	0	18	18
GRAND TOTAL ABSENTEEISM DUE TO COMMON INJURY	115	466	581	103	310	413

ABSENTEEISM DUE TO COMMON ILLNESS - DAY COUNT BY REGION AND GENDER

REGION	2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Central - Llanos	59	479	538	71	598	669
Metropolitan	16	186	202	0	250	250
Western - Andes	889	1,836	2,725	526	1,347	1,873
South- Eastern	24	275	299	107	471	578
Zulia - Falcón	24	126	150	30	62	92
GRAND TOTAL ABSENTEEISM DUE TO COMMON ILLNESS	1,012	2,902	3,914	734	2,728	3,462



FREQUENT ILLNESSES LEADING TO SICK LEAVES

Year	Musculoesketal and Join	Respiratory	Gastrointestinal	Gynecological	Dermatological	Viral
2023	108	139	55	39	16	100
2022	111	47	32	64	13	42

ABSENTEEISM DUE TO COMMON ILLNESS –LEAVE COUNT BY REGION AND GENDER

REGION	2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Central - Llanos	6	47	53	7	66	73
Metropolitan	1	21	22	0	24	24
Western - Andes	172	281	453	62	161	223
South- Eastern	3	35	38	9	55	64
Zulia - Falcón	5	9	14	4	12	16
GRAND TOTAL ABSENTEEISM DUE TO COMMON ILLNESS	187	393	580	82	318	400

In relation to commuting accidents, 11 were reported in 2023. We have implemented educational measures to help our employees avoid unsafe behaviors or conditions.

ABSENTEEISM DUE TO COMMUTING ACCIDENTS

REGION	Absenteeism Due to Commuting Accidents (Count)					
	2023			2022		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Central - Llanos	0	1	1	0	0	0
Metropolitan	2	6	8	0	0	0
Western - Andes	0	0	0	1	1	2
South- Eastern	0	1	1	0	0	0
North - Western	0	0	0	0	0	0
Zulia - Falcón	0	1	1	0	0	0
GRAND TOTAL ABSENTEEISM DUE TO COMMUTING ACCIDENTS	2	9	11	1	1	2



OCCUPATIONAL HEALTH INDICATORS

Rate of Absenteeism*	
Year	%
2023	0.58
2022	0.55

* Pre- and post-natal leave is not included.

Total Days of Leave	
Year	Days
2023	4,511
2022	3,911
% Variation	15.34

INSURANCE POLICY

Banesco Banco Universal, C.A. provides complimentary Hospitalization, Surgery, and Maternity (HSM) coverage, as well as coverage for 8 specific critical illnesses, to employees, their spouses, and children up to 18. In addition, employees may extend HSM coverage to their children aged 19 to 25 and their parents, and may purchase supplemental excess coverage. The Organization performs an annual review of policy coverage.

In 2023, the Organization continued to prioritize the health and safety of its workforce by maintaining the SARS-CoV-2 prevention campaign

and other health programs. We intensified our care efforts during this period by leveraging Telemedicine to provide primary care, medical consultation, and emotional counseling.

The Banesco City Medical Service, dedicated to our employees, continued to operate without generating medical waste, thanks to its focus on primary care and the use of disposable materials. We continued to refer emergency cases to specialized healthcare facilities near our headquarters, guaranteeing a prompt and adequate response to any incident.

EMPLOYEES ENTITLED TO PARENTAL LEAVE

INDICATORS	2023					2022				
	MEN	% OF THE TOTAL	WOMEN	% OF THE TOTAL	TOTAL	MEN	% OF THE TOTAL	WOMEN	% OF THE TOTAL	TOTAL
Employees entitled to paid parental leave	806	36.45	1,405	63.55	2,211	762	36.39	1,332	63.61	2,904
Employees who exercised this right	13	20.97	49	79.03	62	10	11.90	74	88.10	84
Employees who, after exercising it, returned to work	13	28.26	33	71.74	46	9	11.39	70	88.61	79
Rate of return to Work After Exercising the Right to Parental Leave	100.00%	—	100.00%	—	—	90.00%	—	94.59%	—	—
Employees who, one year after parental leave, remain with the Organization	13	100	0	0.00	13	1	20.00	4	80.00	5
EMPLOYEE RETENTION RATE	100%	—	99%	—	—	10%	—	5%	—	—

Please note that the data was collected using the following criteria:

1. The insurance policy limits parental leave coverage to employees aged 45 or under.
2. The principle of a uniform age limit of 45 years for parental leave was adopted, applying equally to both men and women.
3. It was assumed that 100% of employees who took parental leave returned to the Organization. Any subsequent decision is considered an event occurring after the return to work.



This responsible and proactive approach reflects the Organization's commitment to the well-being of its workforce and the sustainability of its operations, in line with best practices in corporate social responsibility and management reporting.

OCCUPATIONAL SAFETY

We foster safe and ideal work environments, enabling our employees to achieve their best performance while going beyond legal labor requirements in effect.

Our efforts are focused on achieving service quality and reliability, with a particular focus on reducing fraud, service disruptions, and workplace accidents or occupational illnesses. We aim to maximize service availability and maintain effectiveness in all our activities. Appropriate biosecurity measures were implemented at the security level.

Given that Banesco Banco Universal, C.A. is a financial institution, the activities carried out by our employees are classified as low to minimal risk, especially since most of our staff are office-based. Our findings indicate that musculoskeletal disorders pose a significant risk to all employees, while psychosocial and physical risks are particularly concentrated among tellers, operational managers, and branch managers. Furthermore, we developed preventive measures to support Telework.

As of the end of 2023, the Bank had 62 employees serving as representatives for both employees and employers on the Occupational Safety and Health Committees (OSHC) across branches and offices. These representatives are distributed as follows:

The OSHCs have been working in accordance with the directives of the Occupational Safety and Health Services Management to support and advise on Occupational Safety and Health

WORKPLACES WITH OCCUPATIONAL SAFETY AND HEALTH PROGRAMS

REGION	2023	2022
	CSSL	CSSL
Central - Llanos	9	10
Metropolitan	6	15
Western - Andes	8	21
Eastern	7	22
Zulia - Falcón	1	20
TOTAL	31	88

OCCUPATIONAL SAFETY AND HEALTH COMMITTEE (OSHC)

REGION	2023		2022	
	CSSL	EMPLOYEES	CSSL	EMPLOYEES
Central - Llanos	9	18	10	20
Metropolitan	6	12	15	30
Western - Andes	8	16	21	42
Eastern	7	14	22	48
Zulia - Falcón	1	2	20	40
TOTAL	31	62	88	180

Programs required by the LOPCYMAT (Organic Law on Prevention, Conditions, and Environment at Work).

OCCUPATIONAL SAFETY AND HEALTH TRAINING

During 2023, we focused on expanding the regulatory and technical knowledge base of all Banesco employees regarding Occupational Safety and Health. As part of our ongoing commitment to improvement, we have continued to strengthen these core competencies, starting with the implementation of Google's collaborative tools to enhance learning and engagement.

We then integrated and managed all the information collected on our new Virtual Learning Platform, an innovative tool acquired in the second half of the previous year, which has proven to be a valuable resource in consolidating knowledge and promoting a culture of comprehensive security.

This systematic approach and adaptation to virtual learning technologies reflect best practices in corporate social responsibility and underscore our unwavering commitment to the professional development and well-being of our employees.



OCCUPATIONAL HEALTH AND SAFETY TRAINING PROGRAMS 2023

MODALITY	NAME	WOMEN		MEN		TOTALS	
		PARTICIPATIONS	HOURS	PARTICIPATIONS	HOURS	PARTICIPATIONS	HOURS
Online Seminar	Webinar: Tools for Grieving	130	130	28	28	158	158
	Webinar: Disability Inclusion	131	131	35	35	166	166
Microlearning	Do you know the importance of an Emergency Plan?	588	2,352	384	1,536	972	3,888
Virtual Course	Emotional Intelligence	701	11,216	433	6,928	1,134	18,144
Virtual Course	Managing Emotions - Part I	169	2,704	117	1,872	286	4,576
	Emotional Intelligence in the Work Place	237	3,792	130	2,080	367	5,872
	Occupational Health	677	10,832	431	6,896	1,108	17,728
Online Seminar	Webinar: Healthy Work, Healthy Life Ergonomics and Occupational Health 2023	144	288	56	112	200	400
	Webinar: It's Time to Get Active. Active Breaks and Occupational Health	157	314	58	116	215	430
	Webinar: Emotional Balance and Stress Management	257	514	82	164	339	678
Microlearning	Do you know the importance of an emergency plan?	279	1,116	148	592	427	1,708
	Could you easily use a fire extinguisher?	603	4,824	395	3,160	998	7,984
	Knowledge Capsule - Heat Strokes	598	2,392	350	1,400	948	3,792
Virtual Course	Managing Emotions - Part I	662	10,592	381	6,096	1,043	16,688
Virtual Course	Emotional Intelligence in the Work Place	127	2,032	46	736	173	2,768
	Occupational Health	207	3,312	93	1,488	300	4,800
Online	Seminar on Preferential Treatment (Conapdis Regulatory Talks) (2nd)	122	244	48	96	170	340



OCCUPATIONAL HEALTH AND SAFETY TRAINING PROGRAMS 2023

MODALITY	NAME	WOMEN		MEN		TOTALS	
		PARTICIPATIONS	HOURS	PARTICIPATIONS	HOURS	PARTICIPATIONS	HOURS
Microlearning	Do you know the importance of an Emergency Plan?	139	556	64	256	203	812
	Could you easily use a fire extinguisher?	251	2,008	144	1,152	395	3,160
	Knowledge Capsule - Heat Strokes	322	1,288	186	744	508	2,032
	Do you know how to prevent a travel accident?	714	11,424	463	7,408	1,177	18,832
	Knowledge Capsule Do you know how to take care of your work and personal safety?	521	4,168	307	2,456	828	6,624
	Knowledge Capsule How long is it advisable to use wireless headphones?	778	6,224	496	3,968	1,274	10,192
In-person	Forklift Operator Certification			6	48	6	48
	Evacuation Drill Induction - Tower II El Rosal	8	24	6	18	14	42
	Evacuation Drill - Tower II El Rosal	8	24	7	21	15	45
	Logistics and Warehouse Management Workshop	8	128	10	160	18	288
	Workshop on Handling and Storage of Hazardous Substances, Materials and Waste	3	24	7	56	10	80
	Practical workshop on strategies and techniques to support people with disabilities	25	50	9	18	34	68
Virtual Course	Let's discover together the meaning of LOPCYMAT	672	10,752	451	7,216	1,123	17,968
	Managing Emotions - Part I	171	2,736	95	1,520	266	4,256
	Emotional Intelligence in the Work Place	79	1,264	39	624	118	1,888
	Occupational Health	92	1,472	51	816	143	2,288
	Diploma in Safety and Occupational Safety	14	2,800	2	400	16	3,200
	Actions to manage Emotional Management - Part II	690	5,520	407	3,256	1,097	8,776



OCCUPATIONAL HEALTH AND SAFETY TRAINING PROGRAMS 2023

MODALITY	NAME	WOMEN		MEN		TOTALS	
		PARTICIPATIONS	HOURS	PARTICIPATIONS	HOURS	PARTICIPATIONS	HOURS
Microlearning	Do you know the importance of an Emergency Plan?	69	1,104	39	624	108	1,728
	Could you easily use a fire extinguisher?	100	1,600	62	992	162	2,592
	Knowledge Capsule - Heat Strokes	119	476	74	296	193	772
	Do you know how to prevent a travel accident?	220	3,520	112	1,792	332	5,312
	Knowledge Capsule: Do you know how to take care of your occupational and personal safety?	336	2,688	190	1,520	526	4,208
	Knowledge Capsule: How long is it advisable to use wireless headphones?	205	1,640	108	864	313	2,504
	Infographic New Entry	108	864	68	544	176	1,408
In-person	Theoretical - Practical Program: "Use and Handling of Portable Fire Extinguishers"	1	8	13	104	14	112
Online	OSH Time Management	221	442	80	160	301	221
Total		11,663	119,589	6,711	70,368	18,374	189,576

“ We integrate and manage the accumulated information on the Virtual Learning Platform, an innovation acquired in the second half of the previous year, which has proven to be a valuable resource in consolidating knowledge and promoting a comprehensive safety culture. ”



Additionally, different training activities were carried out in the field of OHS, both online and in-person, covering the following topics:

OTHER OCCUPATIONAL SAFETY AND HEALTH TRAINING

Modality	Content / Name of the Event (Year 2023)	Participations	Hours
Virtual Microlearning	Do you know the Importance of an Emergency Plan?	972	3,888
Virtual Microlearning	Microlearning: Do you know the Importance of an Emergency Plan?	427	1,708
Virtual Microlearning	Microlearning: Could you easily use a fire extinguisher?	998	7,984
Virtual Microlearning	Microlearning: Heat Strokes	948	3,792
Virtual Microlearning	Microlearning: Do you know the Importance of an Emergency Plan?	203	812
Virtual Microlearning	Microlearning: Could you easily use a fire extinguisher?	395	3,160
Virtual Microlearning	Microlearning: Heat Strokes	508	2,032
Virtual Microlearning	Do you know how to prevent a commuting accident?	1,177	18,832
Virtual Microlearning	Microlearning: Do you know how to take care of your occupational and personal safety?	828	6,624
Virtual Microlearning	Microlearning: How long is it safe to use wireless headphones?	1,274	10,192
Virtual Microlearning	Microlearning: ¿ Do you know the Importance of an Emergency Plan?	108	1,728
Virtual Microlearning	Microlearning: Could you easily use a fire extinguisher?	162	2,592
Virtual Microlearning	Microlearning: Heat Strokes	193	772
Virtual Microlearning	Microlearning: Do you know how to prevent a commuting accident?	332	5,312
Virtual Microlearning	Microlearning: Do you know how to take care of your occupational and personal safety?	526	4,208
Virtual Microlearning	Microlearning: How long is it safe to use wireless headphones?	313	2,504
Virtual Microlearning	New Hire Infographic	176	1,408
Virtual Course	Emotional Intelligence	1,134	18,144
Virtual Course	Managing Emotions - Part I	286	4,576
Virtual Course	Emotional Intelligence in the Workplace	367	5,872
Virtual Course	Occupational Health	1,108	17,728
Virtual Course	Managing Emotions - Part I	1,043	16,688
Virtual Course	Emotional Intelligence in the Workplace	173	2,768



OTHER OCCUPATIONAL SAFETY AND HEALTH TRAINING

Modality	Content / Name of the Event (Year 2023)	Participations	Hours
Virtual Course	Occupational Health	300	4,800
Virtual Course	Let's discover together the meaning of LOPCYMAT	1,123	17,968
Virtual Course	Managing Emotions - Part I	266	4,256
Virtual Course	Emotional Intelligence in the Workplace	118	1,888
Virtual Course	Occupational Health	143	2,288
Virtual Course	Diploma Course in Safety and Occupational Health	16	3,200
Virtual Course	Strategies for Managing Emotions - Part II	1,097	8,776
Online	Seminar on Preferential Treatment (Conapdis Regulatory Talks) (2nd)	170	340
Online	OHS Time Management	301	221
In-person	Forklift Operator Certification	6	48
In-person	Evacuation Drill Induction - Torre II El Rosal	14	42
In-person	Evacuation Drill - Torre II El Rosal	15	45
In-person	Logistics and Warehouse Management Workshop	18	288
In-person	Workshop on Handling and Storage of Hazardous Substances, Materials, and Waste	10	80
In-person	Practical Workshop on Strategies and Techniques to Support People with Disabilities	34	68
In-person	Theory and Practice: "Fire Extinguisher Training"	14	112
Online Seminar	Webinar: Tools for Grieving	158	158
Online Seminar	Webinar: Disability Inclusion	166	166
Online Seminar	Webinar: Healthy Work, Healthy Life – Ergonomics and Occupational Health 2023	200	400
Online Seminar	Webinar: Time to Get Active – Active Breaks and Occupational Health	215	430
Online Seminar	Webinar: Emotional Balance and Stress Management	339	678
Total		18,374	189,576



EMPLOYMENT RELATIONSHIPS

The Collective Bargaining Agreement of Banesco Banco Universal, C.A. was homologated by the Directorate of the National Inspectorate and Other Collective Labor Affairs of the Private Sector on October 10, 2013, and was still in effect at the end of 2023.

This applies exclusively to all employees working for Banesco Banco Universal, C.A., except for Chairman of the Board of Directors, Executive Presidents, Directors, Vice Presidents and Executive Vice Presidents, Managers, Interns, and INCES Apprentices, as provided for in Clause 3.

Consequently, 55.64% of our workforce is protected by the existing collective bargaining agreement, encompassing Preliminary, General, Economic, Socioeconomic, Union, and Final Clauses. A total of 1,878 employees are members of the National Union of Workers of the Banesco Financial Group (SITRABANESCO), which is affiliated with Banesco Banco Universal, C.A.

The Collective Bargaining Agreement of Banesco Banco Universal, C.A., includes market-competitive socioeconomic benefits. It aims to improve the quality of life of employees and their families, offering, among other benefits, health insurance covering hospitalization, surgery, and maternity, which covers the employees and their family (spouse and children). Additionally, it provides scholarships, toys for their children, and financial support for school supplies. By applying

EMPLOYEES UNDER COLLECTIVE BARGAINING AGREEMENT

	2023	2022	Var. %
Total Employees	3,375	3,199	5.50
Employees under Collective Bargaining Agreement	1,878	1,907	-1.54
% Employees under Collective Bargaining Agreement	55.64%	59.61%	-3.97*

* Variation in Percentage Points (pp)

the principle of Corporate Social Responsibility to our most valuable asset, our employees, we are able to create a positive work environment, improve working conditions, and enhance the overall quality of life for our employees.

FREEDOM OF ASSOCIATION

We ensure that all our employees enjoy the full range of rights guaranteed by the Constitution of the Bolivarian Republic of Venezuela, the Organic Law of Labor and Workers (LOTTT, in Spanish) and its Regulations, and other relevant labor laws. In particular, we uphold their right to form associations for lawful purposes and their right to unionize. We ensure that our employees are able to fully exercise these rights, subject only to the limitations imposed by law.

Furthermore, to underscore our commitment to union freedom, we guarantee the right of our employees to engage in collective bargaining and to negotiate Collective Bargaining Agreements. We also recognize the union immunity of the key members of the union's Executive Committee and provide financial support to the union.

COMPLIANCE WITH PREVENTION AND CONTROL OF MONEY LAUNDERING, TERRORISM FINANCING AND FINANCING OF THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION

Banesco Universal, C.A. maintains a comprehensive Risk Management System for Anti-Money Laundering, Counter-Financing of Terrorism, and Counter-Financing of the Proliferation of Weapons of Mass Destruction (AML/CFT/FPWMD), whose scope, design, structure, and obligations have been implemented in accordance with applicable regulations. Therefore, as a financial institution, we have implemented appropriate, effective, and sufficient measures designed to identify, assess, and mitigate the risk of being used as a vehicle for laundering illicit funds or diverting funds for the financing of terrorist groups or activities.

In this context, the Bank prepares and executes an Annual Operating Plan (AOP) which is approved by the Board of Directors and includes, among other components, an Annual Training Program (ATP) developed based on



training needs and tailored to its operational profile, in accordance with the specific functions of each area.

The implementation of this plan fostered active employee participation through in-person and virtual training, focusing on key aspects of ML/TF/FPWMD, applicable regulations, the Know-Your-Employee Policy, the Know-Your-Client Policy, and specialized training for Compliance Officers.

