

Corporate Social Responsibility 2010



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TO OUR CUSTOMERS, WORKERS, STOCKHOLDERS AND SOCIAL PARTNERS

In 2004, Banesco Banco Universal, C.A., published for the first its yearly Corporate Social Responsibility (CSR) report with the purpose of accounting for the commitment we have made with Venezuela. Since 2007, our reports are verified by the Global Reporting Initiative and, both in 2008 and 2009, we were ranked A+ GRI Checked by this organization which manages the system of economic, social and environmental sustainability reports most frequently used in the world. In this occasion, we submit our sixth Corporate Social Responsibility Report, corresponding to the period between January 1 and December 31, 2010.

From the very beginning we have acted based on sound CSR principles which we have been strengthening according to our organizational culture and adjusting to the best practices that have emerged. Our driving force is our commitment to ethics and transparency in all our actions. Thus, here we are once more to report you what we have done, beyond our legal obligations.

Corporate Social Responsibility begins at home. Therefore, we grant benefits to our stockholders and focus a large portion of our efforts on our human capital.

"Your House with Banesco" is one of the programs we have designed to meet the housing needs of our collaborators. In 2010, we granted mortgage credits to 681 workers. This program is complemented with the "Unsecured Loan for Housing", an additional economic support for employees with a seniority over one year in our institution and addressed to employees at the base, professional and technician levels. These loans complement the down payment to buy a house and are paid out with years of service, that is, the beneficiary does not disburse any amount of money whatsoever. This plan allowed 400 of our collaborators to make their dreams come true and buy their own houses in 2010. This initiative has been developed since 2005 and at the end of 2010 we can report 4,472 workers who have enjoyed this benefit with an investment of Bs. 827,198,164.99.

In 2010, we went forward with the planning of a Face to Face Dialogue with our workers, applying the AA 1000 Standard, a procedure standard that guarantees transparency in terms of accountability, evaluations and divulgation of social and ethical aspects related to our managerial performance, in order to know their expectations and perceptions about certain aspects deemed as crucial by our institution.

At the end of this fiscal year, the Organization had allocated Bs. 16,842,065 in non-contractual benefits to its workers.

We are still committed to provide quality products and services to our more than 4 million customers. We continue encouraging migration to the electronic channels for comfort and to favor the environment preservation. In 2010, transactions through our e-channels recorded a relative increase of 4.8% against the previous year, going from 67 million monthly average transactions to 71 million. We closed with 2.3 million of affiliates to BanescOnline, incorporating 348,860 customers to the channel, 17.7% above the previous year.

This year we also launched BanescoMóvil, a solution that allows the customer to review their accounts and credit cards movements, make transfers among their accounts and to third parties in Banesco and to other banks, as well as pay their Banesco and other banks credit cards and CANTV telephone service through their cellular phones and through the Internet.

BanescoMóvil also offers the application specially designed for BlackBerry.

Likewise, we were the pioneers in the Social Networks, opening new communication and attention means for our customers, allies and the general public.

We are the 1st bank in terms of credit granting, both to individuals and corporations. Probably the figure Bs. 27,480 billion does not say much. But if to this high figure we add the fact that it accounts for the total amount of loans granted by Banesco in 2010, and that a big share of it has been addressed to the most varied productive purposes —from a family investment on education for its children to the financing requested by an entrepreneur to develop a new productive project— then it will be evident for all why we read with so much satisfaction the many reports that characterize our Organization as the N° 1 bank in credit granting.

Through our Banesco Community Banking we have bankarized 39% of our customers and granted 23,587 credits, for an accumulated of 73,369 loans at the end of 2010. We brought the services of our Community Banking to Palo Negro, Barquisimeto and other 15 cities where we have a presence and continue offering the Micro-entrepreneurs Training Program.



With Banesco Community Banking our organization added more than 130,000 customers who, although they belong to the low income sector, are saving under the modality “Saving Step by Step”, which is becoming an important multiplier of the saving culture so painfully needed by our culture and our country.

With this energy, with these excellent results in our professional balance sheet, with the will to advance and face the challenges that the real world bring us year by year, we are going to 2011 with a strategy based on three action lines which are common to all the Bank units: keeping our business profitability, maximizing our operational efficiency and optimizing our bonds with the customers through attractive and innovating channels.

In 2011 we will keep our tradition of endeavor for quality. It will be the beginning of new challenges that we will face with that attitude of success that characterizes all the family composing this institution.

JUAN CARLOS ESCOTET RODRÍGUEZ
PRESIDENT OF THE BOARD OF DIRECTORS

■ President of the Board of Directors

Juan Carlos Escotet Rodríguez

■ Main Directors

Nelson Becerra
María Josefina Fernández
Gonzalo Clemente
Olga Marcano de Vaamonde
Miguel Ángel Marcano
Daisy Véliz
Salvador Cores
José Padrón

ORGANIZATION PROFILE

MISSION, VISION AND VALUES

Banesco Banco Universal C.A. is a Venezuelan financial institution entitled to carry out all the operations authorized to Universal Banks by the General Law of Banks and Other Financial Institutions. It abides by all the regulations established for Banking Institutions, as well as those ruling the Capital Market, as it is a public company with its shares quoted in the Venezuelan stock market.

It is currently seated in Caracas city, with its headquarters, Ciudad Banesco, located at Colinas de Bello Monte neighborhood. It is the bank with the highest called-up and underwritten capital in the whole Venezuelan financial market, with Bs. 1,250,000,000. This capital is represented by 100,000,000 common and nominal shares of the same class, non-convertible into transferable shares with a face value of Bs. 10.00 each and 25,000,000 preferred registered shares, non-convertible into transferable shares, with a face value of Bs. 10.00 each, all this in accordance with what is established in Article 5 of the Bank's Social By-Laws.

At 2010 year-end, Banesco Banco Universal C.A. stockholders numbered 41,709: 5,927 common stockholders and 35,782 preferred stockholders.

Banesco Mission

- We are an organization of financial integral services devoted to identify and meet our customers' needs, through

relationships based upon mutual trust, access easiness and service excellence.

- We are the leader in the People and Commerce segments and combine tradition and innovation with the best human talent and cutting-edge technology.
- We are committed to produce the highest profitability for our stockholder and wellbeing for our community.

Banesco Vision 2013

- To double Banesco economic value against 2008 year-end figures, through a cost/income ratio higher than that of our comparison group. To gain and preserve our customers' preference thanks to the quality, easiness and convenience of our services offer.

Bases of our Business Strategy

- Cutting-edge technology
- Innovating products
- Direct marketing
- Market segmentation
- Products packing
- High quality service at our branches
- Permanent and innovating communication



Banesco Values

- INTEGRITY AND REALIABILITY
- INDIVIDUAL SOCIAL RESPONSIBILITY
- INNOVATION AND QUALITY SERVICE
- ENTREPRENEURSHIP
- INTERDEPENDENCY AND LEADERSHIP
- PERSONAL UPDATING AND EXCELLENCE
- DIVERSITY AND ADAPTABILITY

MAIN IMPACTS, RISKS AND OPPORTUNITIES

Banesco Banco Universal, C.A. has focused a part of its strategy on the development of financial services concentrated at the pyramid's base and to do so it has implemented specific integral programs for Community Banking, Payment Means, e-channels, as well as the SMEs segments. Additionally, it has produced programs which are directly related to the development of the core capacity of our Human Capital and Corporate Social Responsibility in order to ensure the business alignment with the sustainability vision.

Banesco Banco Universal, C.A. is aware that to be able to achieve a positive impact on the population, the bankarization process must be sustainable from an economic and financial perspective.

The prices of our financial services and the efficiency of our operations are key elements allowing Banesco Banco Universal, C.A. to keep profitability levels and sustain this initiative over the time, so as the efforts made to increase social inclusion of the most vulnerable sectors are not exclusively dependent on governmental subsidies or direct transfers from the private sector, as these funding sources do not provide training and could be interrupted at any time.

In 2010, we continued to encourage the use of electronic channels (e-channels), automated tellers (ATMs) and mobile phones.

The granting of credit cards and collection of new requirements is also progressively being transferred to more versatile technologies. By doing so, we reduce operational costs and clear customers traffic at our branches in order to offer a better service.

Other actions have been focused on risk management, information safety and business continuity with an integral vision. To do so Banesco counts on an Executive VP of Integral Risk Management which conducts research, prevention adjustments, education and control guidelines for organizational risks. These operations are the best expression of how Banesco has embraced a precautionary stance or principle.

Riesgo Operativo

In order to further the strengthening of the Integral Risk Culture at Banesco Banco Universal, C.A., in 2010 a series of specialized training sessions were given to some business areas and to over 1,600 new employees. These workshops are focused on the development of a preventive management of risk.

Training on Risk

In Banesco Banco Universal, C.A. we keep updated the technical knowledge of our Executive Vice Presidency of Integral Risk Management staff with the international certification "ALARYS International Risk Manager" (AIRM), granted by the Latin American Association of Risk Managers and Insurance (ALARYS for its Spanish acronym), on Risk Management.