In addition, the Bank maintains Communication Strategies targeting both clients and employees regarding the Prevention and Control of ML/TF/FPWMD. The Intranet has been used as an information tool to provide all relevant content that contributes to preventing, controlling, and detecting attempts to launder money or finance terrorism. Employees are also encouraged to support the efforts of the Anti-Money Laundering, Counter-Terrorist Financing, and Counter-Financing of the Proliferation of Weapons of Mass Destruction Unit. We have established direct communication lines with the Appointment and Payment Committee (see Corporate Governance Chapter), as well as a dedicated email inbox: “Banescos Anti-Money Laundering Unit,” where notifications of unusual or suspicious activities involving clients or employees can be reported.

The key tool to mitigate these risks is the ongoing alignment of our standards, policies, and

RELATIONSHIP BETWEEN BASE SALARIES OF MEN AND WOMEN, BROKEN DOWN BY JOB CATEGORY

While the Venezuelan labor market exhibits a higher supply of men for specific roles, Banescos Banco Universal, C.A. is committed to gender equality. This commitment is reflected in our workforce composition: at the end of 2023, women accounted for 62.43% of our employees, while men constituted 37.57%.

SALARY COMPARISON BETWEEN MEN AND WOMEN

Position Category	2023	2022
Junior Staff	0.89	1.02
Director	—	—
Management	0.99	0.97
General Manager	—	—
President	0.98	—
Professionals/Technicians	0.98	1
Supervisory	1	1
Vice President	0.98	1
Executive Vice President	0.37	—

procedures with current AML/CFT/FPWMD regulations. This includes customer due diligence mechanisms (the “Know-Your-Client” Policy within the sales network) to avoid relationships with clients who pose a risk to our financial institution

by using it to engage in illicit activities such as fraud, money laundering, scams, or corruption.

In line with our commitment to transparency and our “Know-Your-Employee” policy, all employees must be prepared to provide supporting documentation to verify the source of funds deposited into their personal accounts, excluding payroll, when requested by their direct supervisor or the Compliance Officer.

EQUALITY AND NON-DISCRIMINATION

We are committed to fostering a workplace environment where all employees are treated equally, regardless of age, race, creed, political belief, gender, or any other characteristic that could lead to discrimination. Accordingly, we guarantee equal opportunities and promote campaigns fostering tolerance, respect, and inclusion, thus empowering our employees to develop their skills and competencies. As of today, there have been no reported incidents of discrimination involving employees.

Both our Collective Bargaining Agreement, specifically Clause 2 of the General Declaration of Principles, and our Banescos Citizen Code of Ethics and Conduct explicitly prohibit discriminatory practices. Additionally, these documents promote Social Responsibility grounded in humanist principles and ethical conduct, underscoring the importance of our employees as the most valuable asset of our Institution.



CHILD EXPLOITATION

All employees of Banesco Banco Universal, C.A., are adults, except for those enrolled in regulated apprenticeship or internship programs, which are focused on administrative and accounting functions and are overseen by INCES or other accredited academic institutions, or by both. Consequently, there is no risk of child labor in our workforce.

FORCED LABOR

Banesco Banco Universal, C.A., as a leading and socially responsible financial institution, guarantees compliance with all current legal frameworks and international treaties signed by our country.

In accordance with current Venezuelan labor law, employment and work in all its forms are regulated, with the express exclusion of forced labor and child exploitation. Consequently, the legal framework mandates measures to protect all workers, including young apprentices, whose activities are under the supervision of Venezuelan government institutions. Consequently, there have been no instances of forced or involuntary labor within our Organization.

BENEFITS OF OUR EMPLOYEES

The quality of life of our employees and their families is one of the most important aspects of our Organization. Our ongoing challenge is to remain a leading company in providing benefits and the best working conditions.

CONTRACTUAL BENEFITS

DESCRIPTION	Investment (Bs.)			No. of Beneficiaries		
	2023	2022	Var. %	2023	2022	Var. %
Contribution to Savings Fund	1,570,860.50	422,954.51	271.40	3,130	3,122	0.26
Death Benefit for Employee Family	103,840.00	5,107.92	1,932.92	3	8	-62.50
School Supplies Assistance	6,930,000.00	816,000.00	749.26	1,476	1,434	2.93
Scholarships	3,842,200.00	794,300.00	383.72	625	560	11.61
Bonus for Cashiers and Promoters	936,566.63	127,127.38	636.72	735	739	-0.54
Bereavement Allowance	21,000.00	20,400.00	2.94	69	66	4.55
Mother's Day Bonus	2,059,500.00	399,900.00	415.00	1,375	1,333	3.15
Wedding Bonus	3,900.00	3,300.00	18.18	13	11	18.18
Maternity/Paternity Leave	13,200.00	12,300.00	7.32	44	41	7.32
Christmas Toys	6,950,000.00	1,401,000.00	396.07	1,090	1,097	-0.64
Service Recognition Program	110,750.00	104,575.00	5.90	620	494	25.51
Collective Health Insurance (Hospitalization, Surgery, and Maternity)	110,336,623.87	10,936,452.59	908.89	8,680	8,312	4.43
Family Subsidy	47,755.00	49,334.80	-3.20	709	749	-5.34
Work Attire and Equipment	0.00	1,131,561.66	-100.00	1,076	0	0.00
Vacation Bonus	1,477,816.54	338,283.64	336.86	2,503	2,245	11.49
GRAND TOTAL	404,012.54	16,562,597.50	711.49	22,148	20,211	9.58



We conduct yearly reviews of the country's socio-economic environment and provide our employees with competitive benefits and optimal working conditions. Consequently, our benefits program is inclusive of all employees, regardless of their employment status, both part-time and contract workers. This allows us to remain at the forefront of the national financial sector, particularly in terms of food, health, and housing.

NON-CONTRACTUAL BENEFITS

We emphasize that all employees, regardless of their employment status, are treated equitably. Permanent and fixed-term employees receive contractual benefits, while non-contractual employees enjoy similar advantages. In addition, all employees are entitled to the benefits outlined in current laws.



NON-CONTRACTUAL BENEFITS

ITEMS	Investment (Bs.)			No. of Beneficiaries		
	2023	2022	Var. %	2023	2022	Var. %
Parking Subsidy	110,246.40	18,972.96	481.07	10,068	696	1,346.55
Meal Subsidy*	98,778,629.63	18,121,754.08	445.08	1,175,478	1,022,458	14.97
Healthcare Services	1,771,917.43	730,902.84	142.43	4,262	1,494	185.27
Critical Illness Benefits	184,820.97	50,806.03	263.78	3	10	-70.00

* No. of Meal Benefits/ Subsidies

LEGAL OBLIGATIONS

BENEFIT	Investment (Bs.)			No. of Beneficiaries		
	2023	2022	Var. %	2023	2022	Var. %
Daycare Facilities	4,758.71	5,085.44	-6.42	14	13	7.69
INCES (Vocational training programs)	311,315.80	85,237.52	265.23	3,735	3,702	0.89
Food Law for Workers	27,694,399.44	1,431,922.51	1,834.07	3,727	3,724	0.08
Employment Law	276,972.57	83,183.34	232.97	3,730	3,693	1.00
FAOV (Mandatory Housing Savings Fund) - Housing and Habitat Law	1,608,465.52	269,487.83	496.86	3,735	3,702	0.89
Mandatory Social Security	1,399,556.99	416,618.31	235.93	3,730	3,693	1.00
Anti-Money Laundering Training	679,378.84	114,194.78	494.9	3,170	4,735	-33.05
TOTAL	31,974,847.87	2,405,729.73	1,229.11	21,841	23,262	-6.11

"TU CASA CON BANESCO" (YOUR OWN HOME WITH BANESCO) PROGRAM

TYPE OF LOAN	Investment (Bs.)		No. of Beneficiaries	
	2023	2022	2023	2022
Home Purchase Mortgage Loan (FAOV + Self-Funded)	33,327,936.64	3,423,391.61	36	13
Home Renovation + Expansion Mortgage Loan (FAOV + Self-Funded)	10,106,447.02	2,174,087.16	13	7
TOTAL	43,434,383.66	5,597,478.77	49	20



OTHER EMPLOYEE BENEFITS

ITEMS	Investment (Bs.)			No. of Beneficiaries		
	2023	2022	Var. %	2023	2022	Var. %
Banesco Banco Universal, C.A. Car Loan	27,190,858.90	1,267,580.00	2,045.10	63	10	530.00
Sports, recreational, and cultural activities	3,561,525.95	336,489.51	958.44	16,610	3,500	374.57
Training and Development Programs	7,262,100.43	1,292,861.38	461.71	3,375	3,147	7.24
TOTAL	38,014,485.28	2,896,930.89	1,212.23	20,048	6,657	201.16

EMPLOYEE ENGAGEMENT AND ORGANIZATIONAL CULTURE STUDY

Throughout 2023, the Organization remained committed to fostering employee engagement and a strong organizational culture. This was in response to a highly competitive landscape, where achieving results and enhancing productivity were essential to cultivate a more client-oriented culture. To ensure continuous monitoring, three measurements were taken throughout the year, with an average participation rate of 86.33% among Banesco Citizens. The results showed a consistent pattern across all measurements.

At the end of 2023, the annual Culture and Engagement survey was conducted, with a participation rate of 90.85% of the workforce (2,523 employees). Key findings from the survey revealed that Corporate Identity, Customer Orientation, and Development & Self-development emerged as organizational strengths. The Overall Culture Indicator reached 83%, indicating a slight decline of 2 points from the previous year. In terms of Engagement measurement, the Overall Result achieved was 88%. The survey highlighted Alignment with Strategy, Communication, Leadership, and Stability as key

strengths. This represents a one-point increase compared to the previous assessment.

We are committed to strengthening our customer orientation, positioning it as a fundamental aspect of our organizational culture to become the leading financial entity in NPS. Webinars will be conducted to boost productivity, and a pilot Values School will be implemented to promote civic values among employees' children through Leadership and Customer Service microlearning sessions. Additionally, we introduced a new recognition program known as the 'Huella Gala' (Footprint Gala), which concluded with a ceremony honoring outstanding individuals in six distinct categories, including, 'Agencia Memorable' (Memorable Agencies), 'Héroes que Enseñan' (Teaching Heroes), 'Héroes que dejan Huella' (Heroes Making a Difference), 'Héroes que impulsan el Negocio' (Business Driving Heroes), 'Líderes que dejan Huella' (Impactful Leaders), and 'Héroes con Propósito' (Purpose-Driven Heroes). Furthermore, site visits to agencies were carried out to support the change management initiative for the new Commercial System.



Through our 'Semana Huella' (Impact Week) program, we foster a high-performance culture by strengthening our relationships with both internal and external clients. We achieve this through agency visits in Caracas, Aragua, and Lara, where we incorporate 'Yoga de la Risa' (Laughter Yoga) to promote values of well-being, respect, kindness, and education."



EXTERNAL DIMENSION OF OUR SOCIAL RESPONSIBILITY



OUR SOCIAL PARTNERS AND THE COMMUNITY



**Banesco Banco Universal, C.A.,
committed to gender equality,
became the first Venezuelan bank
to join the United Nations Women's
Empowerment Principles (WEPs)
for gender equality and women's
empowerment.**

OUR POLICY

At Banesco Banco Universal, C.A., we not only believe in solidarity, but also in structural solutions. Our corporate social responsibility initiatives are executed in collaboration with a network of esteemed institutions that have a proven track record in supporting communities across Venezuela. We refer to these institutions as our Social Partners.

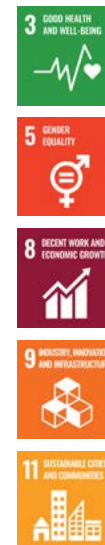
Our starting point is a simple premise: we are committed to supporting initiatives that foster the development of free, productive citizens who are conscious of their civic responsibilities. Our value proposition is centered around products, services, and programs designed to drive balanced growth in the economic, social, and environmental spheres. We are committed to respecting and promoting Human Rights, contributing to the well-being of the communities where we operate, and engaging in ethical interactions with all stakeholders, including employees, clients, suppliers, authorities, shareholders, and the society, in general.

We have set out to be an active agent in the managerial training of entrepreneurs and micro-entrepreneurs, equipping them with the tools they need to enhance their businesses.

OUR MANAGEMENT

In 2023, we allocated Bs. 153,888,602.95 to support a variety of community programs and projects, as well as initiatives designed to benefit our employees and their families. Through the implementation of 39 social projects focused on education, health, and financial inclusion, we were able to positively impact the lives of 1,044,629 individuals.

On the other hand, the Participatory Budget and the Micro-Entrepreneurs Training Program, now endorsed by the Central University of Venezuela since 2023, continue to be the cornerstone of our Corporate Social Responsibility efforts. These programs have become an effective way to connect with the communities we serve and understand firsthand their most pressing needs and how we can best support them.



These strategic social responsibility programs, which support sustainability, are planned, developed, and executed by the Vice Presidency of Communications and Corporate Social Responsibility, which reports directly to the Executive Presidency.

In addition, Banesco Banco Universal, C.A., demonstrating its commitment to gender equality, became the first Venezuelan bank to sign on to the United Nations Women's Empowerment Principles (WEPs), a global initiative aimed at advancing gender equality and women's empowerment in the workplace. Marco Tulio Ortega Vargas, Chief Executive Officer of Banesco, formally endorsed the United Nations Women's

Empowerment Principles (WEPs) by signing the declaration to close the gender gap.

Through this initiative, the Organization commits to integrating gender equality principles into its strategies and operations and to collaborating with multiple stakeholders to promote business practices that empower women. These include equal pay for equal work, gender-sensitive supply chain practices, and zero tolerance for sexual harassment in the workplace. The Women's Empowerment Principles (WEPs) provide a framework for companies to promote gender equality and women's empowerment in the workplace, the marketplace, and the community, and to generate positive outcomes for society and businesses.



In 2023, our operations did not have any negative impacts on communities.

OUR COMMUNITY COMMITMENT BY SERVICE AREA

SERVICE AREA	Investment Bs.		% Variation
	2023	2022	
Care for Children at Risk, the Elderly, and People with Disabilities	642,204.57	692,946.69	-7.32
Health	4,711,520.61	420,445.71	1,020.60
Education	12,792,223.17	1,807,601.94	607.69
Trade Unions	101,042.27	25,546.28	295.53
Culture	2,671,095.82	250,996.56	964.20
Publishing Projects	1,944,333.07	281,713.25	590.18
Community Events	2,263,806.01	229,376.49	886.94
Other Contributions	256,500.00	14,400.00	1,681.25
Total Bs.	25,382,725.52	3,723,026.92	581.78



OUR SOCIAL PARTNERS

ORGANIZATION / INSTITUTION	2023				2022			
	PROJECT	AMOUNT IN BS,	BENEFICIARIES		PROJECT	AMOUNT IN BS,	BENEFICIARIES	
			DIRECT	INDIRECT			DIRECT	INDIRECT
Micro Entrepreneurs Training Program	Micro Entrepreneurs Training Program	1,086,669,03	8,763	30,670	Micro Entrepreneurs Training Program	155,466.31	9,114	31,899
Fe y Alegría	Restoration of the structure of the Instituto Universitario San Francisco de Fe y Alegría	990,875,40	1,277	750	IUSF - Repair of the 300 KVA Pad Mounted electrical transformer (administrative module) and major maintenance of the 300 KVA Pad Mounted transformer (academic module Y), in order to provide a quality service in each of the areas	136,224.00	825	6,000
A,C, Red de Casas Don Bosco (Nonprofit to shelter children)	Strengthening protection services (Bosco Bus - Patio Abierto) for vulnerable girls, boys and adolescents between the ages of 6 and 17 in the Metropolitan Area of Caracas,	1,068,542,90	70	280	Strengthening protection services (Bosco Bus - Patio Abierto) for vulnerable girls, boys and adolescents between the ages of 6 and 17 in the Metropolitan Area of Caracas	212,121.00	1,200	4,800
Fundana (Nonprofit to shelter children)	"NutriFamilias" Nutritional Care and Recovery Program *	2,405,252,95	5,000	25,000	Nutrifamilia Food Program	293,815.00	2,300	11,500
UCAB (Andrés Bello Catholic University (Caracas and Guayana)	Scholarships	3,942,327,59	55	165	UCAB Scholarships Program Caracas and Guayana	732,707.06	60	240
	Sponsorship of UCAB "Feria del Oeste" (Western Fair)	31,633,12	100	5,000	Sponsorship of UCAB "Feria del Oeste" (Western Fair)	2,610.00	Unspecified	Unspecified
	Transportation of donated materials to the UCAB Library	300,816,27						
AVEC (Venezuelan Catholic Education Asociation)	Building the foundations and installation the elevated potable water tank at the Colegio Pbro, José Lucio Becerra	83,400,00	486	2,430	Repairs and Equipment for School Monseñor Sixto Sosa, Táchira State	18,200.00	477	2,385
Fundación Venezolana contra la Parálisis Infantil (Venezuelan Foundation against Pediatric Paralysis)	Hospital beds sponsorship for surgical patients with musculoskeletal conditions	575,098,60	17	51	Sponsorship with beds for musculoskeletal surgery	107,778.00	16	64



OUR SOCIAL PARTNERS

ORGANIZATION / INSTITUTION	2023				2022			
	PROJECT	AMOUNT IN BS,	BENEFICIARIES		PROJECT	AMOUNT IN BS,	BENEFICIARIES	
			DIRECT	INDIRECT			DIRECT	INDIRECT
A.C. Apoye (Nonprofit to provide care for people with Down Syndrome)	Revitalization of APOYE's job placement program	94,381.00	57	285	Online Training Plan on Performing and Plastic Arts, AC Apoye., consisting of the design and development of an activity plan with recreational and formative activities to be implemented during the vacation period for 6 weeks	22,067.50	45	290
Salesian Ladies Civil Association	Computer Laboratory Project, which will provide training in the technological area, for middle school students at the María Auxiliadora Educational Unit	364,312.87	178	263	Construction of a roof for the children's playground, U.E. Inicial Monseñor Rufino Pérez, Consejo Ciruma, Zulia State	33,488.64	700	1,400
Simón Bolívar Music Foundation	Comprehensive Training Program for Operational and Academic Teams of El Sistema	139,000.00	2,290	657,349	Restructuration and measurement of the perimeter wall of the building Núcleo Tamá. San Cristóbal, Tachira State	17,738.80	30	2,440
	Musical Artistic Project with two International Masters	140,471.90	114	350				
	Musical artistic tour to the Dominican Republic	534,640.05	68	12,000				
Museo de los Niños (Children's Museum)	Updating of equipment for the TV Studio and Radio Studio Exhibitions	195,606.73	120,000	240,000	Contribution for remodeling the restrooms of the Children's Museum	39,178.31	Thousands of children in primary education	Thousands of teenagers, parents, representatives and teachers
IESA (Management School)	Emprende Tech Project: Promoting the ecosystem of technological-based entrepreneurship with social impact in Venezuela	623,190.00	269	1,184	Master's degree scholarship zprogram for high-achieving students	91,200.00	10	35
TOTAL BS,		12,576,218.41	138,744	975,777		1,862,594.62**	14,777	61,053