In 2010 we offered 19 training programs specialized on operational risk to 160 professionals in this field (see page 28, Chapter "Human Capital").

We continue monitoring the Operational Risk Management, through a follow-up plan and the permanent incorporation of technological tools that allow us to carry out a dynamic control of the management at the corporate level. We do this without neglecting our permanent participation in the Organization's projects, as well as in the procedures that are crucial for our business. This, in turn, ratifies our leadership in the Risk Management segment within the financial sector.

Credit Risk

toward monitoring and follow-up actions of the credit portfolio, through the evaluation of the quantitative and qualitative aspects related to our customers' payment patterns, the review of the documentation in the files and the flows expected from the payment of their operations in order to evaluate the existent risks and keep them within the levels established by the Bank's strategy.

Additionally, all this was consolidated thanks to control and follow-up activities applied to the credit operations through a joint effort between the specialized area of Credit Risk and the business units, in order to do an early identification of eroding factors or delinquency within the credit portfolio.

Likewise, the review and periodical evaluation of the tools to grant credits is still a part of the regular actions carried out by the dynamic management of credit risk, keeping on a systematized format the report lines and institutional information easily flowing toward the Risk Committee and organizational units in charge of executing the actions, according to the decisions made in the framework of the permanent process of risk management.

Market Risk and liquidity

During the year, Banesco continued with the identification,

measurement and follow-up processes of the risks associated to the investment portfolio and the balance structure, keeping our methodologies updated to the information needs of the business areas and corporate bodies involved in the management of those risks and abiding by the best national and international practices.

Losses Prevention and Business Continuity

We are determined to optimize the Management of Losses Prevention and Business Continuity and to do so we have kept faithful to our commitment of furthering the actions and projects addressed to strengthen the safety of all channels, payment means and crucial processes of the Bank, as well as guaranteeing the operational continuity of the business through a preventive approach and a vision focused on quality customer service.

Likewise, the awareness campaigns have continued, both inwards (Prevention and Continuity Sessions 2009) and outwards (campaigns in the media) with the purpose of raising consciousness on topics related to Losses Prevention, specifically the safe use of the different e-channels and payment means.

Consultation with Customers, Workers and the General Public through Satisfaction Surveys and Focus Groups

All the projects developed by Banesco Banco Universal, C.A. start with an important exploration to know and understand the opinion of our stakeholders. To do so the Bank has embarked on actions to develop its strategy, depending on what topics are relevant for them.

11 studies were conducted in 2010 which accounted for a total of 25,426 interviews among the bank's stakeholders, both internal (workers) and external (customers). In 2009, 13 studies were conducted, accounting for a total of 18,633 interviews (see Chapter "Customers", page 63). The Executive VP of Human Capital, in turn, applies on a regular basis a series of surveys to the workers through the Intranet in order to measure their satisfaction with aspects such as toys gifts, sport tournaments, uniforms, cafeteria service and vacation plans, according to the activities carried out each year (see Chapter *Human Capital*, page 34).

On the other hand, the follow-up and monitoring of our services is one of the main points of interest when we consult our customers about satisfaction levels and expectations fulfillment.

Evaluations to improve our products offer and design are also carried out, according to the needs of the different segments. Likewise, we gauge the customers' and general public opinion to value and measure the performance and attributes of our brand.

Customers and bank customers involved in the study of brand equity (Brand Equity) This ensures the representativeness segments

The strategy to make contact with the interest target varies according to the type of public and its understanding of a given topic. We also carry out the following measurements in order to have the required information available to manage the quality of the service:

- The Mysterious Customer in Credit products; attention and fulfillment of the offer by the sales network staff.
- Project "Measurement of the Satisfaction with Attention and Requirements Closing".
- Follow-up and Satisfaction Program for Commercial Customers.
- Auditing of Banesco Phone Banking.

The creation of quality indicators, along with those prepared by other organizational areas, has resulted in the creation of an instrument panel to manage the service. This instrument reflects the availability and efficiency of our attention channels and the public assessment in relation to the use of these services. Likewise, the input produced by the different permanent programs and ad hoc studies complete the decision-making process of the different organizational units.

To understand the public's needs and expectations we carry out activities with focus groups or in-depth interviews. Accounts opening, promotions design or purchase motivators are some of the references of the studies conducted. The results go to feed the follow-up and management of Banesco Banco Universal, C.A. internal and external service, to adjust the offer to the customers' needs and the market, as well as to evaluate the brand performance, both in commercial topics and the Corporate Social Responsibility field.

Likewise, Banesco Banco Universal, C.A. emphasis as a socially responsible company is translated into its brand follow-up, by evaluating the public opinion about the activities performance.

Banking customers and non-customers, as well as the low income sectors, participated in the Brand Equity Study, a survey conducted by layers in order to guarantee that all segments are represented in the sample.

¹ Banesco groups under the label of stakeholders all those individuals or organizations that have a significant impact on the decision-making activities and/or processes carried out by the Organization and at the same time, those who in a certain way can be impacted by the performance of its business units. Therefore, Banesco stakeholders are currently composed of Stockholders, Employees, Customers, Social Partners, Suppliers, Authorities and the Community.

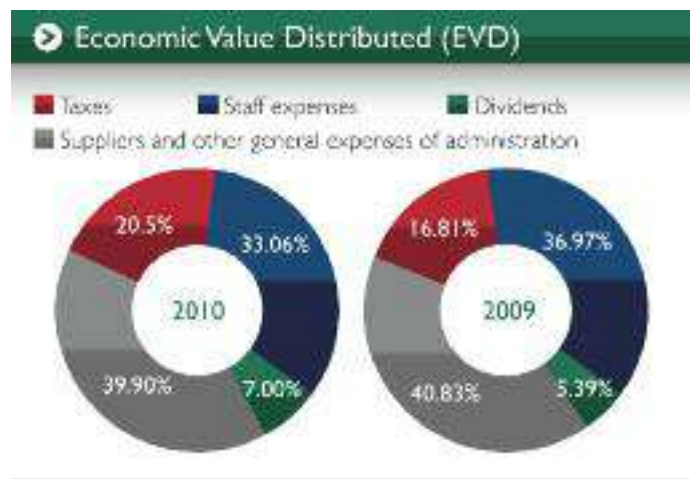
Direct Tangible Value

The Economic Value Generated (EVG) at 2010 year-end closed at Bs. 6,273.08 million, accounting for an increase of 31.73% against Bs. 4,762.00 million the previous year.

In 2010, around 98.92% (Bs. 6,205.23 million) of the EVG staples are composed of de Intermediation Margin and Net Fees. The proportion of these Net Fees grew up for the second year in a row.

In relation to the country's economic activity level along the period, the Economic Value Generated by Banesco Banco Universal, C.A. in 2010 accounted for 0.62% of Venezuela's Gross Domestic Product (GDP), against 0.68% in 2009.

The relative participation of the Direct Tangible Value components at the end of 2010 was as follows: suppliers expenditures accounted for 39.90% of the Economic Value



Distributed, staff expenditures accounted for 33.06%, while taxes accounted for 20.05%. The dividends complement was 7.00%

Creation of Direct Tangible Value: Detail by Stakeholders

Thousands Bs.

Stakeholder	Value Indicator	2010	2009
Stockholders	Dividends (1)	287,404	159,477
Employees	Staff Expenditures (2)	1,358,001	1,093,058
Customers	Interests and Assimilated Charges (3)	1,672,908	2,362,059
Suppliers	Other general charges of administration (4)	1,638,965	1,207,202
Society	Taxes (5)	823,574	496,941
	Resources allocated to support communities (6)	114,541	10,355

(1) Source: Management of Stockholders Unit.

(2) Source: Sudeban, Income Statement for Publication or CONRR Transformation Expenditures (Staff expenditures group 411).

(3) Source: Sudeban, Income Statement for Publication or CONRR Expenses for Deposits Taking (Financial Expenditures for Taking Group 411).

(4) Source: Sudeban, Income Statement for Publication or CONRR Transformation Expenditures (Staple 410 General and Administrative Expenses, except 411 Staff Expenditures, 449-17 Contributions to FOGADE, 449-13 Contributions to the Superintendent of Banks and other Financial Institutions).

(5) Source: CONRR (Banesco Banco Universal, C.A. Financial Statements), Income Taxes (51, R), Municipal Taxes, Value Added Taxes, Sudeban, FOGADE, SSO, SPE, PH, INCE and Loses contributions (Accounts 445-01 Municipal Taxes, 445-99 Other Taxes and contributions 44-21 Employers contributions 449-12 Contribution to FOGADE, 449-13 Contributions to the Superintendent of Banks and Other Financial Institutions, 471 Income Tax and contributions to LOSEP See Balance Sheet Publication).

(6) Source: Sudeban, Income Statement for Publication or CONRR Extraordinary Expenses (Group 450).

Economic Value Generated and Distributed

Thousands Bs.

	2009	2009
Economic Value Generated (EVG)	6,273,082	4,762,000
Intermediation Margin (7)	4,670,362	3,331,456
Net Fees (8)	1,534,872	1,329,515
Other ordinary income (9)	59,737	60,997
Other net profits and losses (10)	8,111	20,032
Economic Value Distributed (EVD)	4,107,944	2,956,679
Dividends (1)	287,404	159,477
Suppliers and other general expenses of administration (4)	1,638,965	1,207,202
Taxes (5)	823,574	496,941
Staff expenses (2)	1,358,001	1,093,058
Economic Value Retained (EVR) (EVR = EVG - EVD)	2,165,138	1,805,321

(7) Source: Sudeban, Income Statement for Publication or CONRR (staple 510 Financial revenues minus 410 Financial Expenditures plus 520 Income from Recovery of Financial Assets minus 420 Expenses for Unrecoverable and Depreciated Financial Assets plus 530 Other Operational Revenues (except 531 Realizable Property Revenues, 537 Special Programs Revenues and 539 Various Operational Revenues) minus 430 Other Operational Expenses (except 431 Realizable Assets Expenses, 435 Depreciation, Amortization and Depreciation of Various Assets, 439 Various Operational Expenses).

(8) Source: Sudeban, Income Statement for Publication or CONRR (staple 539 Other Operational Revenues (Except 531 Realizable Assets revenues, 537 Special Programs Revenues and 539 Various Operational Revenues) minus 430 Other Operational Expenses (except 431 Realizable Assets Expenses, 435 Depreciation, Amortization and Depreciation of Various Assets, 439 Various Operational Expenses).

(9) Source: Sudeban, Income Statement for Publication or CONRR (Account 539 Various Operational Revenues).

(10) Source: Sudeban, Income Statement for Publication or CONRR (Account 133 Realizable Assets Revenues minus 432 Realizable Assets Expenses).



The Economic Value Retained (EVR) amounted to Bs. 2,165.14 million, accounting for an increase of 19.93% against the previous year.

Banesco participation in employment and the Banking System GDP

The total number of Banesco's employees at 2010 year-end was up to 13,963 people: 8,780 (62.88%) women and 5,183 (37.12%) men. Over the year, the payroll rose by 498 posts, equivalent to a 3.70% against 2009 year-end figures.

According to the figures published by SUDEBAN (Venezuela's Superintendent of Banking) for December 2010, Banesco's workers accounted for 18.75% of the banking system employment against the number of workers in the Venezuelan financial system for that date of 74,458 people.

Our plan of economic compensations is based on a policy of performance evaluations. Having in mind the importance of wages to cover basic aspects of our workers and their families, our economic compensation policy establishes a star-up wage which is 25% above the minimum wage yearly established by the central government. During the year a wage raise was granted in January, which surpassed the peer group average of the banking system in terms of effective wage raises.

Indirect and Induced Value Generated

The Indirect Value represents a specific group of income and other actions derived from the indirect employment encouraged by the Bank's activity. Together, these effects operate through different channels, such as: the activities encouraged by the Bank's customers for the products and services provided to them, and the dynamics generated by the suppliers through the operations performed by them in order to materialize the activities that have been requested by their customers. The effects identified above are also extensible to the indirect impacts on the environment as a consequence of the organization performance. Among the indirect effects of the latter group we can mention the following:

- Contribution to the configuration of sound, stable and safe financial systems.
- Contribution to reduce exclusion and to increase the inclusion of low and medium income sectors to the financial system.

Our economic compensation policy establishes a star-up wage which is 25% above the minimum wage yearly established by the central government.

- Encouragement to innovation and technological development, as well as to the use of new payment means.
- Encouragement to macroeconomic stability and growth of activities.

Some of these effects are not subject to quantification (such as the configuration of sound financial systems, or the encouragement to innovation), contrary to the volume of direct suppliers and the amount paid to these suppliers, where we can observe a 12.16% reduction of the quantity of suppliers hired and an increase of 26.81% of the amounts paid to these suppliers between 2009 and 2010 (see Chapter *Our Suppliers*, page 80).

Dialogue with our Stakeholders

In 2010, Banesco Banco Universal, C.A. continued developing its dialogue with internal and external stakeholders. As for the first ones, we implemented a progressive reinforcement of our information means with workers and stockholders and the application of instruments to measure the aspects with an impact on our staff satisfaction (see Chapter *Our Stockholders*, page 63, and *Human Capital*, page 34.)

Regarding the external stakeholders, we continued working on the participative budget with Colinas de Bello Monte community in Caracas, where is located our headquarters, Ciudad Banesco (see Chapter *Social Action in the Community*, page 46).

We also continued measuring the satisfaction of our Social Partners through the activities we have been carrying out with them for several years (see Chapter *Our Social Partners*, page 40).

As for suppliers, beginning this year we will apply a survey that will measure their satisfaction level with the relation they keep with our organization and the application of Human Rights policies (see Chapter *Our Suppliers*, page 82).

FINANCIAL SUMMARY

Financial summary

Million Bs.

Growth

	2010		2009		Growth			
	1st Half	2nd Half	1st Half	2nd Half	II - I Half 2010		II Half 2010 / 2009	
					Absolute	%	Absolute	%
Total assets	42,684	52,087	37,980	43,066	9,403	22.00%	9,021	20.90%
Liquid Assets	11,284	17,345	9,475	11,611	6,061	53.70%	5,734	49.40%
Investments in Securities	5,011	4,782	6,635	5,983	-229	-4.60%	-1,201	-20.10%
Credit Portfolio	24,589	27,654	19,958	22,739	3,066	12.50%	4,915	21.60%
Deposits Taking	37,175	45,832	33,326	37,763	8,657	23.30%	8,069	21.40%
Deposits in Check Accounts	21,947	28,241	17,534	19,913	6,293	28.70%	8,328	41.80%
Deposits in Saving Accounts	6,557	8,445	5,636	6,800	1,888	28.80%	1,645	24.20%
Fixed Deposits	3	11	3,500	21	8	267.10%	-11	-50.50%
Others	8,668	9,136	6,656	11,029	468	5.40%	-1,893	-17.20%
Total Equity	3,809	4,235	3,113	3,598	426	11.20%	637	17.70%
Trusts Assets	6,656	7,180	6,155	6,020	524	7.90%	1,160	19.30%
Housing Mutual Fund	3,879	4,401	2,890	3,376	522	13.50%	1,025	30.40%
Financial Revenues	2,689	2,986	2,561	2,588	297	11.00%	398	15.40%
Financial Expenses	901	794	1,268	1,174	-107	-11.90%	-380	-32.40%
Gross Financial Margin	1,788	2,192	1,293	1,414	404	22.60%	779	55.10%
Financial Intermediation Margin	2,215	2,455	1,559	1,772	240	10.80%	683	38.50%
Transformation expenses	1,603	1,856	1,176	1,312	253	15.80%	544	41.50%
Net Result	403	503	290	322	100	24.80%	181	56.30%
Accumulated Agricultural Portfolio	4,525	5,350	3,373	3,816	824	18.20%	1,534	40.20%
Takings From Official Entities	3,159	3,517	2,805	2,820	358	11.30%	698	24.80%
Micro-credits	1,112	1,375	798	1,004	263	23.60%	371	36.90%
Commercial Credits	6,165	6,237	5,601	6,431	72	1.20%	-194	-3.00%
Consumption Credits	8,242	8,912	6,908	6,950	670	8.10%	1,962	28.20%
Vehicles	822	1,194	590	666	372	45.30%	528	79.20%
Credit Cards	7,420	7,718	6,318	6,283	298	4.00%	1,434	22.80%
Mortgage Loans	3,720	4,123	2,606	3,271	403	10.80%	851	26.00%
Ratios								
Credit Portfolio/Gross Fixed	109.90%	106.20%	106.3%	112.6%				
Portfolio Provision								
Fixed Portfolio/Gross Credit Portfolio	1.50%	1.30%	1.9%	1.9%				
Net Result/Average Asset	1.90%	2.10%	1.6%	1.6%				
Net Result / Average Equity	22.00%	23.60%	19.0%	19.2%				
Broad Liquidity	37.70%	43.20%	42.2%	41.1%				

THE INTERNAL DIMENSION OF OUR SOCIAL RESPONSIBILITY

CORPORATE GOVERNMENT

Main Actions Lines in 2009

- We went forward with the implementation of the new Model of Corporate Government, according to the best national and international practices.
- The new Code of Ethics and Conduct of Banesco Citizens entered into force, as well as its executive body, the Committee of Ethics of Banesco Banco Universal and direct communication channels with the aforementioned committee.
- The Bank implemented new rules about conflict of interests, acceptance of gifts by the staff and relations among the employees.
- The Bank adhered to the United Nations World Compact and adopted all the commitments established by the Ten Principles on Human Rights, Labor Rights, environmental protection and the fight against corruption.

Management Evolution against 2009 and main action lines in 2010

- We adjusted the organizational structure to support the implementation of the new Corporate Business Model (CBM).
- We strengthened the Corporate Government in accordance with the best practices by modifying the Thematic Committees in order to adjust them to the new demands.
- We went deeper into the incorporation of the Ten Principles of the World Compact to Banesco's activities.

Commitments Made for 2011

- Design a diagnosis mechanism to be applied to the different Thematic Committees of the Corporate Government in order to measure their performance.