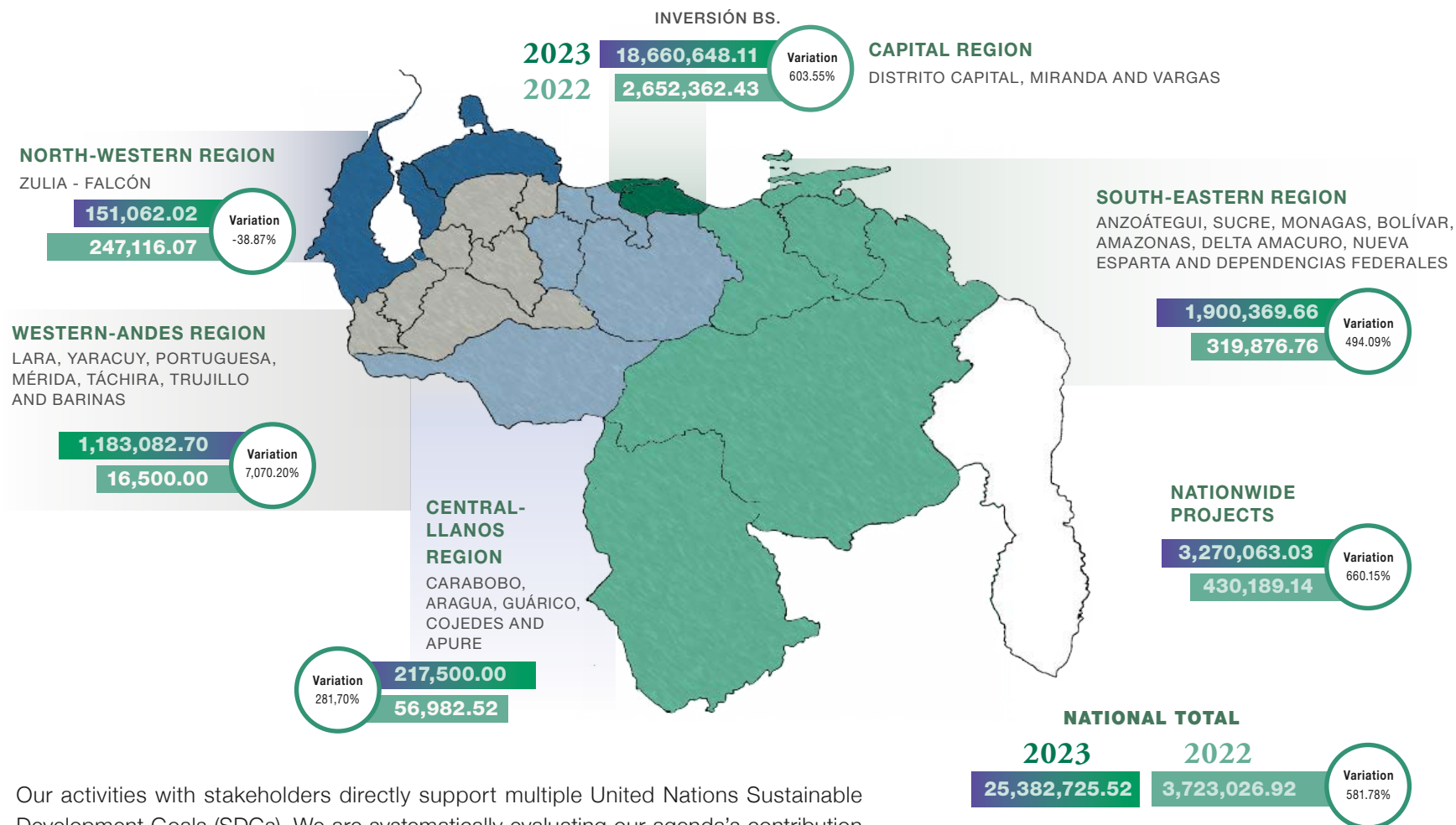
* Families

** Correction of figure reported in 2022



IMPACT OF OUR SOCIAL INVESTMENT BY REGION

BANESCO'S SOCIAL INITIATIVES BY REGION



Our activities with stakeholders directly support multiple United Nations Sustainable Development Goals (SDGs). We are systematically evaluating our agenda's contribution to the SDGs to identify opportunities to enhance our impact through our activities, commitments, and future strategy..



MICROENTREPRENEUR TRAINING PROGRAM

In 2023, celebrated 15 years of its flagship corporate social responsibility program, training entrepreneurs across the country, promoting their education and financial inclusion. In 2023, 8,763 new individuals were trained in the Administrative Module, gaining the personal, managerial, and technological skills necessary to strengthen and/or grow their businesses. Among these, 3,207 went on to complete the complementary Technological Module.

Out of this group of entrepreneurs, 5,851 (67%) are women and 2,912 (33%) are men, establishing the program as more than just an educational program, but as a platform that empowers women to take charge and start their own businesses.

This brings the total number of entrepreneurs trained and certified by the program since 2008 to 90,831. To achieve these goals, Banesco works in partnership with a wide range of social, business, government, and community organizations to expand access to the Microentrepreneur Training Program and the subsequent

Participatory Budget for Entrepreneurs, an initiative designed to support both existing and emerging businesses.

Throughout 2023, the Microenterprise Training Program reached various regions of Venezuela in partnership with educational allies like FundAcción Social, Universidad Posible, Instituto Universitario de Gerencia y Tecnología (Management and Technology University Institute), Asociación de Promoción de la Educación Popular (Popular Education Promotion Association), and Asociación Venezolana de Educación Católica (Venezuelan Association of Catholic Education) to offer training through different modalities, including in-person, virtual, and hybrid learning. This group of organizations consisted of 11 educational institutions, 35 organized civil society, 9 public institutions, and 5 businesses.

Since 2023, the Microentrepreneur Training Program is endorsed by Universidad Central de Venezuela. This alliance between Banesco and the nation's premier university was formalized on the occasion of the 15th anniversary of this Program.



Thanks to this endorsement, participants can now receive a free digital certificate with triple accreditation: the corporate signature of Banesco Banco Universal, C.A., the signature of the educational partner (depending on the course), and the signature and seal of the UCV's Directorate of University Extension Courses.

ENTREPRENEURS CERTIFIED BY THE MICROENTREPRENEUR TRAINING PROGRAM

CERTIFIED INDIVIDUALS	2023					2022				
	Men	% of Total	Women	% of Total	Total	Men	% of total	Women	% of Total	Total
	2,912	33.23	5,851	66.77	8,763	3,321	35.34	5,893	64.66	9,114



PARTICIPATORY BUDGET FOR SOCIAL PROGRAMS

Banesco Banco Universal, C.A.'s Participatory Budget, a flagship corporate social responsibility program launched in 2008, is designed to foster direct communication with communities and their organizations.

The program began at our headquarters in Colinas de Bello Monte, and in 2014 it was expanded to include the Baruta municipality community, as well as Zulia and Nueva Esparta states. Since then, we have gradually expanded the program to other regions of the country, allowing more organizations to present their projects and have the chance to implement them.

The 2023 Participatory Budget took place between May and June in the nine regions of the country where the program is active: Zulia, Carabobo, Lara, Nueva Esparta, Táchira, Anzoátegui, Mérida, and the five municipalities of Gran Caracas (Greater Caracas), which were divided into two groups: Libertador and Sucre, and the municipalities of Hatillo, Baruta, and Chacao.

This 15th anniversary edition of the Participatory Budget featured proposed projects covering a wide range of areas, including health, education (basic, financial, and environmental), and services for vulnerable populations.

Within the Greater Caracas area, in the municipalities of Baruta, Chacao, and El Hatillo, SenosAyuda was selected as the winning organization to strengthen its treatment fund for breast cancer patients. In the Libertador and Sucre

BANESCO INVESTMENT IN PARTICIPATORY BUDGET FOR SOCIAL PROGRAMS

REGION	2023	2022
Zulia	60,000	11,000
Nueva Esparta	60,000	11,000
Mérida	60,000	11,000
Gran Caracas (Libertador, Chacao, Baruta, El Hatillo and Sucre)	120,000	22,000
Anzoátegui	60,000	11,000
Carabobo	60,000	11,000
Lara	60,000	11,000
Táchira	60,000	11,000
TOTAL (BS.)	540,000	99,000

municipalities, the Jacinto Convit Foundation was awarded the grant to implement molecular diagnostic tests for leukemia in 90 children and adolescents over a 6-month period. These patients will be referred by the country's main health centers with which the Foundation has cooperation agreements.

The Fundación Amigos del Niño con Cáncer Zulia (Friends of Children with Cancer Foundation of Zulia) (Fundanica) was awarded the regional budget to fund specialized laboratory tests for its patients. And in Carabobo, the Asociación Civil Casa Hogar María Auxiliadora (Children's Home Association) will use the funds to construct the roof of the vocational training classrooms.

In Anzoátegui, the participants' votes resulted in two winners. The resources will be divided equally between Red de Casas Don Bosco

(house network), which will use them for the rehabilitation, maintenance, and improvement of bedrooms, classrooms, and television areas for the children at Casa Don Bosco PLC, and the Fe y Alegría Civil Association, which will acquire technological and audio equipment to develop a literacy and mathematics program focused on gamification and ICT for preschool and elementary school students.



Asociación Damas Salesianas in Lara was granted funding to build a roof over the mini-soccer field at the Margarita Occhiena Preschool, located at the Headquarters of the Association in Barquisimeto. And the ArtesanoGroup Foundation received the financing for the food security project in the state of Nueva Esparta.

On the other hand, the Asociación Civil Huellas, using funds from the Participatory Budget of the state of Mérida, was able to provide the Casa de los Muchachos Community Center with the necessary technological equipment and educational materials. While the Fundación Una Luz para el Autismo (Funauta) was awarded the grant for its project providing specialized care for individuals with Autism Spectrum Disorder (ASD) and offering workshops for parents and educators in the state of Táchira.



BANESCO SCHOLARSHIPS AND LIFETIME SCHOLARSHIPS

Banesco Universal, C.A., has a longstanding commitment to supporting social progress and the development of professionals in higher education. Consequently, we encourage and take part in initiatives and programs developed by the country's universities, with which we maintain not only a commercial relationship but also have established agreements to award scholarships to high-achieving students.



INVESTMENT IN SCHOLARSHIPS AND LIFETIME SCHOLARSHIPS

INSTITUTION	2023				2022				% Variation	
	BENEFICIARIES			AMOUNT BS.	BENEFICIARIES			AMOUNT BS.	BENEFICIARIES	AMOUNT BS.
	MEN	WOMEN	TOTAL		MEN	WOMEN	TOTAL			
UNIMAR	7	23	30	642,180.00	17	22	39	79,500.00	-23.08	707.77
Banesco - UCAB Scholarship Program	19	21	40	3,942,327.59	29	29	58	732,707.06	0.00	438.05
Universidad Monteávila	1	14	15	964,653.69	1	14	15	121,600.00	0.00	693.30
IESA	0	0	0	0	6	4	10	91,200.00	-100.00	-100.00
TOTAL	27	58	103	5,549,161.28	53	69	122	1,025,007.06	-15.57	441.38

PARTICIPATORY BUDGET FOR ENTREPRENEURS

The Participatory Budget for Entrepreneurs is a program launched in 2022, aimed at supporting all entrepreneurs trained and certified through our Banesco Microentrepreneur Training Program (PFM, in Spanish).

The primary goals are to develop, implement, and promote the chosen business or idea; to cultivate sustainable and robust businesses; to strengthen the local economy, stimulate growth, and secure new jobs in the future.

One of the defining characteristics of the Participatory Budget is that the contestants themselves vote on the undertaking that should be awarded the funds, as part of a process of participation, collaboration, and transparency. Additionally, the banking institution and its social partners – FundAcción Social, the University Institute of Management and Technology,

and the Extension Directorate of the Central University of Venezuela – complete the voting panel.

In its second year, 2023, the program expanded its reach to three regions: Lara-Carabobo; Mérida-Zulia; and the Capital District-Miranda. Each winner received a prize of Bs. 85,500. From a pool of 226 applications, 29 were selected to move forward to the final round of seed capital allocation.

The Participatory Budget allocated to the Capital District and Miranda was granted to Mia Delizia, a family-run business that specializes in crafting artisanal pastries for a variety of occasions.

The winner for the Lara and Carabobo region was Panadería Pan de Dios 1993, a bakery, pastry shop, and coffee shop located in Barquisimeto.

In Mérida and Zulia, Ferreagro Casa Campo C.A.

was chosen. Their proposal stood out for its focus on environmental care, through the production and sale of organic inputs and fertilizers that are harmless to the environment, for crop care. Additionally, they provide agricultural advice to support local producers.



BANESCO EDITORIAL FUND

Con el Fondo Editorial Banesco nos hemos proThrough the Banesco Editorial Fund, we aim to promote and support education for Venezuelans, as well as foster the publishing activity in the country, becoming a leading figure in the publishing and academic world.

We are involved in sponsoring and editing books by Venezuelan authors, whose content contributes to the integral formation of individuals to build citizenship. Banesco supports diversity and the multiple perspectives that can explain the Venezuelan people today, their identity traits, their diverse expressions, and their appreciation for peace and coexistence.

During 2023, we expanded our collection with six new titles: Rafael Castillo Zapata's *Poesía Reunida 1984-2008* (Collected Poetry 1984-2008); *Caracas 455: memorias de una Ciudad Perdida* (Caracas 455: Memories of a Lost City); *70 años de Crónicas Gastronómicas* (70 Years of Gastronomic Chronicles); *Delirio Vinotinto* (Vinotinto Frenzy); *Nuevo País de la Artesanía Contemporánea* (New Country of Contemporary Craftsmanship); and Alfredo Chacón's *Salomario* and *Poesía Reunida 1956-2021* (Collected Poetry 1956-2021).

These and all the texts from our Editorial Fund can be downloaded for free from our Virtual Library, available on our website www.banesco.com



UN WOMEN'S WEPS (WOMEN'S EMPOWERMENT PRINCIPLES)

The Women's Empowerment Principles is a United Nations initiative based on international labor standards and human rights, recognizing that businesses have an interest and a responsibility in relation to gender equality and women's empowerment. On August 10, 2022, Banesco Banco Universal, C.A. signed on to this initiative, pledging to foster practices that bridge the gender gap. As a result, we became the first bank in the country to join this initiative, which aims to collaborate in achieving the Sustainable Development Goals, particularly Goal 5: Gender Equality.

Banesco Banco Universal, C.A. considers it essential to foster economic and social conditions that create opportunities both within and outside the company. In 2023, women make up a significant portion of our workforce, including in leadership positions, representing 62% (2,107 women) of our 3,375 employees nationwide.

As for the external dimension, 67% of the 5,851 entrepreneurs certified in 2023 through the Banesco Microentrepreneur Training Program are women. This makes it a platform that fosters women's empowerment in decision-making and entrepreneurship.

The Microentrepreneur Training Program, launched in 2008, was conceived as a financial inclusion initiative focused on providing financial, administrative, managerial, and technological training to empower small businesses. These topics have empowered Venezuelan women to actively participate in the worldwide wave of transformation and innovation. In the 15 years since this project began, we have certified 53,611 women, which accounts for 63.82% of all participants.

Program records show that women entrepreneurs are highly versatile. They are successful in a wide range of industries, including social enterprises, engineering, science, beauty, health, toys, textiles, consulting, professional services, psychology, and the arts.



BANESCO BANCO UNIVERSAL INITIATIVES UNDER THE WEPs

Women's Empowerment Principles	Initiatives
1. High-level Corporate Leadership	<ul style="list-style-type: none"> We promote female empowerment and leadership within the framework of our business operations, 69% of managers, vice presidents and directors are women.
2. To treat all women and men fairly at work without discrimination	<ul style="list-style-type: none"> Internally, we have rules that prevent discriminatory practices and promote equality, including the Collective Agreement (Clause 2 of the General Declaration of Principles) and the Banesco Citizen Ethics and Conduct Code. We offer equal opportunities by gender, which is evidenced by the fact that at the end of 2023, 62% of our employees are women and 38% are men.
3. Employee health, welfare and safety	<ul style="list-style-type: none"> As part of the Collective Agreement and the socioeconomic benefits we offer our employees, we have a basic health insurance policy, with coverage for hospitalization, surgery and maternity (HCM); additionally, we have an extreme contingency policy, which covers 8 types of specific pathologies. These are administered policies, completely free for employees without distinction of gender. The coverage is reviewed and updated frequently. An excess policy is also offered, which allows the coverage to be supplemented. Our Code of Ethics and Conduct establishes that "A Banesco Citizen who feels that he or she has been subject to any situation of harassment, sexual harassment or workplace, moral, racist and/or sexist harassment, will have the channels established and communicated by the Bank for this purpose to manage his or her complaint."
4. Education and training for gender equality	<ul style="list-style-type: none"> In 2023, we designed and executed learning experiences, under the different modalities: In-person, Online (synchronous) and Virtual, aimed at generating the technical and professional improvement of the Banesco Citizen without distinction of gender, guaranteeing equal access to training; as well as the acquisition of new technical, regulatory banking knowledge and development of skills, aiming at the efficient performance of their functions, in order to accompany them to manage high-quality results. Within the framework of International Women's Day, we promoted a space at our headquarters to talk about Women of the 21st century and their role in society. Likewise, we participated in the event "For an inclusive digital world: Innovation and technology for gender equality in Venezuela" organized by UN Women. Marbelys Ospino, Executive Vice President of Technology at Banesco, was part of the panel of Women leaders in technological, digital and innovation transformation processes. During her participation, she highlighted that it is essential for the financial institution to promote economic and social conditions that generate opportunities. We are actively working to build bridges and create the necessary alliances to achieve more just societies. On March 8, 2023, a special virtual session of the Microentrepreneur Training Program was held, aimed at women from all over the country, in alliance with Makro and Red Vital, in which 273 people participated. In this training space, aligned with the business development principle proposed by the WEPs, they acquired tools to start and lead their own businesses. Likewise, we were present at the event "My story and yours" at the Renaissance Caracas Hotel, where, among other topics, FundAcción Social, an educational partner of the Banesco Microentrepreneur Training Program, talked about female entrepreneurship.



BANESCO BANCO UNIVERSAL INITIATIVES UNDER THE WEPs

Women's Empowerment Principles	Initiatives
5. Business development, supply chain and marketing practices	<ul style="list-style-type: none"> As part of the supplier selection process, we ensure that they are aligned with the values and standards of behavior established by the Banesco Citizen Code of Ethics and Conduct, which includes gender equality and respect for human rights, and is announced in article 39 of the same. We avoid gender stereotypes in all the company's media, channels and communication materials. We generate campaigns for our collaborators on tolerance, respect and inclusion, thereby promoting the strengthening of their capacities, aptitudes and competencies on the subject. As of December 31, 2023, no incidents of discrimination against collaborators were reported. In 2023, we consolidated 60 new alliances between the Microentrepreneur Training Program and various organizations to include a greater number of people, in which SDG 5, gender equality, as well as the principles of women's empowerment were promoted.
6. Community Leadership and Engagement	<ul style="list-style-type: none"> We actively communicate our commitment and actions to promote gender equality with stakeholders, including employees, clients, communities, among others. We promote the empowerment of women in decision-making and community entrepreneurship; 67% of the people certified by our Microentrepreneur Training Program are women. We also promote the professionalization of women in different areas of knowledge for greater diversity in the workplace, as well as contribute to the development of their personal fulfillment through training with our Scholarship Program in recognized higher education institutions, in which 59.11% of the beneficiaries are young women.
7. Transparency, evaluation and information	<ul style="list-style-type: none"> As of 2023, we have included reporting on Banesco Banco Universal, C.A.'s actions in the area of women's empowerment and gender equality, in accordance with the principles of the WEPs, as well as the monitoring and reporting indicators identified by materiality issues, based on the GRI, a methodology that supports our Annual Corporate Social Responsibility and Sustainability Report.



ACCOUNTABILITY

We actively promote and enforce accountability among the foundations and institutions that participate in our programs. This commitment to transparency is essential for building and maintaining trust with our stakeholders. To enhance the reporting experience for our Partners and Allies, we have developed a streamlined template that outlines the key information required for a concise and effective project execution report.