Our Policy

We seek to strengthen and apply clear policies through the decentralization of the directive power. This, in turn, will create opportunities to identify the managerial talents who will lead the organization into the future. In other words, this approach will create opportunities to grow as professionals at all levels.

Likewise, we seek to develop a corporate capacity along the organization allowing the expansion of our government offer, so as it could satisfy the dimensions and complexities proper to the different business managed by Banesco Banco Universal, C.A. as a group.



Our Management

Banesco keeps a government structure composed of the Stockholders' Meeting, the Board of Directors, the President of the Board of Directors, the Compliance Officer for the Prevention of Capital Legitimation, the Internal Comptroller, as well as the Credit, Risk and Audit Committees. The Audit Committee has been created according to the best practices of Corporate Government recommended by Venezuela's Securities and Exchange Commission.

As a formal structure, Banesco counts on a Human Capital Committee and an Executive VP of Human Capital which, among other things, shall guarantee fair and competitive labor conditions for our employees.

Since 2008, the VP of Corporate Government is in charge of defining and creating the normative base for the constitution and development of the government means (Thematic Committees) composing the New Model of Corporate Government. It is also in charge of the definition of the various instruments aimed to guarantee its operations, as well as the execution of actions fostering learning processes, the development of the corporate culture and discipline among the members of the government committees.

Beginning in January 2010, the organizational structure of the bank was adjusted to the implementation of a new Business Corporate Model (BCM). This initiative allowed the organization to embark on a series of transformations within the bank with the purpose of reorganizing the key functions and processes according to their affinity and identifying synergies that favor our

strategic vision in order to gradually potentiate the economic value of our organization through a highly competitive cost/income ratio that will continue leveraging our customers' preferences thanks to the quality, simplicity and convenience of our service offer.

This organizational change will help us to achieve our strategic goals which, in turn, will allow us to:

- Have an organization simpler, more efficient and adjusted to the surrounding needs.
- Deliver a service of high quality and differentiated by customers segments, an approach that shall guarantee convenience and simplicity for the customer and cost efficiency to the bank.
- Improve quality, opportunity and commitment around business decisions in order to increase the efficiency of the corporate government.
- Win and preserve our customers' preference by increasing quality and improving the simplicity and convenience of our services.
- Improve our management on our customers by going deeper into the best intelligence business practices.
- Encouraging the continuous motivation and high sense of belonging of our human talents.

We also strengthened the structure of our corporate government in 2010 in order to have a more flexible and dynamic organization, reorganizing the way how our Board of Directors uses its time and implement other actions to increase its efficiency.

Stockholders' Meeting

It represents the universality of the stockholders and holds the supreme direction of the company. Its acts and resolutions bind the company and its stockholders. Among other capacities, the Stockholders' Meeting appoints the members of the Board of Directors and fixes their remuneration, as well as the Commissioner and their Substitutes. It also appoints counselors with the right to attend and to speak at the sessions of the Board of Directors; discusses, approves or modifies the Financial Statements. Based on the Commissioners' report, it decides on the dividends decree and payment method, amount, frequency and when they should be paid in accordance with the Law and By-Laws, and also knows and decides on any other matter that should require its presence.

Board of Directors

Banesco Banco Universal's Board of Directors is composed of qualified professionals, with a vast experience in the different fields of the banking business, people of well-known solvency and honorability who guarantee the best performance possible of their duties. Its main objective is the guidance and general management of the businesses and operations of the Bank, including its Corporate Social Responsibility policies.

The Board of Directors is responsible for the definition and strategic direction of the organization; it also approves business principles and policies and regulates the autonomies of the

executive decisions in order to safeguard the stockholders' interest and business continuity. The Board of Directors also controls the different operational and functional areas of the Bank and, at the same time, it evaluates the businesses projections and results of each fiscal year against those from previous years.

Following the decision made by the Stockholders' Meeting on March 30, 2007, the number of members composing the Board of Directors was increased from a minimum of 8 members and a maximum of 11 members to a number of members no less than 9 and no higher than 13.

Banesco already had two independent directors. According to a resolution issued by the National Securities Commission and published in the Official Gazette of February 17, 2005, related to the principles of the Corporate Government, it is understood that the Independent Directors are those members of the Board of Directors who do not hold executive or managerial positions within the institution that appoints them; other society that, directly or indirectly, owns a majority portion of stocks or controls the designating society; any other society directly or indirectly controlled by the society that appoints the Independent Director.

This provision neither considers as Independent Directors those members of the Board of Directors who receive during the corresponding fiscal year from the society that appoints the director, amounts over the equivalent to five thousand Tributary Units, for other reasons different to diets and other payments related to their condition of directors.

This regulation also excludes as Independent Directors those who are control stockholders in companies or partners in civil societies, when such companies or civil societies receive, during the corresponding fiscal year, from the society that is appointing the director, or from any other society directly or indirectly controlled by this society, payments for goods and services in amounts higher than the equivalent to 10% of the annual revenues of the company or society that receives the aforementioned payments.

The procedures to design, re-elect and remove members of the Board of Directors are carried out according to what is established in the Bank's by-laws, which are in accordance with the Trade Code, the Civil Code and other laws and regulations for the banking.

On December 19, 2008 the Superintendent of Banks and Other Financial Institutions (SUDEBAN for its Spanish acronym) issued Resolution No. 340.08 (Official Gazette of the Bolivarian Republic of Venezuela No. 39.110, dated January 30, 2009) related to the Guidelines to evaluate the fulfillment of the requirements of experience, honorability and solvency required to perform a banking activity, among which we can mention:

- **Experiencie:** Knowledge acquired through practice or the exercise of the banking activity and/or activities related to the banking sector in areas such as direction, management, administration and/or control in banks, saving and loans entities and other financial institutions, currency exchange outlets and

border money exchange operators composing or related to the financial system. The practice of the aforementioned functions shall not be less than 2 years.

- **Solvency:** Patrimonial capacity and strength of a natural or legal person to cover, satisfy or meet the obligations committed under the terms they have been hired.
- **Honorability:** The quality of a person to proceed with integrity and rectitude, showing always decency and sound moral values as a rule for his actions and/or the fulfilling of his duties. In the case of stockholders, promoters, directors, administrators and advisors at banks, saving and loans entities and other financial institutions, currency exchange outlets and border money exchange operators, an indicator of honorability will be the good reputation or prestige enjoyed by a natural or legal person within his social entourage or in the background of the activities he shall carry out.

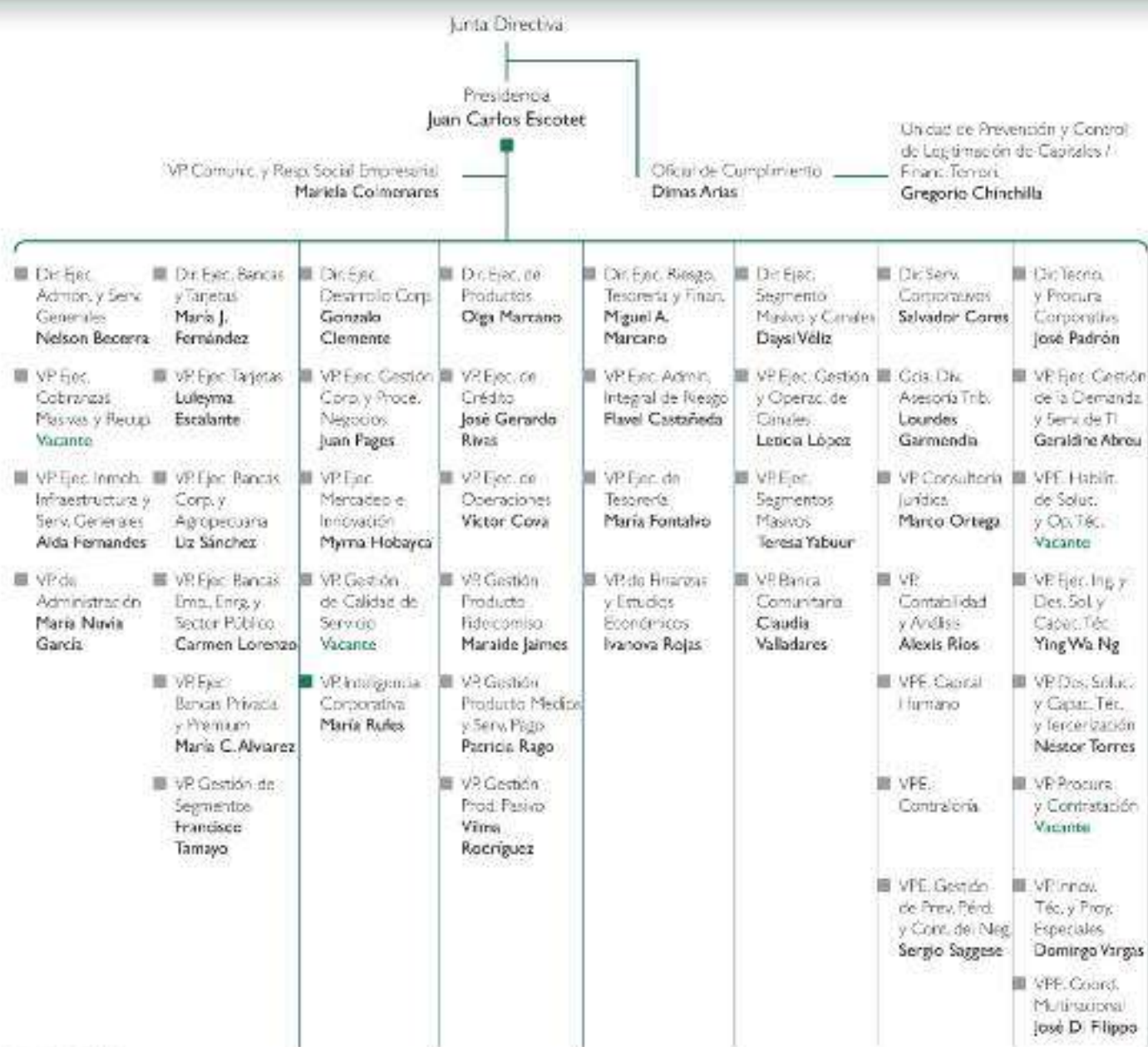
Among the experiences required to be a member of Banesco's highest government body we can mention the following:

- Two (2) years at least performing the tasks of a high position in banks, saving and loans entities and other financial institutions both, private and public.
- Six (6) years at least developing a professional career on independent basis in the field of economic and financial matters or activities associated with the banking system.

PRESIDENT OF THE BOARD OF DIRECTORS

The President of the Board of Directors is subordinated to the Stockholders' Meeting and to the Board of Directors, which deliberations the President presides over.

Banesco Organizational Structure



Additionally, he represents the institution and grants contracts, agreements, deals on its behalf and, in general, all kind of documents of any nature. In summary, the President of the Board of Directors carries out any administrative task entrusted to him by the Board. Along with the Board of Directors he exerts the highest conduction of the Bank's activities and represents the organization before any public or private authority. The President of the Board of Directors does not exert an executive post within the bank. He is responsible for the definition, coordination and management of the strategies, decision-making process, guidelines and resources coordination, through the process of planning, organization, direction and control so as the organization could achieve its goals and objectives.

It is important to mention that for 2011, the Board of Directors has declared as a goal the separation of the stockholders' tasks from the Bank's operations.

SECRETARY OF THE BOARD OF DIRECTORS

The Secretary of the Board of Directors is a lawyer with a long professional career in the banking sector and to the service of this institution. He rules the Management of the Secretary of the Board in charge of keeping an organized record of the minutes. He also cooperates with the gathering, preparation and maintenance of the corporate information required by the Board, the stockholders and regulatory bodies, among others.

In addition, he shall keep an agenda of the Board of Directors' meetings and gather the documentation related to the issues to be discussed during these meetings. As the Secretary, and based on his legal education and experience on the financial matter, he has the right to speak before the Board of Directors' meetings. This contribution, in turn, enhances the legal content of the proposals discussed in these meetings and the decisions finally made.

WORKERS PARTICIPATION

Employees can request through the Secretary the inclusion of a point in the Board of Directors' agenda for them to consider their suggestions before this body, if the topic requires dully consideration. Otherwise, they can request a point in the agenda of any of the aforementioned committees, so as the employee could use them as primary discussion channels and means to leverage institutional support for their topics.

COMPLIANCE OFFICER FOR THE PREVENTION OF CAPITAL LEGITIMATION AND TERRORISM FINANCING

Banesco counts on a Compliance Officer in charge of supervising and controlling the Unit of Prevention and Control of Capital Legitimation at the Bank.

Among other things, he shall preside over the Capital Legitimation Prevention and Control Committee and inform the Board of Directors about the results of its activities and the investment of the resources allocated for training and education of Banesco staff on this matter. He has right to speak before the Risk Committee and reports to the President of the Institution.

INTERNAL COMPTROLLER

Internally, he coordinates the analysis of the different operations carried out by the institution. Along with the Auditing Committee, he informs the Board of Directors about the results produced by the different audits conducted in order to improve the processes and compensate potential shortcomings.

Thematic Committees

In order to guarantee the right application of the corporate policies and a transparent management in the fulfillment of its tasks, Banesco counts of the following committees:

CREDIT COMMITTEES

Always considering the compliance with the different autonomies and delegation of capacities, the Executive Credit Committee, the Metropolitan Credit Committees, the Regional Credit Committees and the individual autonomies have been created. These committees shall consider and approve the different credit requests made by our customers, as well as inform the Board of Directors about the results of their administration. Likewise, they shall enforce the different risk policies adopted by the respective committee.

COMMUNITY BANKING COMMITTEE

Among its specific objectives we can mention: a) Propose and discuss strategies and guidelines to encourage Banesco Community Banking positioning in the low-income sectors in order to develop a massive business and increase the bankarization levels in Venezuela; b) Propose strategies to leverage our business profitability through the sale of Banesco Community Banking products and services and a timely recovery; c) Propose new products and services to expand the service offer for our present and potential customers; d) Create opportunities to exchange ideas and develop debates which favor timely decision-making processes and follow-up; e) Encourage the integration with the organizational vice-presidencies in order to consolidate team-work and support our quality service.

QUALITY SERVICE COMMITTEE

It was created to foster and watch over the fulfillment of the value offer, as well as the service which has been promised to the customer, adjusting them to the customers' needs through the policy, rules and standard follow-up, a permanent improvement of processes, products/services and human capital with a view to encourage a quality service cuslture aligned with the organizational strategic framework and its profitability.

Its strategic priorities are focused on the distribution channels (branches network, electronic banking) and the massive segment.

HUMAN CAPITAL COMMITTEE

Its general objectives are the following: a) It acts as the arbitration body in charge of safeguarding the appropriate management of Banesco staff; b) Evaluates on a permanent basis the demands and

requirements resulting from organizational changes and strategies, as well as they relationships with the Human Capital in order to achieve the alignment between the practices for the management of people and the real needs of the business.

COMMUNICATIONS COMMITTEE

This Committee designs and implements the Corporate Plan of Strategic Communications and watches over its dully fulfillment. The Corporate Plan seeks to guarantee the alignment of the variables involved in communicational processes with the business strategy, makes easier the relationship with the stakeholders and strengthens and improves the organizational identity and performance.

It also defines and coordinates strategies to implant the organizational culture in Banesco's citizens by uniting its values and fostering the organizational philosophy in order to favor the development of changes. It also works to create identification and positioning the mission, vision, values and philosophy of the company through internal communications.

RISK COMMITTEE

Its core capacity is to fix the limits of risk exposure for each activity performed by the Bank, according to its policies, so as it could exist a sound administration of operating, market, legal and business risks, among others, according to the internal legislation and the best international practices.

It also advises the Board of Directors and the different Credit Committees in the decision-making process and establishes the guidelines and policies they should adopt in order to preserve an appropriate risk exposure.

AUDITING COMMITTEE

The main capacity of this committee is to know the financial statements to be considered by the Board of Directors and submit them to the Stockholders' Meeting approval; to support the Board of Director in the implementation of measures aimed to preserve the integrity of the society's financial information, contribute with the supervision and follow-up of the Bank's internal and external audits, as well as to make the recommendations to the Managerial Chart that it deems as necessary. The Independent Directors participate in this committee.

The information provided by the Auditing Committee helps to monitor the identification and management of the organization performance. This committee operates and abides by internal By-Laws.

442 Attention Points were reviewed, that is 100% of Banesco Banco Universal, C.A. branches for that period. The review considered aspects such as operating risk, prevention of capital legitimation and terrorism financing. Likewise, 56 administrative areas were reviewed, accounting for 70% of the Bank's central areas.

ASSETS AND LIABILITIES COMMITTEE

This Committee supports the activities of the Board of Directors and to do so it designs, controls and makes the required decisions in order to perform the organizational financial strategy, including among others: liquidity policies, equity adaptation, rates setting, funding strategy, investment policies and strategies for sound management of assets and liabilities. This Committee is in charge of managing each of the risks associated with the administration of assets and liabilities as identified by the Finance, Treasury and Risk units and business units, among others, as well as watching over the fulfillment of the equity adaptation policies.

TECHNOLOGY COMMITTEE

The general purpose of this committee is to ensure that the technological implantations are aligned with the Organization's strategies and objectives, keeping a global and horizontal vision of the business, making a responsible use of the resources, as well as identifying and managing the risks.

RESPONSIBILITY AND SUSTAINABILITY COMMITTEE

Since November, 2010, the Corporate Social Responsibility Committee changed its name and now it is called Responsibility and Sustainability Committee. This committee is appointed by the Board of Directors and it is the body directly responsible for the implantation and development of a Responsibility and Sustainability policy, with the participation of all the areas of our organization.

ETHICS AND CONDUCT COMMITTEE

Its mission is providing the Bank with a transparent and efficient tool and process to address the reception and resolution of issues related to its Code of Ethics for Banesco Citizens and the Rules on Conflict of Interests.