This approach enables us to track our investments and advisory services and ensure that projects are completed successfully. We can also identify and address any potential challenges and develop key performance indicators to measure the impact of our programs. Additionally, we send a Satisfaction Survey to our Social Partners to assess our performance and identify areas for improvement as perceived by our partners.

In order to strengthen our relationship with our Social Partners and Allies, throughout 2023 we organized talks and workshops aimed at training the multidisciplinary teams of these organizations in topics such as motivation, stress management, psychological well-being, Google tools, sales skills, and other topics that support their social initiatives.

SOCIAL PARTNERS SATISFACTION INDICATORS

INDICATOR	2023	2022	% Variation
Bank's response to request for support	100.0	100.0	0.0
Guidance and support from the CSR department regarding the conditions for project approval or rejection	98.8	97.1	1.7
Project management information and channels	98.8	100.0	-1.2
Outcome of the project in terms of the donation received	95.0	95.7	-0.7
Satisfaction Index	98.4	98.6	-0.2



With the goal of fostering greater awareness of the 2030 Sustainable Development Goals, conferences were hosted at Ciudad Banesco, Universidad Central de Venezuela, Baruta Municipal Council, Universidad Metropolitana, and Venezuela Social Fest. These events sought to educate the public about the global 2030 Agenda, its impact, and the collective efforts underway to achieve its targets.



BANESCO CORPORATE VOLUNTEERING



In 2023, our volunteers contributed more than 1,000 hours of their time to our own programs and initiatives developed with our Social Partners and the community

OUR POLICY

Corporate Volunteering is the catalyst for teamwork and solidarity actions, benefiting the communities we serve and our Social Partners and Allies.

The Quality-of-Life Management oversees and coordinates employee participation in activities related to education, health, environment, and culture, ensuring alignment with the company's Corporate Social Responsibility and Sustainability Policy.

BanESCO's Corporate Volunteering program creates a win-win situation for all involved. The community benefits from the support and guidance of our volunteers, while our employees develop stronger interpersonal skills, empathy, and a closer connection with their colleagues. Finally, the financial institution brings employees together around a common purpose of solidarity, regardless of their roles, enhancing the emotional atmosphere.

We are proud of our volunteers at BanESCO, who are committed to making a positive impact and believe that even the smallest actions can lead to significant change. They are people who invest their time, skills, and enthusiasm in a task aimed at conveying a message to the community. They are a group of employees with a genuine interest in improving their environment and making a positive impact on others. It is a group of employees who are genuinely interested in improving their surroundings and making a positive difference in other people's lives.

OUR MANAGEMENT

In 2023, our volunteers contributed more than 1,000 hours of their time to our own programs and initiatives developed with our Social Partners and the community.

In 2023, we started the year by partnering with organizations that share our corporate values. We organized an environmental day at the Jardín Botánico (Botanical Garden) of Universidad Central de Venezuela (UCV) to contribute to SDGs 13 and 15 through biodiversity conservation in this major natural area of Caracas and the planting of palm trees. Five employees took part, volunteering a total of 25 hours.



Our volunteers joined forces with Operation Smile Venezuela in April to provide support during a medical care day at the Instituto Clínico La Florida, helping children with cleft lip and palate and their families. In partnership with Venamcham, they actively contributed to biodiversity conservation efforts, aligning with the 2030 Sustainable Development Goals. In addition, logistical support was given to several bank events, such as the launch of the book entitled “Caracas 455, Memorias de una Ciudad Perdida” (Caracas 455-Memories of a Lost City), and the BanExpo Event: “Hablemos de Innovación” (Let’s Talk about Innovation).

On July 14th, Banesco Volunteers took part in a special event to deliver computers, fully loaded with the Banesco Digital Library, to the Red de Casas Don Bosco (Don Bosco House Network) and the Asociación Damas Salesianas (Salesian Ladies Association). In total, we donated 24 computers and their corresponding furniture. Starting early in the morning, five volunteers worked together to organize the equipment delivery. This donation is part of Banesco’s efforts to promote education, one of the fundamental pillars of the Bank’s Corporate Social Responsibility Program.

Over 50 volunteers actively engaged with the 30 elderly residents of the Santo Domingo Residential Home in Bello Monte during August, September, October, and December, donating 187 hours of their time to games, dancing, and companionship. Furthermore, they donated personal care items including toothpaste, body wash, hair conditioner, toothbrushes, toilet paper, and other necessities,



INVESTMENT
IN BANESCO
VOLUNTEERING
(In Bs.)



TYPES OF VOLUNTEERING

Spot Events <p>Those volunteer actions where protocol or logistics support is provided at corporate events.</p>	Group Projects <p>Volunteering activities in which the team of volunteers plans, designs and executes the activity to be carried out, under the supervision of the Volunteer Coordination.</p>
Professional Volunteering <p>A team of professionals volunteers who facilitate learning experiences for our Social Partners through workshops, conferences, consultancies and organizational aspects.</p>	Free-Time Commitment <p>Volunteering actions, where one or more volunteers, on their own initiative, contribute their time or talent for the benefit of the Social Partners.</p>



along with pajamas for the holiday season. These items were contributed by employees of the Bank.

On October 2nd, 33 volunteers delivered school supplies to students at two Fe y Alegría schools in Caracas: the Unidad Educativa Virginia de Ruíz, located in La Silsa, and the Escuela Técnica La Rinconada. The teaching staff also received a

support kit containing notebooks, pens, markers, and folders. A group of 40 volunteers worked together to bring joy and excitement to the Fe y Alegría students on their first day back to school. Dancing, games, and great music were part of the welcome party that Banesco Volunteers organized to celebrate the new school year.



On October 18th, 12 volunteers and five participants from the Banesco Theater Group brought joy to the waiting room of the Hospital Ortopédico Infantil (Children's Orthopedic Hospital), a Banesco Social Partner, by offering a unique and pleasant experience for everyone. Volunteers acted as face painters, creating designs like flowers, hearts, and superheroes for the young patients. Meanwhile, the Theater Group performed the play "Don Eustoquio's Workshop," which told the story of a group of carpenter's tools that feared being replaced by new ones.

In October, we continued our commitment to Fundana and Los Chiquiticos by supporting the 17th annual "Por Amor al Arte y a los Niños Venezolanos" (For the Love of Art and Venezuelan Children) art auction, which raises funds for this institution that provides comprehensive care for vulnerable children. We have hosted this event at our headquarters for the past 17 years, featuring 106 works by renowned artists for auction, with the help of 14 volunteers.

During the holiday season, our volunteers visited the La Vega community to distribute gifts and snacks to over 70 children in the area, in partnership with the AMÄI Foundation. While the Fundana children enjoyed a storytelling session featuring "La Caperucita Criolla" (The Little Native Riding Hood), a book supported by Banesco's publishing fund, our volunteers organized games and other activities.

BANESCO CORPORATE VOLUNTEERING DISTRIBUTION

BY JOB LEVEL/ MAN-HOURS CONTRIBUTED

JOB CATEGORY	2023		2022	
	VOLUNTEERS	% OF TOTAL	VOLUNTEERS	% OF TOTAL
Apprentices / Interns/ Thesis Students	0	0.00%	0	0.00%
Junior Staff	60	27.65%	41	23.97%
Professionals and Technicians	57	26.27%	54	31.58%
Supervision and Managerial	90	41.47%	72	42.10%
Vice-presidents	10	4.61%	4	2.34%
Total Volunteers	217	100.00%	171	100.00%
Total Man Hours Dedicated	1,163	100.00%	785	100.00%
Average Volunteer Hours per Year	5.35		4.59	

BY TYPE OF INITIATIVE/ MAN-HOURS CONTRIBUTED

TYPE OF INITIATIVE	2023	2022
Social Initiative Spot Events	778	785
Professional Volunteering	68	0
Eco-Volunteering	317	0
Volunteer Training	0	0
Total Horas	1,163	785

In Banesco Universal Bank, we appreciate and acknowledge the work our volunteers do in participating in social initiatives. Consequently, within the framework of the International Volunteer Day, as declared by the United Nations General Assembly and celebrated annually on December 5th, we acknowledged 10 employees in the Professional Volunteer category for their commitment and social contributions.





ACTIVITIES CARRIED OUT WITH OUR SOCIAL PARTNERS

Social Partner	Activity	Volunteer Hours
Hogar Residencial (Nursing Home) Santo Domingo	We conduct periodic visits to the Santo Domingo Foundation to provide donations to the elderly residents and engage them in afternoon activities such as music and games.	187
"Fe y Alegría" Schools	We joined the children, youth, and teachers of Fey Alegría Schools as they celebrated the start of the 2024 academic year.	132
Fundación Hospital Ortopédico Infantil (Children's Orthopedic Hospital Foundation)	We filled a morning with fun at the Children's Orthopedic Hospital, presenting a play called "La Carpintería de Don Eustoquio" (The Carpentry Shop of Don Eustoquio), which conveys a beautiful message about the importance of every individual, with their strengths and weaknesses.	67
Red de Casas (House Network) Don Bosco	We donated computers containing the entire catalog of the Banesco Digital Library.	15
Asociación Damas Salesianas (Salesian Ladies Association)		
Fundana (Provisional Shelters to Small Children)	17th Fundana Auction: 14 volunteers presented the 106 pieces to be auctioned in the Fernando Crespo Suárez Auditorium of Ciudad Banesco. These volunteers contributed to the worthy cause of raising funds for the small children in need of our community.	52
	Christmas with Fundana: We visited the Villa de Los Chiquiticos to spend time with the little ones during the holiday season.	57
Total Hours		510





PROFESSIONAL VOLUNTEERING

Through consulting, our volunteers provided valuable insights to our Partners and Social Allies, contributing to the improvement of their management practices.

CONSULTING SERVICES OFFERED TO PARTNERS AND SOCIAL ALLIES BY BANESCO VOLUNTEERS



Social Partner/Ally	Consulting	Consulting Hours (Volunteer)
Asociación Damas Salesianas (Salesian Ladies Association)	Strategic Management: A volunteer specialist from the Bank provided guidance on the steps to follow for a Strategic Planning process, sharing theoretical and practical content that addressed the specific needs on the subject matter.	2
Fe y Alegría Schools	Marketing: Five volunteers from Banesco's marketing area met with Fe y Alegría to provide conceptual and graphic development tools for university branding campaigns.	36
Senos Ayuda (Organization supporting breast cancer patients)	Communications: Four volunteers from the Communications department advised the organization on how to effectively manage communications with beneficiaries, creating pre-written content for social media and WhatsApp.	10
	Finance: Three finance volunteers from the Bank met with Senos Ayuda to establish a short, medium, and long-term financial planning framework, providing them with the quantitative tools to develop and track a financial plan.	20
Total Hours		68



OUR CLIENTS



Banesco customers always find the best financial solutions to navigate the challenges of constant technological changes and a complex economic environment

OUR POLICY

In Banesco Banco Universal, C.A., we focus on developing strategies to continuously improve our products and services, expand our channels, create new AI-powered channels, and improve self-service options for customer requests and information.

Driven by the latest digital banking trends, our business strategy is focused on delivering innovative technological solutions. As a result, we are able to offer our customers new services and enhance existing channels.

OUR MANAGEMENT

We closed 2023 with a gross loan portfolio of Bs. 6,692 billion and 22,509 loans paid, 4,536 of which were granted in the second half of year. Our portfolio quality remained exceptional with a delinquency rate of only 0.19%. Our Ratio of allowance for loan losses to non-performing loans stood at 1,135.5%, above the market average (358.6%) and a net loan intermediation ratio of 41.9%, exceeding by 5.3 percentage points the banking system average (36.7%).

Regarding our product and service offerings, we expanded the benefits of our Cuenta Verde (Foreign Currency Account), a foreign currency savings account that allows for purchasing, selling, and managing foreign currency. With this account, customers have the convenience of making instant payments using their debit card or mobile payment services. All transactions are automatically converted to bolivars.

As a novelty in the Venezuelan banking system, we have established a partnership with the remittance platform MoneyGram to facilitate the reception of foreign currency from abroad. Relatives and acquaintances of Banesco customers can receive nearly immediate remittances from abroad, credited directly to their local currency accounts.

Additionally, we made improvements to our digital platforms, such as BanescoMóvil and BanescoOnline, to facilitate transactions and account management. Our objective is to design a seamless user experience where customers can navigate the platform effortlessly and complete transactions with ease. The mobile app is designed to provide quick access to essential features like Mobile Payments and balance inquiries, without the need to log in. Furthermore, we invested in an application called BanescoToken, which generates unique codes and allows for the authentication and validation of transactions. Now, customers have their codes always at hand to validate transactions quickly without the need for SMS.

At Banesco, developing innovative, useful, and effective products and services is a constant priority. Our customers rely on us to provide the best financial solutions to navigate the challenges of a rapidly changing technological landscape and a challenging macroeconomic environment.



DIGITAL, ELECTRONIC, AND PHYSICAL CHANNELS

We consolidated our network of physical and digital distribution channels nationwide:

- 202 Service Points (Branches and Ticket Offices)
- 159,173 Points of Sale (Physical and Virtual)
- 409 ATMs



SERVICE POINT DISTRIBUTION

REGION	2023	2022	% Var.
Capital	75	75	0
Central – Llanos	34	34	0
Western – Andes	34	34	0
South – Eastern	34	34	0
Zulia – Falcón	25	25	0
Total	202	202	0

ATMS DISTRIBUTION

REGION	2023	2022	% Var.
Capital	160	160	0
Central – Llanos	73	73	0
Western – Andes	66	66	0
South – Eastern	63	63	0
Zulia – Falcón	47	47	0
Total	409	409	0

NUMBER OF TRANSACTIONS THROUGH ELECTRONIC CHANNELS

CHANNEL	Number of Transactions		% Var.
	2023	2022	
Internet Banking	1,455,182,248	1,168,812,982	24.50
Mobile Banking	138,738,018	104,502,161	32.76
Automated Teller Machines	19,291,473	21,400,917	-9.86
Points of Sale	738,752,937	767,888,303	-3.79
Telephone Banking (IVR-CAT-Virtual Chat-Telemarketing)	6,402,379	9,186,638	-30.31
BanescOnline Companies	31,281,433	23,368,752	33.86
Agency network	2,873,716	2,660,791	8.00
Mobile Payment	305,973,820	259,592,111*	17.87
TOTAL	2,698,496,024	2,357,412,655	14.47

* In 2022, an incorrect figure of 259,773,395 was reported. The accurate figure is 259,592,111.

PRODUCTS AND SERVICES

We offer a wide range of products and services, both personal and legal, that allow different sectors of the economy to meet their financial needs.

MAIN LIABILITY PRODUCTS

- Interest Checking Account
- Interest-Free Checking Account
- Electronic Account
- Savings Account
- Electronic Savings Account
- Investments: Time Deposits
- Cuenta Verde (Foreign Currency Account)

MAIN LOAN PRODUCTS

- CVU Commercial Loans
- CVU Cars
- Microloans
- Sector-Based Loans
- Manufacturing Loans
- Agricultural Loans
- Mortgage Loans



Within the framework of our business and sustainability strategy, we develop our financial activities in compliance with the Human Rights of our stakeholders, applying the principle of 100% observance to all products and services offered. Committed to equal opportunities to promote the socioeconomic integration of people with special needs, we continuously review the adaptation of ATMs and multi-functional equipment to facilitate access and use for all users.

DIGITAL TRANSFORMATION

In 2023, we drove transformation through initiatives such as:

- **BanescoCenter**, a service that allows individuals or legal entities to schedule an appointment or interact immediately with a comprehensive advisor via video call to manage or channel online requests.
- **Training in digital transformation**, international remittance services, and the launch of BanescoPagos Suite, a new digital payment channel for businesses; new digitally-focused products, such as the Cuenta Verde, ongoing improvements to our online and mobile banking apps, and new payment services. As part of this initiative, we introduced new agile work cells to streamline product and service development.

DEBIT CARD ISSUING BUSINESS

In 2023, sales increased by 453% compared to 2022, resulting in a 499% growth in the portfolio amount. During this period, 274,525 customers benefited from increased credit limits on all their credit cards.



DEBIT CARD ISSUING BUSINESS

Sales for Banesco Debit Cards surged by 357.86% in 2023 compared to the previous year. Point of sale transactions were the primary driver of this growth, experiencing a significant year-on-year increase of 358.24%.

Furthermore, we enhance our customers' experience by enabling them to make purchases with their Debit Card, with a transaction limit of up to Bs. 135,000 and a daily spending limit of Bs. 13,500.00.

“96% of active Banesco pensioners enjoy the convenience of managing their account with a Debit Card through Point of Sale and digital channels.”

DEBIT AND CREDIT CARDS

ACTIVE CREDIT AND DEBIT CARDS	2023	2022	% Variation
Number of Credit Cards	1,062,995	1,335,845	-20.43
Number of Debit Cards	3,902,783	3,667,160	6.43



BANK CLIENT AND USER OMBUDSMAN

The Banesco Bank Client and User Ombudsman is an appointed position within the institution tasked with examining, processing, and resolving disputes and complaints filed by clients and users concerning banking operations that have been considered unfounded or have not been addressed promptly by the Bank Client and User Service Unit. The Ombudsman is a formal, objective, and independent instance with full autonomy as to applicable criteria and guidelines.

In 2023, the Bank Client and User Ombudsman addressed 1,134 cases. Out of these, 373 claims were accepted for processing, totaling Bs. 13,387,783.

The 761 cases that were not accepted were properly answered, with explanations provided for the rejection, and then forwarded to the Customer Service Unit for further processing.



The main issues addressed were:

- Inconveniences with Pago Móvil / Pagos Realizados (Mobile Payment/ Payments made)
- Unrecognized Transferencias Internet (Online Transfers)
- Issues with Banesco Pagos (Banesco Payments)
- Issues with BanescOnline Otros Pagos/ Impuestos (BanescOnline Other Payments/ Taxes)
- Erroneous Transfers

CUSTOMER AND USER COMPLAINTS AND INQUIRIES MANAGEMENT

The Integrated Request System (SIRWEB) is our platform for timely and effective management of customer claims, complaints, and requests submitted through multiple channels, including: BanescOnline, Agency network, social media, Telephone Customer Service Center, Corporate Email atclient@banesco.com, and Administrative Offices.

During this period, 3,732 cases were reported through SIRWEB, 99% of which were related to Debit Cards. Of the cases handled, 2,833 were deemed valid.

The breakdown of claims and inquiries by financial instrument is detailed below:

BREAKDOWN OF CLAIMS AND INQUIRIES BY FINANCIAL INSTRUMENT

YEAR	Credit Card (CC)		Debit Card (DC)		Savings Book		Checks		Customer Service		Total Claims	Total Bs.
	No. of Claims	Claim Amount	No. of Claims	Claim Amount	No. of Claims	Claim Amount	No. of Claims	Claim Amount	No. of Claims	Claim Amount		
2023	21	18,662	3,697	13,281,323	6	980	5	5,440	3	0	3,732	13,306,405
2022	34	4,203	2,640	388,838	13	2,721	0	0	7	1,943	2,694	397,705



INFORMATION TECHNOLOGY AND OPERATIONS

Within our Technology and Operations division, we remain in line with the strategies of our different business units. Through the development and maintenance of innovative digital channels, we are proactively addressing emerging challenges. We are driving the adoption of our financial applications by more customers while maintaining control and security over their financial data. Additionally, we ensure the execution of operations under conditions of security, availability, and reliability, thereby guaranteeing service continuity and stability and providing an exceptional customer experience.