CODE OF ETHICS AND CONDUCT

For Banesco Banco Universal C.A., the ethical conduct of the organization and its staff is a matter of paramount importance and it is included as a value of our Social Responsibility Policy. For this reason, we has created and implemented a Code of Ethics and Conduct which entered into force in 2009. This Code defines the values that shall guide our behavior and the treatment that should prevail among our staff and with the public, as well as those behaviors deemed as reprehensible. It also establishes that during the duties of all our staff, fairness and objectivity should prevail. It emphasizes aspects such as prevention and control of capital legitimation, secrecy of information, respect for diversity, conflicts of interest resolution and acceptance of gifts by our staff.

The Code is available to the public in our Web site, at www.banesco.com.

In September 2010, Banesco Banco Universal. C.A. Code of Ethics and Conduct was adjusted and approved by the Board of Directors, taking into consideration the guidelines of SUDEBAN for the sector in Resolution N° 119.10, related to the "Rules for the

Administration and Fiscalization of Risks related to Capital Legitimation and Terrorism Financing, applicable to the institutions regulated by the Superintendent of Banks and Other Financial Institutions”.

Application of the Code of Ethics and Conduct

■ **Main Component:** Code of Ethics and Conduct for Banesco Citizens.

■ **Technical Components:** Schema to funnel the claims.

- *Internal Mail:* "ethic committee direct line" and "Juan Carlos Escotet direct line".
- *External contact:* etica@banesco.com and jescotet_etica@banesco.com.
- *Phone Number* (internal contact 501-1818 and external contact 502-1818).

■ **Policies and Procedures:**

- Documentation of Policies, Rules, Functions, etc.
- Education, sensibilization.

■ **Organizational Components:**

- *VP Control of Losses/Management. Div. Administrative Investments:* to manage and coordinate the research, analysis and evaluation on a permanent basis of the claims received through a continuous follow-up in order to guarantee the transparency of actions and results.

The secrecy of the inquiries assigned will be always preserved, handling in a transparent and safe way all the tasks or inquiries conducted, as well as the evidence found and applying the fundamental principle of the VP Control of Losses: *"To safeguard the good name of our employees"*.

■ **Members:**

- *President of the Board of Directors:* Juan Carlos Escotet Rodríguez.
- *Two Directors:* Josefina Fernández y Salvador Cores
- *Executive Vice-President of Comptrolling:* Mari Cruz Campos.

- *Executive Vice-President of Human Capital:* Julimar Flores (entrusted with the secretariat and decisions follow-up).
- *Executive Vice-President for the Management of Losses Prevention and Business Continuity (EVPMLPBC):* Sergio Saggese (secretario alterno).
- *Executive VP for the direct report of the areas involved* (guest /only voice, no vote)..
- *Legal Consultancy Office* (advisor / guest /only voice, no vote).

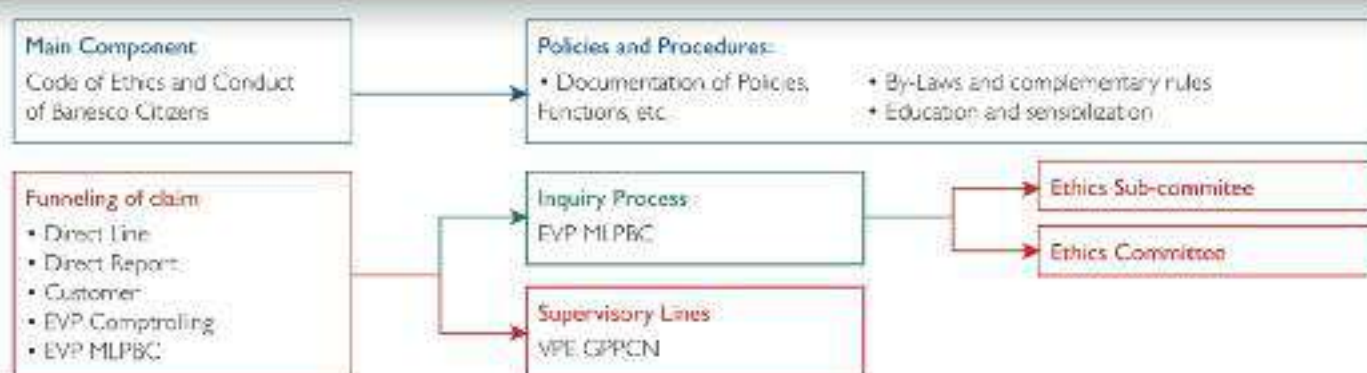
The Ethics Committee will hold monthly meetings. To make decision the committee requires a quorum of no less than two (2) member Directors during the meeting.

It shall be noticed that:

- The supervisory line is in charge of the application of the sanctions agreed upon, with the support of the Managements of Labor Affairs and Administrative and Judiciary Processes.
- If any claim has to be submitted before the Attorney General Office, the claim must be submitted by the affected line, with the support of the VP of Control of Losses and Legal Consulting.

Type	2010 % of Cases Total	2009 % of Cases Total
Rules contravention	3 3.80	192 46.49
Fraud	9 5.55	92 22.28
Patrimonial affectation	3 0.88	35 8.47
Non-fulfilment of procedures	- 0.00	22 5.33
Alleged infidelity	- 0.00	21 5.08
Infidelity	- 0.00	19 4.60
Conflict of interest	- 0.00	18 4.36
Damage to people	2 0.58	6 1.45
Non-Fulfilment of the Code of Ethics	0.00	2 0.48
Others	109 37.87	6 1.45
Questions and Recommendations	33 9.65	- 0.00
Inconformity with service	74 21.64	- 0.00
Labor Inconformity	73 21.35	- 0.00
Other business areas	7 2.05	- 0.00
Extraordinary Income	9 2.63	- 0.00
Total	342	413

How to apply the Code of Ethics and Conduct



Regulation, Unions and Corporate Participation

Banesco Banco Universal, C.A. is one of the organizations regulated by the Superintendent of Banks and Other Financial Institutions (SUDEBAN by its Spanish acronym), as well as by the Fund of Deposit Guarantee and Banking Protection (FOGADE by its Spanish acronym). Banesco attends to meetings previously convened by these regulatory bodies and presents proposals for the implementation of changes. Banesco participates and is also an active member of the following bodies:

- **Central Bank of Venezuela (BCV):** Operations Committee and Cash at a regional level, which establishes the general guidelines allowing the coordination and control of the currency species, at the branches and offices of the financial institutions located in the countryside.
- Banesco also represents before the BCV the Project of Payment Means, Truncating and images and Electronic Compensation Chamber (checks, transfers and direct credits).
- **Venezuelan Banking Association (ABV by its Spanish acronym):**
 - *Swift Executive Committee of the Banking Association:* Banesco is one of its active members and it's an important leader during the sessions of this committee. It presides over the Sub-committee of Standards of this body, where the Bank introduces proposals for the implementation of changes for the national banking community. Likewise, it supports the BCV in the development and implementation of procedures related to the modernization of payment systems in Venezuela, such as SITMES (Standardized Messages System Swift), LBTR (Gross Liquidation in Real Time), among others.
 - *Operations Committee:* Banesco Banco Universal, C.A. acts as Chairman of this committee, which aims to give technical support to the Board of Directors and takes care of the issues related to the by-laws of the Electronic Compensation Chamber. Besides, it is in charge of two sub-committees: Banking Conciliations and Cash Committee.
 - *Payment and Electronic Inter-banking Transfers Committee:* The main purpose of this committee is to enforce the standard processes designed by the banks which compose the Automated System and watch over its good operation. This covers from the reception of the order sent by the customer at the requesting entity to the publication of the payment at the recipient institution, including all those procedures that because of the system and committee scope are included in the inter-banking system.
 - *Taxes Committee:* Banesco Banco Universal, C.A. is an active participant in this committee, which main purpose is to articulate criteria that could emerge in relation to the interpretation of the provisions and binding rules and their impact on the financial sector.
 - *Swift Corporation:* Banesco is an active member of the Cooperative Society in charge of the world financial inter-banks telecommunications.



Banesco is also member of the Federation of Chambers and Associates for Trade and Production in Venezuela (FEDECAMARAS by its Spanish acronym) and is an important part in the franchises and other committees related to its business, such as the Credit Bureau, Suiche 7B, Visa, MasterCard and the National Council for Housing. It also participates in the Cards Chamber.

From the social action perspective, Banesco Banco Universal, C.A. is a member of the Venezuelan-American Chamber of Industry and Trade (VENAMCHAM) with national scope and is also a member of AccountAbility with international scope.

Our Policy on Ethics and Human Rights

Among our values, we underline transparency, respect and integrity. In this sense, we foster equality among our staff and in the treatment with our customers, without distinction as to ethnic origin, social and economic status, civil state, age, physical aspect, disability, political affinity, religious belief (of absence of it), sexual preferences or any other particularity, with respect for their individualities and guarantee of opportunities.

Our business relationships are based on equity, fair transactions and mutual benefit and we apply a selection of suppliers free of discriminations. Therefore, we are strict in our practices to avoid conflicts of interest.

As can be noticed all along this report, Banesco Banco Universal, C.A. includes in all its activities social and environmental concerns, although the organization has not yet defined formal policies to vote on these issues at the instances where the organization has the right to vote or to advise about a vote.

Banesco Banco Universal, C.A. adopted the United Nations Global Compact in 2009, which asks companies from all over the world to embrace, within their sphere of influence, a set of principles in their operations and strategies related to labor, environment, human rights, anti-corruption and transparency.

As an active member of the Global Compact, any organization has to implement changes in its commercial operations in order to turn its "Ten Principles" into an integral part of its culture, strategy and daily performance.

Likewise, the organization shall communicate on an annual basis its achievements related to the implantation of the Ten Principles, through a public corporate report, for example its Corporate Responsibility and Sustainability Report (CRS).

The Ten Principles are based on Statements and Universal Conventions applied to four areas: Human Rights, Environment, Labor Standards and Anti-corruption.

As an active member of the Global Compact, any organization has to implement changes in its commercial operations in order to turn its "Ten principles" into an integral part of its culture, strategy and daily performance with its stakeholders.

Likewise, it is expected that all the member organizations promote among the public the Global Compact and its principles through press notes, forums or lectures. Besides, the organization shall communicate on an annual basis its achievements related to the implantation of the Ten Principles, through a public corporate report.

Banesco Banco Universal, C.A. is including these commitments in its business strategy. In 2010, the organization adopted the following measures:

- The Proposals Request of our most important suppliers will include a clause that binds them to fulfill the Global Compact Principles.
- Application of a survey to our most important suppliers in order to determine which one of the Global Compact Ten Principles they are fulfilling at the moment of the survey.
- Divulcation of the Global Compact Ten Principles through our media.

Integral System for the Prevention and Control of Capital Legitimation

On the matter of Prevention and Control of Capital Legitimation and at the closing of the second half of the year that ended on December 31, 2010, Banesco Banco Universal, C.A. abides by the Resolution N° 119-10, issued by SUDEBAN on March 9, 2010, and published in the Official Gazette N° 38.388 of the Bolivarian Republic of Venezuela, dated March 17, 2010, and reprinted in the Official Gazette N° 39.494 of the Bolivarian Republic of Venezuela, dated August 24, 2010, Resolution N° 427 dated August 13, 2010, which establishes the "Rules Related to the Administration and Fiscalization of the Risks related to Prevention, Control and Fiscalization of the Capital Legitimation Operations and Terrorism Financing by the Superintendent of Banks and Other Financial Institutions".

From the previous up to September 12, 2010, the Bank abided by the Resolution N° 185.01, dated September 12, 2001, published on the Official gazette N° 37.287, dated September 20, 2001, which dictated the "Rules for Prevention, Control and Fiscalization of the Capital Legitimation Operations applicable to the entities regulated by the Superintendent of Banks and Other Financial Institutions, as well as other official documents and communications issued by the Supervisory Body".

Likewise, it abides by the Organic Law Against the Organized Crime, Organic Law against Drugs, published on the Official Gazette N° 39.510, dated September 15, 2010, which abolished the Organic Law against the Illegal Traffic and Consumption of Narcotics. Besides, Financial Institutions are supervised, among other organizations, by SUDEBAN through the Intelligence National Unit (UNIF), the Anti-Drugs National Office (ONA), which is in charge of dictating the providences and other administrative acts necessary to fulfill its obligations. Banesco Banco Universal, C.A., as an Obligated Entity, is taking the necessary steps in order to strengthen its Integral System for Risk Management of Capital Legitimation and Terrorism Financing, and adjusted this system to Resolution N° 119-10, taking into consideration the observations made by the External Auditors and the Regulators through official letters and notices.

In this sense, on September 8, 2010, the Board of Directors approved the documents listed below, which were already kept by the Bank, previously adjusted to the new requirements established by the Regulating Body in Resolution N° 119-10:

- Handbook of Policies and Procedures for Risk Management of Capital Legitimation (CL) and Terrorism Financing (TF).
- Model of Individual Declaration of Knowledge for the personal labeled as New Employees.
- Model of Individual Declaration of Knowledge addressed to the staff/Training Updating.
- Model of Individual Declaration of Knowledge for Directors.
- Model of Designation and Acceptance of Enforcement Employee.
- Model of Institutional Commitment to be individually signed by each Director.
- Code of Ethics.
- Designation of the Members of the Prevention and Control of Capital Legitimation and Terrorism Financing Committee.
- General rules for the Constitution, Organization and Functioning of the Prevention and Control of Capital Legitimation and Terrorism Financing Committee.

The organizational structure of our Risk Management Integral System for Prevention and Control of Capital Legitimation and Terrorism Financing is as follows:

- Board of Directors
- President of the Bank
- Compliance Officer for the Prevention of Capital Legitimation and Terrorism Financing
- Committee for the Prevention and Control of Capital Legitimation and Terrorism Financing
- Unit for the Prevention and Control of Capital Legitimation and Terrorism Financing
- Enforcement Employee

By December 31, 2010, the Board of Directors had appointed 444 Enforcement Employees who, additionally to the duties they normally perform, shall:

- Act as the link with the Compliance Officer and support the tasks of risk prevention, control and management of the CL/TF in each area under their responsibility.
- Apply and supervise the rules, policies and procedures of Prevention and Control of the CL/TF activities in each area under their responsibility.
- Advise and support the staff under their responsibility in relation to the prevention and control procedures and the rules in force for the matter.

Distribution of the Enforcement Employees		
Position	2010	2009
Regional Operational Managers	110	111
Regional Managers	52	64
Financial Service Managers (network of branches)	251	287
Division Managers (located at the different centralized areas)	129	157
Operating Managers (Community Banking)	12	13
Fixed and Variable Rent Chief of Department	0	1
Total EE	444	523

Report on fulfillment of the good corporate government rules.

For Banesco Banco Universal C.A., the fulfillment of the corporate government principles means to carry out our activities according to the following standards:

1. **Efficiency:** pointing to the creation of the highest value at the lowest costs, in the shortest term and achieving the established goals.

2. **Equality:** strict respect to the right of equal treatment to stockholders, workers and suppliers, as well as any person related to our company.

3. **Respect to our stockholders' economic and political rights.**

4. **Transparency, communication and information:** building the strongest truthfulness and credibility with the public through an integral and truthful divulgence of all the information required to get an upright knowledge of the company.

Therefore, in Banesco Banco Universal, C. A., we follow the principle "one share, one vote". This is our way to recognize the proportionality that should be guaranteed between the share percentage in equity and the corresponding right to participate in the institutional will, always through a well-documented exercise of our stockholders' political rights. Along these guidelines, Banesco Banco Universal, C.A. counts on a Stockholders' Unit which priority is to serve the stockholder. This unit guarantees the timely, whole and truthful flow of the corporate information from those who manage the company to the stockholders. Likewise, it acts as a channel so as the investor could expose any concern about his investment, gather relevant corporate information and receive the reports to be submitted before the Stockholders' Meeting. The Stockholders' Unit is ascribed to the Bank's Legal Consultancy.

In the exercise of the good corporate government practices, Banesco Banco Universal, C.A. Board of Directors has taken the required steps to keep the standards of transparency and truthfulness needed to create an efficient and sound environment in the Venezuelan securities market. Along these lines, the Bank incorporated two Independent Directors qualified according to the principles established by the National Securities Commission.

The Auditing Committee includes these independent directors and holds regular meetings — at least quarterly — in order to meet the provisions of its Operations Regulations.

Likewise, Banesco Banco Universal, C. A., is determined to adopt the best international practices on the matter of Corporate Government and to do so it created the VP of Corporate Government in 2008. This VP evaluates and encourages the creation of new government mechanisms through the Directive and Executive Thematic Committees, which support the management of the Board of Directors and its Executive Direction for the benefit and protection of its stockholders, customers and employees' interests.

The Directive Thematic Committees control and make a permanent follow-up of the internal and external rules and produce policies, plans and strategies to be submitted before the Board of Directors. Likewise, it creates action lines to administrate managerial incentives and discipline.

OUR STOCKHOLDERS

Main Action Lines in 2009

- Design and implantation of an informatics system to speed up the procedures corresponding to our stockholders. The system entered into fully operation in 2010.
- Modification of our stocks' face value, according to the stock market.

Management Evolution against 2009 and Main Action Lines in 2010

- Development of a project to automate and spread the word about the existence and functions of the Stockholders' Unit Management.

Commitments Made for 2011

- Evaluation of proposals from our suppliers in order to determine the service to be implanted with a view to provide a timely service to Banesco Banco Universal, C.A, stockholders.