APPLICATION DEVELOPMENT AND MAINTENANCE

We are enhancing the client experience by upgrading our digital channels to provide 24/7 access to mobile payments, instant transfers, and credit card payments through our online and mobile banking. Furthermore, we have developed a self-service portal that empowers candidates to manage their job applications, thereby strengthening our employer brand.

In an effort to further elevate our brand, we have expanded the capabilities of BanescOnline to allow customers to execute multiple transfers at the same time. We have introduced a pre-opening account feature within the “Mis Solicitudes” (My Applications) portal, allowing prospective clients to expedite the account opening process by reducing the amount of paperwork required and minimizing in-branch wait

times. The Banesco Center channel has enabled immediate customer service based on comprehensive advisor availability.

We have enhanced the security features of BanescOnline Empresas (Business) by allowing clients to view their security answers, streamlining the login and password recovery process. Additionally, our multi-company corporate clients can now view their foreign currency account statements, so they can monitor their account activity.

As part of our digital transformation, we have enabled new payment options for services through different collection methods, onboarding new clients into BanescoPagos, including prominent companies such as Locatel, Cines Unidos, Toyopuerto, and Grupo Canaima.

We continue to expand our Payment Button, including 9 new clients in the second half of year: CORPOELEC, Vepuy Smart C.A., Veconinter C.A., Ince, and CentroBeco.

We have expanded our Video Banking service to offer instant appointments with no waiting times. We have also made it possible for non-clients to open accounts through our “Mis Solicitudes” (My Applications) channel, and we now offer appointment scheduling for in-branch formalization, with the option for clients to reschedule if needed, streamlining the process.

As part of our efforts to improve our Foreign Currency Account, we have incorporated new functionalities via Mobile Banking, including the activation of Cuenta Verde and quick balance checks through

Pago Móvil (Mobile Payments). Furthermore, we have added a channel to receive international remittances through MoneyGram.



We offered our online banking collection platform to Netuno (a telecommunications service provider), our mobile banking platform to SAREN (a tax collection service), and our multi-payment portal to Movistar (a mobile phone service provider), Inter (a telecommunications service provider), and Simple TV for their postpaid accounts



OPERATIONS INFRASTRUCTURE

Through optimization efforts, we were able to recover, expand, and repurpose the capabilities of our technology platforms, thereby freeing up physical and power resources, reducing capital expenditures, and achieving cost savings on maintenance and energy consumption. We successfully completed the installation and upgrade of the bank's private cloud platform, increasing its CPU and memory capabilities. This ensures sustainable growth to meet the demands of 2024, providing the necessary technological capacity and high availability for our critical services.

We successfully completed the upgrade and modernization of Banesco's backup, recovery, and communications infrastructure across all branches and headquarters nationwide.

We have upgraded our communications platform, database, and core banking system to the latest versions to address security vulnerabilities, mitigate errors, and ensure compliance with the manufacturer's recommendations for incident handling.

We have made enhancements to the service platform, resulting in improved response times and greater speed and reliability of the technology platform.



SECURITY CERTIFICATES

We prioritize customer security and employ cutting-edge technologies to safeguard the confidentiality of their operations.

Your data is encrypted using 128-bit cryptography before being transmitted over the internet. This ensures that only the bank can decrypt and access your information.

When you access our service, your data is transmitted to our servers using Transport Layer Security (TLS), which encrypts your information, making it impossible for unauthorized individuals to read it.

Our portals, Banesco.com and BanescoOnline, hold an international security certification from the renowned company TrustedSite, awarded to websites that meet the highest security standards against internet attacks.



SPECIALIZED SEGMENTS

NATURAL PERSONS SEGMENT

Comprised of Premium, Private, Ascent, and Mass Market segments, it is characterized by offering a value proposition tailored to the profiles and needs of each group. In 2023, we focused on implementing strategies to attract new customers and expand our portfolio of digital products and services, primarily BanescoMóvil and all foreign currency operations through Cuenta Verde. We also prioritized strengthening our value proposition for credit cards and loans.

In 2023, we enhanced the service model of BanescoCenter (formerly VideoBanking), allowing our customers to manage over 38 requests through an appointment, which can be scheduled immediately or in advance based on the client's needs.



The Payroll Service initiative enabled the opening of over 34,000 accounts for employees of our corporate clients. These new customers also gained access to the Cuenta Verde and its features.

LEGAL PERSONS SEGMENT

Legal Entities accounted for 11,181 payments (including SMEs), totaling Bs. 9,497 billion, which represents 97.3% of the total portfolio. In terms of business lines, Commercial Loans reached a total of Bs. 7,834 billion, accounting for 80.2% of the portfolio.

More than 13,000 new accounts for legal entities were opened, promoting the management of value chains by attracting prospects linked to our existing clients. This strengthens our ecosystem and facilitates transactions between our clients, while reducing commission costs.

As part of our strategy to enhance the value proposition for our corporate clients and promote a better experience, we launched commercial initiatives through BanescoCenter. These initiatives

offered potential clients the opportunity to obtain Merchant Services and POS systems more quickly, thus stimulating business growth with a secure payment method to collect funds from their sales.

PAYMENT AND COLLECTION SERVICES

The Payment and Collection Services division processed 538.1 billion transactions, highlighting the significant volume in “Pago Móvil” (Mobile Payment), “Recaudación en Línea” (Online Collections), “Botón de Pagos” (Payment Button), and “Pago a Proveedores” (Supplier Payment).

Corporate clients were kept enrolled in the Pago Móvil P2C (Mobile Payment) service to secure collections and provide a digital channel for both individual clients (payers) and corporate clients (collectors).

As part of our ongoing digital transformation efforts, we launched the Interbank Payment Button and expanded the Same-Bank Button to 23 corporate clients, processing 668,056 transactions.

CLIENT EXPERIENCE

In 2023, we maintained our measurement of the Net Promoter Score (NPS) to assess customer expectations of Banesco and its competitors. Listening to our customers' feedback provides us with a wide range of opportunities to take action and address gaps in our products and services, based on ongoing monitoring and understanding of the services we offer. In addition, we conducted an Employee Net Promoter Score (ENPS) survey, recognizing that our employees are our primary brand ambassadors. The information gathered enables us to develop strategies that strengthen our organizational ties, ultimately leading to more solid relationships with our clients.

As part of our customer experience initiatives, we have implemented several strategies to enhance our Digital Banking services, including the ability to view and share information through our Mobile Banking app. Furthermore, we activated the multi-transfer functionality on BanescOnline, enabling customers to perform multiple transactions in a single operation.

As part of our Digital Transformation, we implemented digital payment options on our portals, enabling customers to self-manage their accounts. Furthermore, we increased the benefits associated with our foreign currency product.

Focusing on customer experiences and making applied technology more human is a significant challenge for companies worldwide.

NUMBER OF PAID-OFF LOANS

Bank	2023	2022	% Variation
Natural and Legal Persons (SMEs)	1,849	1,064	73.78
Specialized Banking for Natural Persons (individuals)	11,328	2,592	337.04
Specialized Banking for Legal Persons (companies)	9,332	4,048	130.53
TOTAL	22,509	7,704	192.17



At Banesco, we are committed to creating efficient processes that enhance the client experience.

RELATIONSHIP MARKETING

We partner to understand the data from various information management systems, deepening our knowledge of our customers through both transactional and relational approaches. We provide timely information to all core areas of the bank, with the aim of optimizing the

organization's strategic decision-making. By utilizing data from Outbound Marketing, we equip our marketing team with customer-focused analytics to develop targeted campaigns offering products and services tailored to our customers' needs and expectations.

During the second half of 2023, we reached 79.32% of our customers through email marketing, achieving a 31.4% open rate, surpassing international standards for the business sector.

RECOGNITIONS

- Banesco was awarded the prestigious Bank of the Year 2023 title by The Banker, recognizing its innovative financial products and services, including the standout Banesco Cuenta Verde (Foreign Currency Account) and its partnership with MoneyGram for instant bolivar-denominated international remittances.
- Banesco has been recognized by the Baruta Municipal Council for its commitment to fostering entrepreneurial initiatives, driving sustainable development through innovative businesses and industries that address the needs of the Venezuelan people.

DIALOGUE WITH STAKEHOLDERS

Natural Persons	2023		2022		
FOCUS GROUPS / INTERVIEWS / SURVEYS	AMOUNT	PARTICIPANTS	AMOUNT	PARTICIPANTS	SEGMENTS
Client Experience Survey	50	65,702	12	58,400	Natural Persons
Brand Survey	1	800	1	800	Natural Persons
Satisfaction / Service Quality Survey	16	4,115	8	3,299	Natural Persons
Internal Client Service / Banesco Employees	14	8,854	16	13,382	Banesco Employees
Qualitative Survey	1	12	3	55	Natural Persons
Legal Entities	2023		2022		
FOCUS GROUPS / INTERVIEWS / SURVEYS	AMOUNT	PARTICIPANTS	AMOUNT	PARTICIPANTS	SEGMENTS
Client Experience Survey	9	800	10	1,162	SMEs, Businesses, Large
Enterprises and Corporate	3	511	3	458	Pymes, Empresas, Grandes Empresas y Corporativa
Internal Client Service / Banesco Employees	3	511	3	458	SMEs, Businesses, Large
Enterprises and Corporate	4	982	0	0	Personas Jurídicas
Legal Entities: Qualitative Survey	4	85	2	23	Legal Entities
Satisfaction / Service Quality Survey	4	982	0	0	Legal Entities
New Initiatives	1	240	0	0	Legal Entities



MESSAGES

We are committed to delivering clear and concise messaging to our clients and users that accurately reflects our products or services and fulfills our commitments.

Likewise, we are committed to complying with the country's regulatory framework, highlighting its significance:

- Banking Institutions Law, published in Official Gazette No. 40,557 on December 8, 2014.
- Resolution No. 339.08 of December 18, 2008, which establishes the Regulations Governing Administrative Processes Related to the Issuance and Use of Credit Cards, Debit Cards, Prepaid Cards, and other Electronic Payment or Financing Cards, specifically articles 23, 24, and 25 (Chapter I, Issuers' Obligations) that refer to offers of rewards and promotions.
- Resolution No. 291.09, of June 26, 2009, which establishes the Regulations Governing Advertising and Promotion carried out by Banks, Savings and Loan Associations, and Other Financial Institutions for Financial Products and Services.
- Resolution No. 063.15, of June 12, 2015, concerning Regulations for the Protection of Users of Financial Services.



Pursuant to Circular SIB-DSB-CJ-OD-00240 of January 14, 2021, products and services, and any modifications thereto, must be previously authorized by the Superintendence of the Banking Sector (SUDEBAN). The authority may make observations or suspend the products, as needed, to safeguard banking users and clients.

It is important to highlight that all advertising for the Bank's promotions includes a statement indicating that they have been previously approved by SUDEBAN. Furthermore, for products or services where applicable, it is specified that they are protected by the Deposit Guarantee and Banking Protection Fund (FOGADE).

The Central Bank of Venezuela (BCV) has the authority to approve and establish commissions and rates.



MARKETING

In order to increase awareness of our products, our Corporate Social Responsibility initiatives, and to support customer service management, we generate approximately 200 advertising campaigns across both traditional and digital platforms.

Below are the campaigns carried out in 2023, aimed at strengthening the Banesco-Customer loyalty relationship and encouraging the use of Banesco Point of Sale terminals.

Winning Ticket Campaign: At the end of the fiscal year, over 12,000 prizes were awarded to Cardholders whose purchases were free, and more than 8,700 businesses had their accounts credited with the same amounts as the winning Cardholders.



Banesco and Al Giorno Partnership: Enjoy a 10% discount when paying with your Banesco Debit Card and Todoticket at Al Giorno stores in the shopping malls San Ignacio and Sambil Chacao, both in Caracas.

MasterCard and Farmatodo Partnership: A \$10 discount was offered to clients who made purchases over \$22 using their MasterCard Credit Cards on the Farmatodo website or app.

Banesco and Soytechno Partnership: Get an 8% discount when paying with your Banesco card.

VIVA SUPERCENTRO Commercial Alliance: Enjoy a 20% discount on hardware, 10% on appliances and electronics, and 10% on footwear.

WE MAINTAINED CLOSE RELATIONSHIPS WITH OUR CUSTOMERS AND PROMOTED SAFETY

We launched social media campaigns designed to keep our customers informed about the latest scams they may be exposed to and provide them with the tools they need to protect their data and financial products.

HOW TO PREVENT MONEY LAUNDERING, TERRORIST FINANCING, AND THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION

In our monthly communications, we emphasize the importance of safeguarding third-party data and avoiding scams involving requests for assistance from strangers or attempts to divert illicit funds.



PENSIONERS CAMPAIGN

We are continuously promoting the use of digital banking among our retired clients, encouraging them to conduct their transactions through our electronic channels without the need to visit the bank.

POS SALES AND SERVICE EVENTS

We continue to drive these initiatives nationwide, supporting our business partners.

HISTORICAL DATES WERE FEATURED ON OUR SOCIAL MEDIA



WE OFFER CONVENIENT UTILITY PAYMENTS THROUGH BANESCONLINE, BANESCOMÓVIL, AND MULTIPAGOS

Our digital banking platform provides our customers with a simple and secure way to pay for their utility bills.

CUENTA VERDE – PURCHASE AND SALE OF FOREIGN CURRENCY

We continue to promote our Banesco Cuenta Verde (Foreign Currency Account) and its many uses.



WE ARE CONSTANTLY PROMOTING THE BANESCOPAGOS PAYMENT BUTTON

We promoted the BanescoPagos green button on social media for paying services provided by organizations or companies through our BanescOnline portal.

WE CONTINUE TO CONNECT VENEZUELANAS ABROAD THROUGH REMITTANCES

We offer Venezuelans abroad the opportunity to send remittances directly to their family and friends' Banesco accounts through MoneyGram, providing immediate, secure, and competitively priced transfers.

WE OFFER ENHANCED SECURITY AND CONVENIENCE FOR OUR CUSTOMERS' TRANSACTIONS THROUGH BANESCOTOKEN

This campaign aims to encourage customers to use the BanescoToken app for a more secure and convenient authentication experience.

WE KEEP DRIVING BANESCO PLANS FORWARD

In 2023, there were no fines or lawsuits filed against the company for violating environmental laws at the national or local level.



SOCIAL MEDIA

In line with our business strategy of growing digital banking and maximizing its benefits, Banesco Banco Universal, C.A. has leveraged digital platforms, not only as a digital marketing strategy, but also as an additional customer service channel that is efficient, effective, and swift. Social media has been an immediate communication channel for our followers, as evidenced by the 26,557 cases received in 2023, including inquiries and requests, which were handled through our official accounts on X (formerly Twitter), Facebook, Instagram, YouTube, and LinkedIn, in addition to our blog.







In terms of social media, X –specifically the @Banesco account– continues to be the most popular platform among our users, boasting 767,037 followers as of December 2023. In addition to serving as a channel for answering inquiries and requests, it offers content of interest on personal finance, entrepreneurship, technology, anniversaries, history, sports, business, energy, and news about the bank's products, services, or promotions.

Our Facebook following grew by 276,530, and on Instagram, we surpassed 304,943 followers. Our YouTube channel, “Banesco en Imágenes,” has accumulated over 18.4 million video views and 24,340 subscribers.

Through this alliance, Banesco's commercial clients will benefit from special rates on Vepagos point-of-sale devices, monthly promotions, and a dedicated technical support.



“The Banesco.com Blog had 9,518,375 visits by the end of December 2023. This platform offers not only corporate information about products and our Corporate Social Responsibility policy, the Institution features exclusive content prepared by renowned journalists.”

SOCIAL MEDIA		2023	2022	% Variation
 X (FORMER TWITTER)	@Banesco	767.037	764,111	0.38
	@Baneskin	198.959	201,576	-1.30
 FACEBOOK	Banesco Banco Universal	276,530	271,655	1.79
	Reproductions	18,409,210	7,431,950	147.70
 YOUTUBE	Suscriptions	24,340	20,869	16.63
	Followers	152,847	144,550	5.74
 LINKEDIN	Followers	304,943	279,619	9.06
 INSTAGRAM	Followers	9,518,375	9,285,537	2.51
 BLOG BANESCO	Visits			



OUR ENVIRONMENTAL COMMITMENT



Our recycling program was a success, collecting and recycling 40,385 kg of paper and cardboard, generating Bs. 88,860. These funds will be used to support our Social Partners' initiatives.

OUR POLICY

We strive to optimize our operations through responsible actions, focusing on efficiency and environmental protection. We recognize that protecting and preserving the environment is crucial for the well-being of our generation and those to come.

OUR MANAGEMENT

In Banesco Banco Universal, C.A., we have policies and procedures in place to reduce our environmental footprint by using energy efficiently. Examples of these actions include wastewater treatment, fuel storage, reinforced recycling campaigns, and paper reduction, among others.

In 2023, we continued our commitment to the environment and sustainability through various strategies, including recycling programs, energy savings, paper reduction, and the replacement of traditional air conditioners with eco-friendly alternatives. We also fostered a culture of environmental stewardship and contributed to sustainable development.

ELECTRONIC DOCUMENT MANAGEMENT

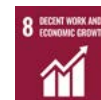
AREA	Number of Operations			Number of Pages		
	2023	2022	% Var.	2023	2022	% Var.
Commercial Credit	16,820	12,852	30.87	953,960	710,782	34.21
CC (Application/ Service)	734	19,439	-96.22	3,111	118,182	97.37

We increased paper recycling by 12,445 kilograms (27,436.5 pounds) and electronic waste recycling by 47,770 kilograms (105,314.8 pounds) compared to 2022. This is a significant achievement in environmental management that reaffirms our commitment to our common home, the environment.

ELECTRONIC DOCUMENT MANAGEMENT

Paper is one of the most used resources in daily banking operations. That is why we continue to work towards reducing its use through initiatives such as file digitalization and the efficient use of printers and multifunction devices.

The primary objective of the Credit Digitization Center (CDICRE) is to digitize files and documents, reducing unnecessary duplicates and improving workflow efficiency. Its integration into the bank's core areas contributes to reduced paper consumption, optimized space and organization for file storage, and ensures quick access to information, thereby enhancing both internal and external customer experiences. In 2023, over 954,000 pages of commercial credit documents and 3,000 pages of credit card documents were digitized.



RECYCLING PROGRAM

Our recycling program successfully collected and recycled 40,385 kg of paper and cardboard, generating Bs. 88,860. These funds are being used to support vital initiatives, such as providing treatment for children and women with cancer through the Fundación Amigos del Niño con Cáncer y Senos Ayuda, and promoting education by supporting Universidad de Margarita and Apoye for individuals with Down Syndrome.



Our operations do not emit ozone-depleting substances or nitrogen and sulfur oxides.



PAPER SAVING

DESCRIPTION	2023	2022	% Var.
Number of Pages Saved	62,620	223,315	-71.96
Bs. Saved	40,317	49,367	-18.33

TOTAL PRINTS

Year	Average
2023	10,108,966
2022	8,725,254
% Variation	15.86

POWER CONSUMPTION

All our agencies and branches nationwide are powered by the National Electrical System, which is primarily sourced from hydroelectric power.

Our main headquarters in Ciudad Banesco has 6 diesel generators as a backup power source. Additionally, the remaining administrative offices have emergency power generation, supporting between 80% and 100% of their services. These generators are activated in the event of a commercial power outage. In 2023, we produced 2,374.20 GJ of energy.

On the other hand, we have a per-employee energy consumption of 43.7 Gigajoules for a headcount of 3,373 people.

WATER CONSUMPTION

We consumed 225,288.00 cubic meters of water during this period. With a workforce of 3,373 employees this year, our water consumption per person is 66.80 cubic meters.

The water used in all our offices and branches is supplied by the water network fed by various reservoirs of the national system.

The Bank's activities do not produce spills of chemicals, oils, or fuels that could negatively impact health, the environment, soil, water, or air. Additionally, we do not impact protected natural areas or unprotected biodiversity areas, nor do we have significant spills or transport hazardous waste.

All our branches and administrative offices discharge their wastewater into the national public sewer system.



ENVIRONMENTAL INDICATORS

CONSUMPTION	Total Consumption			Consumption per Person		
	2023	2022	% Var.	2023	2022	% Var.
Water (m ³) ¹	225,288.00	223,230.00	0.92	66.8	69.8	-4.30
Gigajoules of Electricity (National Power System) ¹	147,513.10	133,830.00	10.22	43.7	41.8	4.55
Gigajoules of Electricity / Self-Generation ²	2,374.20	4,937.40	-51.91	1.30	3.00	-56.67
Paper (Kg) ¹	7,379.00	6,419.00	14.96	2.18	2.01	8.46
Paper (Kg) / Clients ⁴	37,099	30,106	23.23	0.01	0.01	0.00

Waste	Total Consumption			Consumption per Person		
	2023	2022	% Var.	2023	2022	% Var.
Recycled Paper (Kg) ¹	40,385.00	27,940.00	44.54	11.96	8.73	37.00
Electrical and Electronic Waste (Kg) ¹	64,217.48	16,447.38	290.44	19.02	5.14	270.04

Greenhouse Gas Emissions	Total Consumption			Consumption per Person		
	2023	2022	% Var.	2023	2022	% Var.
CO ₂ emissions Diesel generating equipment ³	650,785.50	1,336,455.00	-51.31	364.80	815.90	-55.29
CO ₂ emissions Employees vehicles ²	1,064,506.00	687,676.93	54.80	596.70	419.80	42.14
TOTAL CO2 EMISSIONS ²	1,715,291.50	2,024,131.93	-15.26	961.50	1,235.73	-22.19

1. National Totals. Based on 3,375 employees in 2023 and 3,199 employees in 2022. National electricity and water consumption figures correspond to the consumption declared on paid invoices.

2. Ciudad Banesco and Torres de El Rosal: 1,784 employees in 2023 and 1,638 employees in 2022.

3. Self-generation in Ciudad Banesco and Torres de El Rosal is based on 1,784 employees in 2023 and 1,638 employees in 2022.

4. Based on 3,985,222 clients in 2023 and 3,757,251 clients in 2022.

5. Includes quantity in kg (exact total weight of reams of paper for 2023).

CORPORATE VOLUNTEERING

Committed to environmental stewardship, Banesco's Volunteer Program engages in activities aligned with the Sustainable Development Goals (SDGs), specifically SDG 13 on Climate Action and SDG 15 on Life on Land.

With this in mind, we organized a special event at the Jardín Botánico (Botanical Garden) of Caracas in early 2023. Volunteers planted palm trees along the main path and learned about palm tree care as they collected dry leaves and branches to nourish the plant's roots. This initiative was made possible through a partnership with the Venamcham Social Alliance.



Banesco volunteers celebrated World Clean Up Day on September 30th with a beach cleanup on the Central Coast of La Guaira. This initiative aimed to raise awareness in the community about the importance of caring for and keeping our beaches clean. Over 60 volunteers joined forces to collect 130 kilos of trash.





DONATION OF SURPLUS FURNITURE AND COMPUTERS

Our policy for recycling and repurposing assets includes donating surplus furniture and computers from our offices and branches to organizations, preferably social organizations for reuse.

DONATION OF SURPLUS FURNITURE AND COMPUTERS

Donation of Surplus Computers	2023	2022	% Variation
Amount of Donated Equipment	544	227	139.65
Total Kg.	2,030	626	224.28

Donation of Surplus Furniture	2023	2022	% Variation
Amount of Donated Furniture	415	593	-30.02
Total Kg.	7,015	8,873	-20.94

OTHER INITIATIVES

- We require that all Bank-financed construction projects obtain occupancy permits before the sales process begins. Moreover, we conduct feasibility studies for developer loans to ensure that these projects not only succeed but also minimize their environmental footprint on the project area.
- We maintained a transportation service for our employees to facilitate their commute and enhance their safety. This service transported employees from Ciudad Banesco to Plaza Venezuela Metro Station in the mornings and afternoons. For off-site events, we contracted transportation for our employees. The Organization covered the cost of this service.
- The on-site medical service at Ciudad Banesco offers primary care using disposable materials, eliminating the production of

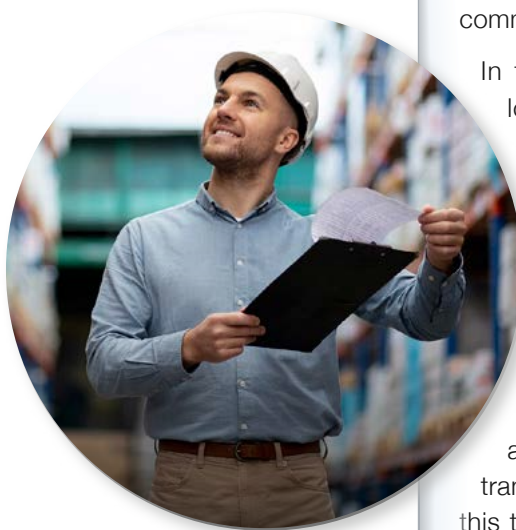


medical waste. For emergencies, employees are referred to nearby healthcare facilities.

- A variety of sustainability-related content was published on the Banesco Blog, focusing on Sustainable Development Goal 13: Take urgent action to combat climate change and its impacts; World Environment Day, natural lighting systems, World Beach Day, contributions to the SDGs, among others.



OUR SUPPLIERS



OUR POLICY

At Banesco Banco Universal, C.A., we partner with responsible suppliers who uphold the same high ethical, social, and sustainability standards as we do. We recognize the role they play in our community.

In this way, we aim to build medium and long-term relationships with our strategic suppliers, based on trust and mutual benefit, ensuring that the needs of the business and the growth and productivity of the entire value chain are met.

OUR MANAGEMENT

In 2023, we applied this procurement policy to a total of 1,046 suppliers (993 local and 53 non-local), with whom we conducted transactions totaling Bs. 8,502,639,261.57. Of this total, 96.73% of the transaction value corresponds to payments to local suppliers; that is, companies operating within the same geographic area where the purchase, service, and invoicing take place; while 3.27% corresponds to payments to non-local suppliers.

In line with our commitment to the UN Global Compact, 262 service contracts were signed with suppliers, 143 of which incorporated Clause 20(j), which is related to the Ten Principles of the Global Compact, based on universal declarations and conventions in the areas of human rights, the environment, labor standards, and anti-corruption. Our suppliers are aware of our Code of Ethics and this specific clause. The remaining contracts are governed by the supplier's model, confidentiality agreements, or other signed agreements that do not include the aforementioned clause.

OUR SUPPLIER OUTSOURCING POLICY

We conducted a thorough assessment of all suppliers interested in providing services to Banesco Banco Universal, C.A.

Our Supplier Outsourcing Policy requires all interested suppliers to complete a rigorous review process that evaluates their legal, ethical, technical-commercial, and financial standing.

BREAKDOWN
OF SUPPLIERS BY
QUANTITY AND
AMOUNT PAID

TYPE	Number of Suppliers		% of Total Suppliers		Amount Paid (Bs.)		% of Total Invoiced	
	2023	2022	2023	2022	2023	2022	2023	2022
Local Suppliers	993	952	94.93%	95.10%	8,080,897,670.96	1,178,765,780.89	96.73%	78.07%
Non-local Suppliers	53	49	5.07%	4.90%	421,741,590.59	331,043,469.29	3.27%	21.93%
TOTAL	1,046	1,001	100.00%	100.00%	8,502,639,261.57	1,509,809,250.18	100.00%	100.00%



To facilitate this assessment, suppliers must submit documentation to verify their legitimacy and transparency.

Moreover, our assessment includes criteria related to price, service quality, human rights, and sustainability.

All suppliers interested in providing services to the Institution must provide documentation specific to the services they offer:

- Legal Documentation (Tax ID, Directors' Identification, Articles of Incorporation, Shareholder Registry, Banesco-required Sworn Statements, such as Conflicts of Interest, Code of Ethics Compliance, Source of Funds Statement, Shareholder Distribution and Compliance, Solvency, and Legal Obligations)
- Financial Documentation Balance Sheet, Income Statement, and Trial Balance if the company's accounting period has closed more than six months ago, all presented

in historical cost basis, and Income Tax Return)

- Technical and Commercial Documentation (Business References)

PROCUREMENT PROCESS STANDARDS

1. Procurement and contracting processes for acquiring goods, materials, works, and services must be conducted at the most advantageous total cost, considering price, quality, timeliness of delivery, and after-sales service, ensuring fairness and transparency in supplier selection at all times.
2. The VP of Procurement and Administration is responsible for ensuring compliance with all applicable rules, procedures, and regulations in accordance with the authorities and instances responsible for approving the different phases of the procurement process.
3. The purchase of goods and services requires a selection process involving at least

3 suppliers, subject to exceptions arising from prevailing economic circumstances.

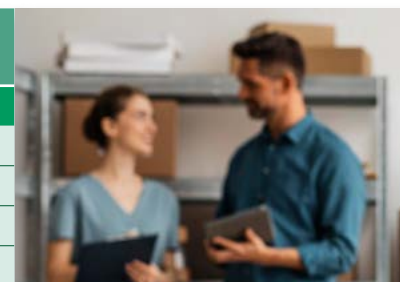
4. Procurement is a centralized function, with requisitioning departments providing detailed specifications for all purchases and/or contracts. When necessary, these departments are responsible for consolidating the technical evaluation matrix under their area of specialization.
5. Supplier qualifications and registrations in the Bank's Database are valid for one year. After this period, suppliers must be re-evaluated to continue providing goods and services. The Bank reserves the right to request updates to any documentation with an expiration date.

MAJOR SUPPLIERS AND PRODUCT CATEGORIES BY REGION

We maintain an inventory of our key suppliers of goods and services by region, representing 88.33% of our total spend.

MAJOR SUPPLIERS AND PRODUCTS BY REGION

REGION	Number of Suppliers		Amount Paid (Bs.)		% of Total Invoiced		
	2023	2022	2023	2022	% Variation	2023	2022
Capital Region	491	451	7,293,083,085.89	900,980,606.09	8.87	100%	100%
South-Eastern Region	42	43	53,009,263.32	13,287,103.33	-2.33	100%	100%
Los Llanos-Center Region	87	80	78,506,217.45	10,265,238.12	8.75	100%	100%
North-Western Region	46	36	85,420,112.57	14,503,152.95	27.78	100%	100%



OUR COMMITMENT TO THE AUTHORITIES



In line with our organizational values, our fiscal policy is committed to strict adherence to all applicable tax laws and regulations, ensuring efficient and timely compliance based on our financial statements.

OUR POLICY

Compliance with our obligations, coupled with effective communication and transparency, is key to maintaining our Organization as a robust, secure, reliable, and sustainable entity that contributes positively to individuals, businesses, and Venezuelan society.

OUR MANAGEMENT

We are committed to designing products and services that fully comply with all applicable laws and regulations. Additionally, our contracts and general terms and conditions contain a provision limiting the Bank's liability for any failure to provide the product or service caused by changes in laws or regulations.

Risk analysis studies are conducted and submitted for all new financial instruments or products, aimed at protecting the interests of the Bank's depositors and investors. While these studies cannot entirely prevent potential issues, the Bank continuously adapts its risk mitigation mechanisms. Although these studies cannot eliminate all risks, the Bank consistently refines its risk mitigation strategies.

Through our legal department, we analyze the regulatory environment, including any new regulations that may impact our products and

services, as well as any modifications to existing regulations, and adapt our procedures based on the new requirements.

TAXES

Our fiscal policy is grounded in our organizational values and is committed to strict compliance with all current tax laws and regulations, ensuring efficient and timely fulfillment based on our financial statements.

The Executive Management of Taxes and Tax Compliance, attached to the Executive Management of Treasury and Finance, is responsible for establishing the necessary controls and ensuring the accurate and timely fulfillment of tax obligations through the execution of legal provisions of tax regulations and approved and published Process Manuals.

We plan and execute all necessary activities to ensure the timely fulfillment of tax obligations to national, state, and municipal authorities. The accrual and payment of these obligations are reflected in the Bank's financial statements in accordance with local accounting standards. In addition, we review tax laws to guarantee that the Organization's actions adhere to their provisions and are in line with the fundamental principles of the Tax Law.



Regarding the Tax Transparency regime, particularly Transfer Pricing matters, we comply with the arm's length principle, by notifying the tax authorities of all economic transactions conducted with related parties, as required by the regulatory framework, demonstrating our commitment to bearing the tax burden in the jurisdictions where the economic activity takes place.

We are aware of the critical role our tax payments play in supporting government initiatives at all levels. As such, we are fully compliant with our tax obligations, thereby contributing, directly or indirectly, to the sustainable development of all our stakeholders.

We leverage internal communication channels to raise awareness across all business units regarding the importance of tax compliance and the potential risks to the organization.

In addition, we provide specialized training in tax matters to equip Banesco employees with the tools they need to fulfill their duties.

We proactively identify risks and escalate them to the Executive Management of Treasury and Finance to facilitate timely and appropriate risk mitigation measures.



In addition, there is ongoing communication between different departments within the organization, allowing for timely identification and mitigation of tax risks.

To ensure internal control over risks, the Executive Management of Taxes and Tax Compliance maintains a schedule of activities, outlining regulatory deadlines and actual payment and filing dates for each tax obligation. This allows area leaders to oversee compliance and verify information against digital records. Furthermore, regarding the approval of tax payments, the Executive

Management has Tax Autonomy, duly authorized by the Risk Committee and the Board of Directors.

In order to guarantee compliance with the responsibilities of the Executive Management of Taxes and Tax Compliance, the Organization relies on the Vice Presidency of Internal Audit to verify adherence to Venezuelan tax laws and regulations.

Moreover, the Executive Vice Presidency of Operations and Business Processes is

responsible for maintaining process manuals that are efficient and adhere to industry best business practices.

We are known for our assertive communication with all stakeholders, such as employees, customers, tax authorities, and the communities we are part of. We maintain ongoing communication with government authorities, fostering cooperative relationships and partnerships with the tax authority and local governments based on the principles of transparency and trust.

Regarding tax-related inquiries, we have implemented a digital tool called @rqa-si. This tool allows us to receive all tax-related questions from any business area within the organization. The Executive Management of Taxes and Tax Compliance is responsible for providing timely responses and following up on the resolution of these inquiries, ensuring that Banesco Banco Universal, C.A. fulfills its tax obligations at all times.

Furthermore, it is important to note that the Bank actively participates in the Venezuelan Banking Association, specifically in the Tax Committee. This committee discusses any new developments in the tax field, such as the impact of new taxes and potential positions on specific issues, seeking consensus among industry peers. In this way, opinions are compared and risks are mitigated, ensuring business continuity and tax compliance.



INTERNAL TRANSACTION TAXES

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	2023	2022	% Var.
Income before Taxes	2,710,164,442.72	566,895,671.34	378.07
Income Tax	191,892,593.00	33,121,513.00	479.36
Tax on Economic Activities	187,400,844.39	29,916,524.83	526.41
Value Added Tax *	559,959,380.00	107,282,254.00	421.95
Tax on Commercial Advertising	1,101,230.35	248,138.02	343.80
Urban Real Estate Tax	806,953.58	66,451.87	1,114.34
Tax on Large Financial Transactions (IGTF)	140,312,573.08	26,077,948.07	438.05
Wealth Tax	22,184,224.00	4,808,590.00	361.35
Miscellaneous Taxes **	3,997,028.68	778,449.00	413.46
Miscellaneous Municipal Taxes ***	10,313.17	0.00	100.00
SUB TOTAL	1,107,665,140.25	202,299,868.79	447.54
INCOME AFTER TAXES	1,602,499,302.47	364,595,802.55	339.53

* Contains the total tax credit recorded for domestic purchases and VAT payment as a responsible party (service importation).

** Miscellaneous taxes: including administrative fees. *** Payments for municipal vehicle taxes are recorded.

COLLECTED TAXES

Through our network of agencies and the corporate website, our clients can quickly and effectively make tax payments to SENIAT (the National Customs and Tax Administration Service). During 2023, Bs. 31,555 billion were collected for this concept.

Furthermore, through our partnerships with the five municipalities of the Capital Region, other cities, and central government agencies, our clients can conveniently pay municipal taxes using our electronic platforms. In 2023, we collected Bs. 3,322 billion in revenue from this specific source.

LEGAL CONTRIBUTIONS

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	2023	2022	% Var.
CONTRIBUTION TO THE SCIENCE, TECHNOLOGY AND INNOVATION ACT			
Contribution to the National Fund of Science, Technology, and Innovation (FONACIT) ¹	47,822,563.00	2,552,274.00	1,773.72
EMPLOYEE FOOD BENEFIT LAW			
Employee Food Benefit Law	27,694,399.44	1,431,922.51	1,834.07
CONTRIBUTION TO FOGADE, SUDEBAN, NATIONAL ANTI-DRUG OFFICE (ONA), SOCIAL CONTRIBUTION TO COMMUNES, SPORTS LAW			
FOGADE (Deposit Guarantee and Bank Protection Fund)	57,193,116.96	12,922,414.50	342.59
SUDEBAN (Superintendency of Banking Institutions)	61,439,840.65	9,952,320.63	517.34
LOSEP (Law on Narcotics Drugs) CONTRIBUTION (ONA-FONA)	21,784,594.33	4,412,332.35	393.72
Social Contribution to Communes ²	90,461,511.47	2,315,204.85	3,807.28
Sport Law	15,959,044.51	3,691,133.00	332.36

¹ These contributions are channeled into the National Fund for Science, Technology, and Innovation (FONACIT). FONACIT allocates these funds to projects based on the guidelines and priorities outlined in the National Plan for Economic and Social Development. Project selection is also guided by considerations of ethics, as well as potential cultural, social, environmental, and economic impacts.

² This fund is administered by the Autonomous National Fund for Communal Councils (SAFONACC). SAFONACC is responsible for managing resources allocated to Communal Councils and providing financial support for community-based social and productive projects.



TAXES WITHHELD AND PAID ON BEHALF OF EMPLOYEES

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NON-FISCAL CONTRIBUTIONS AND OTHER	2023	2022	% Variation
Housing and Dwelling Law ¹	1,608,465.52	269,487.83	496.86
Mandatory Social Security ²	1,399,556.99	416,618.31	235.93
Employment Act ³	276,972.57	83,183.34	232.97
INCES ⁴	311,315.80	85,237.52	265.23
Income Tax ⁵	32,990,668.35	1,034,206.50	3,089.95
TOTAL	36,586,979.23	1,888,733.50	1,837.20

1. The contribution is equivalent to 3% of the employees' monthly gross salary (2% paid by the employer and 1% by the employee).

2. Both public and private sector employees are required to contribute to the IVSS.

3. This contribution aims to guarantee a monetary benefit for a specific period of time to employees who have involuntarily lost their jobs and are contributors to the Employment Benefits Regime. The employer contributes 2% and the employee contributes 0.50%.

4. INCES is the government agency tasked with providing comprehensive, ongoing training and development opportunities for workers. The funding for this initiative is comprised of a 2% contribution from the employer and a 0.50% contribution from the employee.

5. The contribution is required for employees whose annual income is 1,000 Tax Units (U.T.) or more.

TAXES WITHHELD AND COLLECTED

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	2023	2022	% Variation
Tax on Large Financial Transactions (IGTF)	4,860,569,004.95	1,055,518,362.33	360.49
Income tax withholding on fortuitous gains	2,696,348.53	368,018.05	632.67
Tax Stamps	34,022,284.94	5,994,111.70	467.60
TOTAL	4,897,287,638.42	1,061,880,492.08	361.19

TAXES WITHHELD AND PAID ON BEHALF OF SUPPLIERS AND CLIENTS

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	2023	2022	% Variation
Supplier VAT Withholdings	394,772,011.96	76,719,158.04	414.57
Income Tax Withholdings	480,443,740.53	77,935,266.53	516.47
Banking Transaction Withholdings	123,601,958.24	21,074,340.49	486.50
Business Tax Withholdings	861,568.70	204,193.94	321.94
TOTAL	999,679,279.43	175,932,959.00	468.22

FINES OR PENALTIES

There were no claims or incidents reported against Banesco Banco Universal, C.A. alleging non-compliance with antitrust or competition regulations during the reporting period.

There was no material instructions received from the Superintendency of Banking Institutions or the Central Bank of Venezuela that have had a significant impact on the Bank's financial position or equity structure.

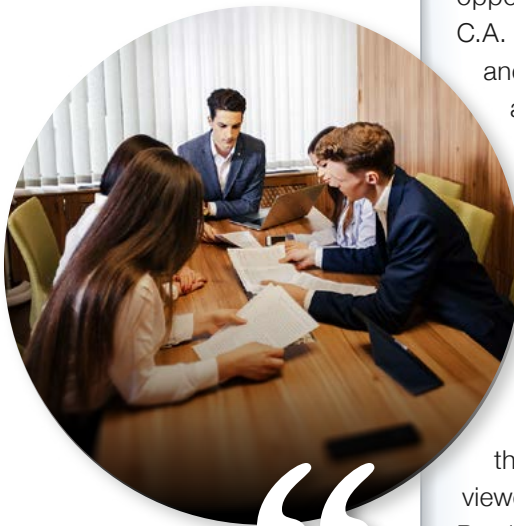
The semi-annual audited financial statements, as required by the regulatory authority, disclose all litigation, contingencies, contractual commitments, and tax matters, none of which are expected to have a material impact on the Bank's overall financial statements.

Banesco Banco Universal, C.A. has a strong culture of compliance, with all employees, including the Board of Directors, actively monitoring adherence to all applicable laws and regulations.

As a private banking institution, Banesco Banco Universal, C.A. has not benefited from any government financial assistance during the reporting period. The Bank has also not provided financing to political parties, unions, or affiliated associations.



CSR REPORTING PROCESS



This report has been prepared in accordance with GRI Standards and outlines how the company's strategy and initiatives contribute to the United Nations Sustainable Development Goals (SDGs)."

GUIDELINES FOR DETERMINING REPORT CONTENT

This document compiles the most significant information about the key impacts, risks, and opportunities that Banesco Banco Universal, C.A. has identified in the social, environmental, and economic spheres during 2023, as well as the interactions with each of its stakeholders (shareholders, customers, employees, suppliers, and community).

The Vice Presidency of Communications and Corporate Social Responsibility at Banesco Banco Universal, C.A. is responsible for designing, implementing, and evaluating the Social Responsibility and Sustainability Policy, as well as for the preparation of this report, which is reviewed and approved directly by the Executive Presidency of the Organization.

The information presented herein covers the period from January 1 to December 31, 2023. As in previous editions, this report highlights the significant aspects of the fiscal year, the degree of compliance with the commitments and objectives set for the previous year, and the targets for the following year. This report is presented in both Spanish and English and is available for consultation on our website (<http://ow.ly/Spp93>).

INTERNATIONAL STANDARDS AND OTHER REFERENCES FOR THE PREPARATION OF THIS REPORT

Since 2004, Banesco Banco Universal, C.A. has been publishing Corporate Social Responsibility and Sustainability Reports. However, it was in 2007 that the Global Reporting Initiative Standards were first adopted.

The report maintains the same structure as in previous years, divided into two key sections: the Internal and External Dimensions of our Social Responsibility. Each stakeholder group is addressed in dedicated chapters.

This report has been prepared in accordance with the GRI Standards and outlines how the company's strategy and initiatives contribute to the United Nations Sustainable Development Goals (SDGs). Additionally, the Global Reporting Initiative's (GRI) Sector Supplement for Financial Services was used as a guideline for this report. As a signatory of the United Nations Global Compact, this report also serves as the Communication on Progress (CoP) for the reporting period. This report will be used as a supplementary document to prove our commitment to the 10 Principles of the United Nations Global Compact.



In 2022, we became the first bank in the country to join the United Nations Women's Empowerment Principles (WEPs), committing to promoting practices that foster equal pay, training, and zero tolerance for sexual harassment and discrimination.

This Report adheres to the principle of exhaustiveness in terms of its scope, coverage, and the timelines outlined. It covers solely the operations of Banesco Banco Universal, C.A., in Venezuela. The materiality of the information is evident in the indicators that reflect the Organization's significant impacts on the economic, social, and environmental dimensions.

We maintain an ongoing dialogue with all our stakeholders to identify their concerns. Furthermore, we regularly perform an analysis to identify the key aspects of sustainability, taking into account both internal and external impacts.

This report provides detailed data with corresponding variation rates to facilitate performance comparisons. In cases where information has been restructured for better comparability, this is clearly indicated.

We involve all business areas in the data collection process and promote timely information sharing, leveraging the different information management systems and internal mechanisms of the Organization.

In general terms, this refers to information that is publicly disclosed and reported to regulatory authorities, thus ensuring its verifiability.

From a business perspective, this report not only details our sustainability performance but also positions our efforts within a broader context.

The frequency of this report is annual. To ensure clarity, this report focuses on the most significant elements and is designed to be easily readable, with simple language, data visualizations, and a manageable page count. To ensure the reliability of the information presented and the procedures followed in preparing this report, all internal sources for each reported aspect are documented and subject to internal audit verification prior to publication.

The indicators presented go beyond those identified as material under the GRI Standards. Senior management has included additional indicators that, while not strictly material, are considered relevant to the Bank's performance.

There were no significant changes in the organization's size, structure, ownership, or supply chain. No adjustments were made to the restatement of information compared to prior year reports.



This report is prepared in accordance with the GRI Standards and leverages the Content Index - Advanced service. Our participation in the 'Community GRI' program further underscores our commitment to the GRI and its principles.

This document does not include external verification. However, the Executive Management of Planning and Institutional Dissemination validates the materiality process and manages the collection of information. Following its preparation, the report is subject to a review and audit by the Forensic Audit Department, reporting to the Vice Presidency of Internal Audit of Banesco Banco Universal, C.A.



OUR COMMITMENTS

AREA	CORE INITIATIVES DURING 2023	COMMITMENTS 2024
CORPORATE	<ul style="list-style-type: none"> We ensured that the Bank's strategic issues considered in planning were taken into account at government levels. We implement the cross-checking of commitments to obtain a comprehensive view of the agreements considered in the instances. We strengthened the communication plan to consolidate the strategic content in the presentations and preserve the corporate guidelines. 	<ul style="list-style-type: none"> Continue to provide support to governance bodies in order to reinforce strategic messaging in presentations and uphold corporate guidelines.
GOVERNANCE	<ul style="list-style-type: none"> We strengthened the Institution's equity through new capital increases. 	<ul style="list-style-type: none"> Continue taking steps to simplify the nominal value of the shares. Continuously optimize the Institution's capital base through new capital injections.
HUMAN CAPITAL SHAREHOLDERS	<ul style="list-style-type: none"> Commitments regarding the Code of Ethics, Values and Corporate Culture aimed at offering memorable experiences to internal and external clients were maintained. 	<ul style="list-style-type: none"> During 2024, the plan of activities for the knowledge and compliance of the Code of Ethics and Corporate Values will be maintained, reinforcing the behaviors of the Banesco Citizen. The promotion of customer service and experience will also continue, both for internal and external clients, through the deployment of the action plan.
VOLUNTEERING	<ul style="list-style-type: none"> We focused our strategy on strengthening and consolidating the Volunteer Program through specialized technical advice, which allowed us to establish objectives aligned with the institutional culture with an emphasis on the Bank's CSR strategies, through a work plan that was executed in three main phases: <ol style="list-style-type: none"> Assessment of the Banesco Volunteer Program. Strengthening Volunteer management. Relaunching of the Volunteer Training Program. 	<ul style="list-style-type: none"> We will focus on materializing the strategy of strengthening and consolidating the Volunteer Program, with the help of specialized technical advice, with objectives aligned with the culture and the CSR and sustainability strategies of the Bank, through the execution of an annual work plan: <ul style="list-style-type: none"> Monthly activities focused on four main areas: Social, Education, Culture and Environment, which aim to strengthen institutional values. Enhanced volunteer management, fostering connections with other communities, promoting innovation, developing skills and cultivating a sense of purpose. Relaunching of the Volunteer Program with the participation of leaders.



AREA	CORE INITIATIVES DURING 2023	COMMITMENTS 2024
SOCIAL PARTNERS AND COMMUNITY	<ul style="list-style-type: none"> We continue to strengthen the work and relationship with our Partners and Social Allies. We created the Participatory Budget for social organizations and entrepreneurs. We published new books in our Banesco Digital Library. We developed initiatives that helped to disseminate and achieve the Sustainable Development Goals. We strengthened the Microentrepreneur Training Program with the academic endorsement of the Central University of Venezuela. 	<ul style="list-style-type: none"> Incorporate the beneficiaries of our Social Partners and Allies in the Microentrepreneur Training Program and other training and social support activities. Maintain established alliances with various organizations to expand the scope of the Microentrepreneur Training Program. Continue publishing books from our Banesco Digital Library, supporting Venezuelan authors, promoting education and culture. Expand the scope of the Participatory Budget for Entrepreneurs 2024, including all states of Venezuela for the call. Strengthen the dissemination and support for the SDGs and sustainability, as well as training in this matter for our interest groups. Strengthen the promotion and reporting of the UN Women WEPs. Deepen other ways of supporting Social Partners and Allies.
CLIENTS	<p>From the Products vertical for 2023, our strategic plan includes the following actions:</p> <ul style="list-style-type: none"> We develop initiatives for Supply Chain Finance, Open Banking services for online collections with easy reconciliation, and simplification of our collection and payment services for our Specialized Banking Clients. We offer differentiated multi-products for high-value customer niches. We increase our digital transformation in the self-management of our clients' financial and non-financial operations, with massive onboarding and affiliation processes that allow us high transactional volumes, and that additionally, guide us towards the convergence of our digital channels. We capitalize, through active listening and constant interaction with clients and sales teams, on continuous improvements within the management of product life cycles. 	<p>By 2024, Banesco's focus must be to captivate people and companies from the first contact to be the first choice, while cultivating a long-lasting and reciprocal relationship with our current clients.</p> <p>Main challenges:</p> <ul style="list-style-type: none"> Conquer the young public and captivate high-value clients. Maintain the perception of innovation by improving our existing products (User Experience = time, cost, attention, digitalization, onboarding, self-management). Improve the "Time to Market" (TTM) of new remittance companies. Achieve the best balance of profitability vs. growth and retention.



AREA	CORE INITIATIVES DURING 2023	COMMITMENTS 2024
ENVIRONMENTAL	<ul style="list-style-type: none"> We standardized the use of multi-voltage LED lighting in offices and headquarters nationwide. We encouraged recycling and environmental awareness among employees and increased the collection of materials. We replaced air conditioning equipment with equipment that uses environmentally friendly refrigerant. 	<ul style="list-style-type: none"> Continue strengthening the internal Recycling Program to contribute to environmental preservation. Maintain our energy saving plans in our offices, reducing the hours of use of lighting and other services that allow for efficient use of energy. Replacing R22 refrigerant with environmentally friendly refrigerant.
SUPPLIERS	<ul style="list-style-type: none"> We maintained strategic alliances with the Organization's key suppliers. We managed our processes within the framework of transparency and agility for the bidding and/or contracting of services. We continued to establish contractual relationships with suppliers, complying with the United Nations Global Compact, including in the contracts the Clause related to the Ten Principles of the Global Compact, based on the Universal Declarations and Conventions, applied in the areas of Human Rights, Environment, Labor Standards and Anti-Corruption. 	<ul style="list-style-type: none"> Strengthen support and maintenance services through a framework contract. Manage the implementation of a Document Management tool to better control supplier files. Continue establishing contractual relationships with suppliers, complying with the United Nations Global Compact, including in contracts the Clause related to the Ten Principles of the Global Compact, based on the Universal Declarations and Conventions, applied in the areas of Human Rights, Environment, Labor Standards and Anti-Corruption.

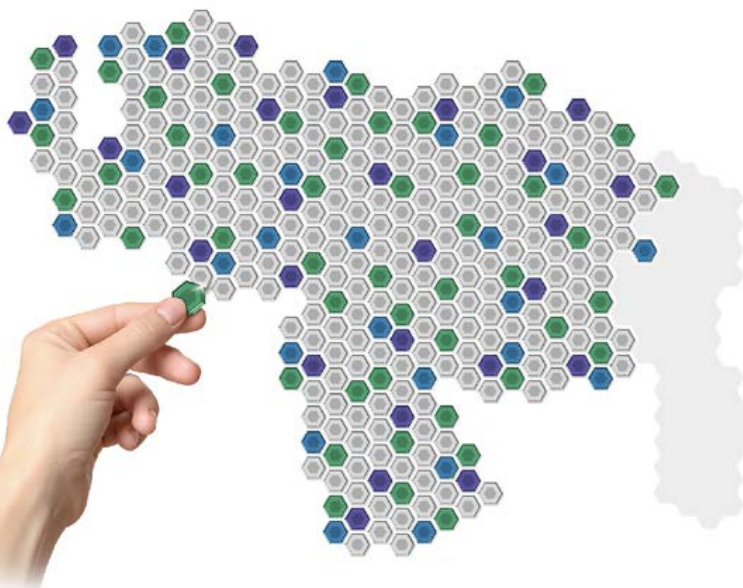




We build a sustainable future

Through our actions and alliances

Cumulative Social Balance 1998 - December 2023



Microentrepreneur Training Program
Bs. 1,563,632.36

Fe y Alegría Schools
Bs. 1,168,453.14

Fundación Musical Simón Bolívar
Bs. 839,023.16

Asociación Venezolana de Educación Católica (AVEC)
Bs. 116,959.32

IESA
Bs. 759,140.00

Universities and Institutes of Higher Education
Bs. 7,569,475.77

Other Educational Institutions and Organizations
Bs. 413,740.05

Scholarships
Bs. 224,732.34

Fundación Venezolana Contra la Parálisis Infantil
Bs. 712,322.60

Other Health Care Organizations
Bs. 1,903,703.79

FUNDANA
Bs. 2,796,527.06

Asociación Civil Red de Casas Don Bosco
Bs. 1,367,106.13

Asociación Damas Salesianas
Bs. 403,746.12

Assistance for Neglected Children and People with Special Needs
Bs. 688,861.66

Toy Donations to the Community
Bs. 0.00

Editorial Projects and Publications
Bs. 4,197,628.41

Other Contributions
Bs. 2,880,920.47

Natural Disaster Relief Campaign
Bs. 40,482.52

Events for the Community
Bs. 2,490,561.07

Investments in Works Colinas de Bello Monte
Bs. 0.00

Mayoralities, State Governments and other State Bodies
Bs. 0.00

Non-Contractual Social Benefits for BANESCO Employees
Bs. 157,406,244.02

Corporate Volunteering Contribution
Bs. 874,727.25

Implementation of Article 96 of LOCTICSEP
Bs. 0.00

Participatory Budget
Bs. 667,395.03

CUMULATIVE 1998 – 2023 YEAR-END

TOTAL SOCIAL INVESTMENT Bs. 189,085,382.15

TOTAL SOCIAL EXPENDITURE AND LIABILITIES INCURRED Bs. 189,085,382.15

Figures in bolivars

Banesco has once again published its Social Balance for 2023, providing a transparent account to its stakeholders. We are proud to be the first Venezuelan institution to achieve the highest GRI rating for our Corporate Responsibility and Sustainability reports.

Banesco.com @Banesco Banesco Banco Universal Banescoenimágenes Banescobancouniversal

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Purpose Statement: Banesco Banco Universal, C.A. has developed this report following the GRI Standards for the period from January 1, 2023 to December 31, 2023

GRI 1 used: GRI 1: Foundation 2021

Applicable GRI Sector Standard: N/A

For the Content Index - Advanced Service, GRI Services has verified that the GRI content index is presented clearly and in compliance with the standards. All references for the statements are correctly included and align with the sections contained in the body of the report.



GRI Standard / Other Contents	Contents	Page	Omission	Internal Audit Verification	Global Compact	SDG
Contenidos Generales						
GRI 2: General Disclosures 2021	GRI 2-1	Organizational details	5 - 8	√		
	GRI 2-2	Entities included in the organization's sustainability	106 - 107	√		
	GRI 2-3	Reporting	106 - 107	√		
	GRI 2-4	Reporting period, frequency and contact point	106 - 107	√		
	GRI 2-5	Restatements of information	106 - 107	√		
	GRI 2-6	External assurance	5; 84 - 95	√		
	GRI 2-7	Employees	38 - 65	√	Principles 1, 6	10.3
	GRI 2-8	Workers who are not employees	41 - 42	√		
	GRI 2-9	Governance structure and composition	27 - 32	√		5.5
	GRI 2-10	Nomination and selection of the highest governance body	28 - 29	√		5.5
	GRI 2-11	Chair of the highest governance body	28 - 29	√		5.5
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	28 -29	√		5.5
	GRI 2-13	Delegation of responsibility for managing impacts	27 - 32	√		5.5
	GRI 2-14	Role of the highest governance body in sustainability reporting	29	√		5.5



GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GRI 2: General Disclosures 2021	Contenidos Generales						
	GRI 2-15	Conflicts of interest	27 - 32		√		
	GRI 2-16	Communication of critical concerns	29 - 32; 40		√		
	GRI 2-17	Collective knowledge of the highest governance body	29 - 32; 48 - 49		√		
	GRI 2-18	Evaluation of the performance of the highest governance body	28 - 29; 44 - 45		√		
	GRI 2-19	Remuneration policies	28 - 29; 46		√		
	GRI 2-20	Process to determine remuneration	28 - 29; 46		√		
	GRI 2-21	Annual total compensation ratio	46		√		
	GRI 2-22	Statement on sustainable development strategy	3 - 4		√	Principle 1	
	GRI 2-23	Policy commitments	10, 27, 36, 38, 67, 79, 84, 96, 100, 108 -110		√	Principles 1, 10	
	GRI 2-24	Embedding policy commitments	10, 27, 36, 38, 67, 79, 84, 96, 100: 108 -110		√		
	GRI 2-25	Processes to remediate negative impacts	10 - 20; 38 -39; 87		√		
	GRI 2-26	Mechanisms for seeking advice and raising concerns	10 - 20; 38 -39; 87		√		
	GRI 2-27	Compliance with laws and regulations	99, 105		√	Principle 10	
	GRI 2-28	Membership associations	33		√		
GRI 2-29	Approach to stakeholder engagement	20 - 25; 36 - 37		√			
	GRI 2-30	Collective bargaining agreements	61		√	Principles 1, 3	8.8



GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
Material Topics							
GRI 3: Material Topics 2021	3-1	Process to determine material topics	22 - 25		√		
	3-2	List of material topics	22 - 25		√		
FINANCIAL SOLVENCY, TRANSPARENCY AND CORPORATE ETHICS							
GRI 3: Material Topics 2021	3-3	Management of material topics	22 - 25 67 - 75 102 - 105		√		
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	21 - 22		√		8.1 8.2 9.4
	201-2	Financial implications and other risks and opportunities due to climate change	96 - 97		√		
	201-3	Defined benefit plan obligations and other retirement plans	63 - 65		√	Principle 1	
	201-4	Financial assistance received from government	105		√		
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	68 - 72		√		5.4 9.4 11.2
	203-2	Significant indirect economic impacts	67 - 74		√		3.8 8.2 8.3 8.5
GRI 207: Tax 2019	207-1	Approach to tax	102 - 105		√		
	207-2	Tax governance, control, and risk management	102 - 105		√		
	207-3	Stakeholder engagement and management of concerns related to tax	102 - 105		√		
	207-4	Country-by-country reporting	102 - 105		√		



BANKING SECURITY AND COMPLIANCE							
GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GRI 3: Material Topics 2021	3-3	Management of material topics	22 - 25; 61 - 62		√	Principle 10	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	30 - 32; 56 - 59		√	Principle 10	16.5
	205-2	Communication and training about anti-corruption policies and procedures	32; 37; 56 - 57;		√	Principles 1, 10	16.5
	205-3	Confirmed incidents of corruption and actions taken	37; 56 - 57		√	Principle 10	16.5
INNOVATION, FINANCIAL PRODUCTS AND SERVICES							
GRI 3: Material Topics 2021	3-3	Management of material topics	87; 91 91 - 95		√		
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	87; 91		√	Principle 1	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	87; 91		√	Principle 1	16.3
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	91 - 95		√		
	417-2	Incidents of non-compliance concerning product and service information and labeling	91 - 95		√		16.3
	417-3	Incidents of non-compliance concerning marketing communications	91 - 95		√	Principle 10	16.3
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	87		√	Principle 10	16.3 16.10



RECRUITMENT, DEVELOPMENT AND RETENTION OF HUMAN TALENT							
GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GRI 3: Material Topics 2021	3-3	Management of material topics	5; 22 - 25; 38 - 65		√		
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	45 - 47; 62		√		8.5 5.1
	202-2	Proportion of senior management hired from the local community	42 - 43		√		8.5
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	42 - 45		√	Principles 1, 6	5.1 8.5 8.6 10.3
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	46; 50; 61 - 62		√	Principles 1, 3, 6	3.2 8.5 5.4
	401-3	Parental leave	54		√		5.1 5.4 8.5
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	61 - 62		√	Principle 3	8.8
GRI 403: Occupational Health and Safety 2018	403-1	Workers representation in formal joint management-worker health and safety committees	54 - 58		√	Principles 1, 3	8.8
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	51 - 54		√		3.3 3.9 8.8
	403-3	Workers with high incidence or high risk of diseases related to their occupation 10	51 - 54		√		3.9 8.8



RECRUITMENT, DEVELOPMENT AND RETENTION OF HUMAN TALENT / 2							
GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GRI 403: Occupational Health and Safety 2018	403-4	Health and safety topics covered in formal agreements with trade unions	51 - 58		√	Principle 3	
	403-5	Worker training on occupational health and safety	51 - 58		√		
	403-6	Promotion of worker health	52 - 60		√	Principle 1	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	52 - 60		√		
	403-8	Workers covered by an occupational health and safety management system	54 - 55		√		
	403-9	Work-related injuries	51 - 53		√	Principles 1, 6	
	403-10	Work-related ill health	51 - 53		√		
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	48 - 50		√	Principle 6	4.3, 4.4 4.5, 5.1 8.2, 8.5 10.3
	404-2	Programs for upgrading employee skills and transition assistance programs	48 - 50		√	Principle 6	8.2 8.5
	404-3	Percentage of employees receiving regular performance and career development reviews	44 - 45		√	Principle 6	5.1 8.5 10.3
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	40 - 42		√	Principles 1, 6	5.1 5.5 8.5
	405-2	Ratio of basic salary and remuneration of women to men	46; 62		√	Principles 1, 6	5.1 8.5 10.3



SOCIAL INVESTMENT AND RELATIONSHIP WITH COMMUNITIES							
GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GRI 3: Material Topics 2021	3-3	Management of material topics	67 - 78		√		
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	67 - 78		√	Principle 1	
	413-2	Operations with significant actual and potential negative impacts on local communities	67 - 78		√	Principle 1	
ECO-EFFICIENCY							
GRI 3: Material Topics 2021	3-3	Management of material topics	97 - 98		√	Principles 7, 8, 9	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	97 - 98		√	Principles 7 y 8	7.2, 7.3 8.4, 12.2
	302-2	Energy consumption outside of the organization	97 - 98		√	Principle 8	7.2, 7.3 8.4, 12.2
	302-3	Energy intensity	97 - 98		√	Principles 8, 9	7.3, 8.4 12.2
	302-4	Reduction of energy consumption	97 - 98		√	Principles 8, 9	7.3, 8.4 12.2
	302-5	Reductions in energy requirements of products and services	97 - 98		√	Principles 8, 9	7.3, 8.4 12.2
	302-6	Renewable energy	97 - 98		√	Principles 8, 9	7.3, 8.4 12.2
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	97 - 98		√	Principle 8	
	303-2	Management of water discharge-related impacts	97 - 98		√	Principle 8	
	303-3	Water withdrawal	97 - 98		√	Principle 8	12.2
	303-4	Water discharge	97 - 98		√	Principle 8	
	303-5	Water consumption	97 - 98		√	Principle 8	



ECO-EFFICIENCY / 2							
GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	97 - 98		√	Principles 7, 8	12.4
	306-2	Management of significant waste-related impacts	97 - 98		√	Principles 7, 8	3.9 12.4 12.5
	306-3	Waste generated	97 - 98		√	Principles 7	12.4
	306-4	Waste diverted from disposal	97 - 98		√	Principles 7	12.4
	306-5	Waste directed to disposal	97 - 98		√	Principles 8,9	
RELATIONSHIP WITH SUPPLIERS							
GRI 3: Material Topics 2021	3-3	Management of material topics	100 - 101		√		
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	100 - 101		√	Principle 6	8.3
DIGITAL TRANSFORMATION							
GRI 3: Material Topics 2021	3-3	Management of material topics	87; 91		√		
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	87; 91		√	Principle 1	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	87; 91		√	Principle 1	16.3



OTHER NON-MATERIAL TOPICS FOR THE ORGANIZATION THAT WE REPORT FOR GREATER TRANSPARENCY

GRI Standard / Other Contents	Contents	Page	Omission	Internal Audit Verification	Global Compact	SDG
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	92 - 93; 105		√		16.3
GRI 301: Materials 2016	301-1 Materials used by weight or volume	98 - 99		√	Principles 8, 9	12.2
	301-2 Recycled input materials used	97 - 98		√	Principles 8, 9	12.2 8.4 12.5
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	96 - 99		√	Principle 8	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	98		√	Principles 7, 8	
	305-2 Energy indirect (Scope 2) GHG emissions	98		√	Principles 7, 8	
	305-3 Other indirect (Scope 3) GHG emission	98		√	Principles 7, 8	
	305-4 GHG emissions intensity	98		√	Principles 7, 8	
	305-5 Reduction of GHG emissions	98		√	Principles 7, 8	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	100 - 101		√	Principle 7	
	308-2 Negative environmental impacts in the supply chain and actions taken	100 - 101		√	Principle 8	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	62		√	Principles 1, 2, 6	8.8
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	61		√	Principles 1, 2, 3	8.8
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	63; 100		√	Principles 1, 2, 5	8.7 16.2



OTHER NON-MATERIAL TOPICS FOR THE ORGANIZATION THAT WE REPORT FOR GREATER TRANSPARENCY / 2

GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	63		√	Principles 1, 2, 3, 4, 5, 6, 7, 8, 9, 10	8.7
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	55 - 62		√	Principles 1, 2	16.1
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	62		√	Principles 1, 2	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	100 - 101		√	Principles 1, 2	5.2 8.8 16.1
	414-2	Negative social impacts in the supply chain and actions taken	100 - 101		√	Principles 1, 2	5.2 8.8 16.1
GRI 415: Public Policy 2016	415-1	Political contributions	105		√		16.5



FINANCIAL SERVICES SECTOR SUPPLEMENT • GRI G 4

Non-Material Topics							
Aspect	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
Product Portfolio	FS1	Policies with specific environmental and social components applied to business lines	96 - 99		√		
	FS2	Procedures for assessing and screening environmental and social risks in business lines	96 - 99		√		
	FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	34; 100		√		
	FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	81		√		
	FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	35 - 36 ; 73; 100		√		
	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/ large) and by sector	89 - 90		√		
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	84 - 85		√	Principle 1	
	FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	85		√	Principles 7 y 8	
Audit	FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	31		√		
Active Ownership	FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	96 - 99		√	Principles 7 y 8	
	FS11	Percentage of assets subject to positive and negative environmental or social screening	96 - 99		√	Principles 7 y 8	
	FS12	Voting polic(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	29		√		
Community	FS13	Access points in low-populated or economically disadvantaged areas by type	67 - 78		√	Principle 1	
	FS14	Initiatives to improve access to financial services for disadvantaged people	84 - 85		√	Principle 1	
Product and Service	FS15	Policies for the fair design and sale of financial products and services	84 - 85		√		
	FS16	Initiatives to enhance financial literacy by type of beneficiary	69; 72		√		



CORE INDICATORS

Indicator No.	Description	Page
1	Percentage of women and men employed	40
2	Percentage of women and men in senior management positions	41
3	Percentage of women and men on boards	41
4	Ratio of pay for women and men	44 - 46; 62
5	Percentage of new hires – women and men	43
6	Percentage of promotions and career opportunities – women and men	45
7	Retention rate of full-time men and women who took parental leave	54
8	Does the Company have a confidential grievance, resolution, reporting and non-retaliation mechanism and procedure to address and respond to incidents of violence and harassment?	40



INPUT AND SUPPORT MEASURES

Principle	Indicator No.	Issue	Description	Page
LEADERSHIP				
1. Promote gender equality from management to the highest level.	1	Gender Policy and Action Plan	Have a stand-alone policy or commitment integrated into a broader corporate policy addressing support for staff (such as parents and carers), covering all staff in key operating locations.	62 - 64
	2	Due Diligence	Conduct a gender-responsive risk assessment as part of the human rights due diligence process, to identify specific gender-related risks, including gender-based violence and sexual harassment in the workplace, and ensure the personal safety of all employees.	31, 39, 40
WORKPLACE				
3. Ensure the health, safety and well-being of all workers.	3	Flexible working	Offer flexible work options for all staff.	55
	4	Violence and harassment	Have policies and procedures in place to ensure the safety, confidentiality and protection of victims of sexual harassment in the workplace.	39 - 40
	5	Wellbeing	Have a company-wide policy or commitment to respect and support access to quality healthcare, including sexual and reproductive health where relevant, that is reflected in company programs and employee benefits.	51- 55
MARKETPLACE				
5. Carry out business development, supply chain and marketing practices that support women's empowerment.	6	Supply Chain	Have a code of conduct for supplier companies or sales force that explicitly states support for gender equality.	34; 39 - 40; 100
COMMUNITY				
6. Promote equality through community initiatives and advocacy.	7	Social Responsibility	Have a stand-alone policy or commitment integrated into a broader corporate policy, addressing gender mainstreaming in corporate social responsibility activities, philanthropy, public advocacy and partnerships.	34
TRANSPARENCY AND ACCOUNTABILITY				
7. Evaluate and disseminate progress made towards gender inequality.	8	Report	Publicly report Essential Indicators to WEPs.	67 - 68, 76 - 77, 107



COMPLEMENTARY INDICATORS

Principle	Indicator No.	Issue	Description	Page
WORKPLACE				
2. Treat all men and women equally at work, respect and defend human rights and non-discrimination.	1	Training and development	Average hours of training that the organization's staff have taken, broken down by sex and employee level.	48 -50
COMMUNITY				
6. Promoting equality through community initiatives and advocacy.	2	Design and development of gender-sensitive products	There is a commitment as part of a broader corporate policy to integrate gender and inclusion into product design and delivery.	12, 34, 84

ADDITIONAL INDICATORS

Indicator No.	Description	Page
WORKPLACE		
1	Percentage of staff entitled to paid parental leave, by sex	54
2	Return to work rate of staff who took paid parental leave, by sex	54
3	Ratio of work-related injuries among men and women	51 - 54
4	Absenteeism rate, by sex	51 - 54
COMMUNITY		
5	Percentage of direct beneficiaries of community projects and initiatives, by sex	72
6	Percentage of community programmes assessed using gender-related criteria	72



AUDITOR'S REPORT



■ LIMITED ASSURANCE REPORT
ON THE SOCIAL RESPONSIBILITY INDICATORS
INCLUDED IN THE 'CORPORATE RESPONSIBILITY
AND SUSTAINABILITY REPORT 2023'
YEAR ENDED DECEMBER 31, 2023





I. INTRODUCTION

We have been requested to issue a limited assurance report on the Social Responsibility indicators presented in Appendix I '**GRI Content Index**' included in the '**Corporate Responsibility and Sustainability Report 2023**' for the year ended December 31, 2023, prepared in accordance with the content proposed in the Global Reporting Initiative (GRI) Standards and the Financial Services Sector Supplement.

Management's Responsibility

The Management of the Bank is responsible for the preparation, content, and fair presentation of the 'Corporate Responsibility and Sustainability Report 2023' in accordance with the applicable GRI Standards and the Financial Services Sector Supplement, as well as for:

- The information and assertions contained in the report
- Setting the Bank's objectives related to sustainable development outcomes and reporting, and identifying stakeholders and material matters
- Designing, implementing, and maintaining an appropriate internal control environment to ensure that the report is free from material misstatement, whether due to error or fraud
- Keeping proper and sufficient records that support the information produced during the process

Auditors' Responsibility

Our responsibility is to issue a limited assurance report on the sustainability performance indicators presented in Appendix I '**GRI Content Index**' included in the 'Corporate Responsibility and Sustainability Report 2023,' based on the procedures we performed and the evidence obtained.





A limited assurance engagement is substantially less in scope than a reasonable assurance engagement or an audit, and, therefore, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit or a reasonable assurance engagement. Accordingly, we do not express an audit opinion or a conclusion of reasonable assurance on the sustainability performance indicators presented in Appendix I 'GRI Content Index' included in the 'Corporate Responsibility and Sustainability Report 2023.'

II. WORK PERFORMED

The procedures performed were based on our professional judgment and included consultation, observation, and inquiry into the activities undertaken, inspection of documentation, and assessment of the suitability of the analytical procedures and quantification methods applied. This allowed for comprehensive coverage of the following aspects:

- Inquiries of management and the different units of BANESCO BANCO UNIVERSAL, C.A. that took part in the preparation of the 'Corporate Responsibility and Sustainability Report 2023,' and applying analytical procedures and sample testing to evaluate compliance with the GRI Standards.
- Meetings were held with BANESCO BANCO UNIVERSAL, C.A. personnel involved in compiling the information for the 'Corporate Sustainability Report 2023' and developing the indicators subject to our review. These meetings aimed to understand the principles, systems, and management approaches applied, obtain supporting documentation for verification, and evaluate compliance with GRI Standards.
- Audit of the activities undertaken related to stakeholder identification and engagement throughout the year. We also assessed the coverage, relevance, and integrity of the information in the 'Corporate Responsibility and Sustainability Report 2023' against stakeholder expectations, based on our analysis of internal information and available third-party reports.
- Verification that the information presented in the 'Corporate Responsibility and Sustainability Report 2023' is consistent with other relevant information provided by BANESCO BANCO UNIVERSAL, C.A.





- Analysis of the sustainability indicators reported by the Bank and presented as Appendix I of the 'Corporate Responsibility and Sustainability Report 2023,' and verification that these indicators address the topics suggested by the Global Reporting Initiative (GRI) and guarantee the relevance of the information presented in relation to the Bank's position.
- Analysis of the coverage, relevance, and integrity of the information included in the 'Corporate Responsibility and Sustainability Report 2023.'
- Verification, through sampling-based tests, of the calculation of quantitative and qualitative information included in the 'Corporate Responsibility and Sustainability Report 2023' and its proper compilation from data provided by the Bank's information sources.
- Assessment, through the analysis of the internal data provided, of the actions taken by the parties involved over the course of the fiscal year concerning the identification, acquisition of information, and maintained relationships.
- Verification that the sustainability indicators reported by the Bank and included in Appendix I of the 'Corporate Responsibility and Sustainability Report 2023' conform to the GRI Standards and the Financial Services Sector Supplement.





III. CONCLUSION

Based on the evidence obtained, we have concluded that there is sufficient and appropriate audit evidence to support our conclusion of limited assurance. Non-financial information is subject to inherent limitations that differ from financial information given its nature and the methods used to determine, calculate, sample, or estimate values. The relevance, materiality, and accuracy of the data are subject to qualitative interpretations. We have not performed any work outside the agreed scope, and, therefore, our conclusion is limited solely to the sustainability information identified and reviewed.

Our review of Appendix I 'GRI Content Index' included in the 'Corporate Responsibility and Sustainability Report' for the year ended December 31, 2023, has not identified any matters that would lead us to conclude that the information presented is inaccurate or has not been prepared in accordance with the GRI Standards and the Financial Services Sector Supplement, in all material respects.

Sincerely,

The signature of Alfredo J. González J. is written in black ink. To the right of the signature is the logo for Banesco Banco Universal, Vicepresidencia Auditoria, which includes the Banesco logo and the text "BANCO UNIVERSAL" and "Vicepresidencia Auditoria".

Alfredo J. González J.
Internal Auditor



YOUR FEEDBACK ON THIS REPORT WOULD BE GREATLY APPRECIATED. PLEASE SEND YOUR COMMENTS TO GAGUIRRE@BANESCO.COM. THANK YOU!

Name: _____ Physical Address: _____
Email: _____ Phone: _____

You are: ☐ Shareholder ☐ Employee of Banesco Banco Universal ☐ Client ☐ Supplier ☐ Contractor
☐ Representative of the authorities ☐ Other (please specify): _____

1. What is your general impression of this report?

☐ Excellent ☐ Good ☐ Regular ☐ Negative

2. What is your opinion on the organization of the chapters in this report?

☐ Excellent ☐ Good ☐ Regular ☐ Negative

If you wish to, propose the modifications that you deem necessary:

3. What is your opinion about each of the chapters?

☐ Excellent ☐ Good ☐ Regular ☐ Negative

Organization Profile	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Comprehensive Risk Management	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Corporate Governance	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Shareholders	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Human Capital	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Social Partners and Social Initiatives in the Community	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Banesco Corporate Volunteering	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Clients	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Environmental Commitment	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Suppliers	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Commitment to Authorities	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N

If you wish to, propose the modifications that you deem necessary:

4. What do you think about the clarity of the presentation of the information?

☐ Excellent ☐ Good ☐ Regular ☐ Negative

If you wish to, propose the modifications that you deem necessary:

5. What do you think about the clarity of the presentation of charts and graphics?

☐ Excellent ☐ Good ☐ Regular ☐ Negative

If you wish to, propose the modifications that you deem necessary:

6. What is your opinion regarding the Corporate social Responsibility activities carried out by Banesco?

☐ Excellent ☐ Good ☐ Regular ☐ Negative

If you wish to, please explain:

7. Do you think that you are benefited by the fact that Banesco publishes its Responsibility and Corporate Sustainability Report? In what way?

8. What is your opinion regarding the international certifications that these reports have obtained?

☐ Very important ☐ Important ☐ Indifferent

9. Do you consider that Banesco is sufficiently accountable to its stakeholders? Please Explain:

10. Do you consider that it is necessary that these reports be published in paper or would it be sufficient to post a digital version on the internet?