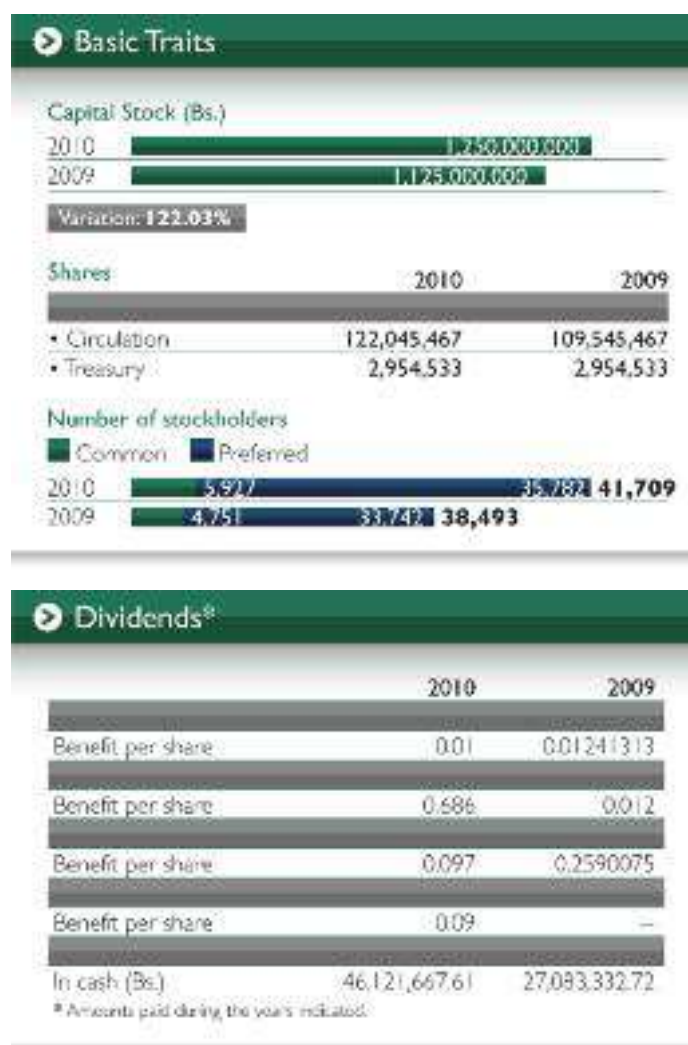
Our Policy

We ratify our will of managing our business under a plural and participative approach. We firmly believe in the exchange of ideas and thoughts, thus we involve our stockholders in our daily routine. We count on a wide base of individuals who enjoy the benefits of a high profitability and solvency.

We respect the rights of the minority stockholders regarding the decree of dividends payment. We keep a transparent relationship with them through the Stockholders' Meeting and the Stockholders' Unit Management. We count on a wide base of individuals who enjoy the benefits of a high profitability and solvency.

Our main objective is to return to our stockholders the trust they have placed in Banesco Banco Universal, C.A. through a suitable profitability of their capital, with solvency, a transparent corporate government and a careful risk management. The capital retribution policy seeks a balance between the payment of dividends and capitalization levels good enough to face the challenges, opportunities and difficulties ahead.

Each year we celebrate two Ordinary General Assemblies. In 2010 these meetings were held on March 24 and September 20.



Stockholders' Unit Management

This Management, with the mission of providing our stockholders with a fast and transparent service, was created in 2008 in order to offer an improved service to our users. Here they can get all the required information about their investments: states of account of their dividends (historic registry), claims, external auditing certifications, stocks transfer in case of death or divorce, guarantee, reports delivery at request and everything related to their stocks.



Preferred Stocks

At the end of 2010, Banesco had 41,709 stockholders: 35,782 were the owners of common stocks, while 5,927 owned preferred stocks.

In 2008, the Board of Directors made the decision of granting preferred shares as a gift to Banesco's employees at the base, professional and technical levels who were active employees as of May 1, 2008. This gift was granted as an acknowledgement for their work and commitment to the Organization. A total of 8,811 employees, accounting for 65% of Banesco's staff for that date, were the beneficiaries. In August 2008, Banesco began to pay the corresponding dividends and it has continued doing so as follows:

February 2009	Bs. 45,745.50
May 2009	Bs. 43,882.00
August 2009	Bs. 39,862.85
November 2009	Bs. 39,862.85
February 2010	Bs. 39,862.85
May 2010	Bs. 39,556.86
August 2010	Bs. 38,141.65
November 2010	Bs. 38,141.65

Dialogue with our Stockholders

A flow of transparent information for our stockholders is one of the principles we have adopted as one of our policies. To do so we count on the following communication channels:

- Stockholders' Unit Management
- Six-monthly reports
- Corporate Social Responsibility Report
- Corporate Web site, www.banesco.com
- *TiempoBanesco*, monthly publications prepared by our Organization.
- CableBanesco (a CCTV)
- Branches network.



OUR HUMAN CAPITAL

Main Action Lines in 2009

- A new Code of Ethics and Conduct for Banesco's Citizens was implanted, as well as mechanisms for its divulgation through all our internal communication channels.
- 764 workers from different areas of our organization were trained on the matter of Human Rights.
- Continuation of Banesco technological updating activities addressed to our Human Capital Systems, through the implementation of the second stage of the SAP-HCM module.
- Culmination of the implantation process of Banesco Banco Universal, C.A. Organizational Model of Competences.
- Strengthening of the competences associated with the Organizational Leadership, through the development of training programs.
- Expansion of instruments to measure the satisfaction level of our internal customer in relation to the services and products offered by the Executive VP of Human Capital.
- Creation of new economic and non-economic compensation strategies in order to support our employees' quality of life.
- Configuration of a map with the critic talents of our organization in order to consolidate career and succession plans.
- Expansion of the Food Coupons benefit, above the levels established by law.
- Implantation of the segmented payment of annual profits in July and November.
- The Medical Management was ascribed to the VP of Protection and its activities were synchronized with the Industrial Security area in order to safeguard the integral health of our workers and guarantee the fulfillment of regulations on the matter.

Evolution of the Management against 2009 and Main Action Lines in 2010

- The SAP HCM Phase II project was fully implanted.
- We enhanced training on regulatory matters, by holding activities related to Prevention of Capital Legitimation and Terrorism Financing and encouraged Health and Industrial Security topics within the organization.
- The new Model of Human Capital Attention was fully implanted



in order to reorganize functions proper to this area and bring them closer to our internal clients.

- The Model of Competences from a 360° perspective was strongly promoted with a view to its massive adoption.
- We designed career routes based on individual profiles: knowledge, competences, potential and interests and to design replacement and succession plans for key and crucial positions.
- Banesco's key-crucial positions were identified in order to undertake differentiating actions of development, retention and succession.
- Retention plans were designed, all of them aligned with the best market practices.
- The organization evaluated new economic and non-economic compensation strategies in order to improve our employees' quality of life.
- We launched the process for the implantation of the AA 1000 Standard with our workers.

Commitments made for 2011

- Massive adoption of the Model of Competences at all Banesco Banco Universal, C.A. levels.
- Strengthening of the training programs addressed to our employees through the segmentation and specialization of the learning areas.
- Application of the AA 1000 Standard to our workers through the Face to Face Dialogue.

► Distribution per age rank and gender

Age Rank	2010			2009			Variation %		
	F	M	Total	F	M	Total	F	M	Total
15-17*	122	72	194	20	14	34	510.00	414.29	470.59
18-25	1,755	1,007	2,762	1,866	1,076	2,940	(5.85)	(6.41)	(6.05)
26-30	2,573	1,335	3,908	2,461	1,362	3,823	4.55	(1.98)	2.22
31-35	1,799	962	2,766	1,635	909	2,544	10.03	5.83	8.53
36-40	1,189	736	1,925	1,140	757	1,897	4.30	(2.77)	1.48
41-45	670	536	1,206	628	533	1,161	6.69	0.56	3.88
46-50	391	341	732	344	302	646	13.66	12.91	13.31
51-55	174	125	299	159	110	269	9.43	13.64	11.15
56-60	75	50	125	62	44	106	20.97	13.64	17.92
61-65	25	14	39	17	16	33	47.06	(13.50)	18.18
66-70	4	5	9	4	5	9	0.00	0.00	0.00
71-75	2	0	2	1	1	2	100.00	(100.00)	0.00
>75	1	0	1	1	0	1	0.00	100.00	0.00
Total	8,780	5,183	13,963	8,336	5,129	13,465	5.33	1.05	3.70

*The group of workers in this age rank corresponds to INCEB apprentices.

- Designation of a Multinational Director for the Human Capital area in order to potentiate the leadership of this unit and its relations with the workers.
- Creation of an Extreme Contingency Fund to cover those health emergencies that requires expensive treatments, those that are not covered by the basic health policy.

Our Policy

We encourage quality and fairness and the mutual satisfaction with our workers, creating in the process a harmonious environment in the workplace and a better quality of life for all our employees.

We manage our Human Capital based on our corporate values and taking as a base the key competences that shall practice all the members of our institution. Individual and Social Responsibility are fundamental parts of these two aspects.

In this sense, the policy on the matter of Human Capital favors significant levels of development, competitive remuneration, individual and team motivation to achievement, as well as the protection and well-being for our workforce, with the firm belief that our workers are the fundamental axis of the Bank.

Our Management

In 2010, we made efforts to protect our employees' payroll, in spite of the world economic crisis, guaranteeing the stability and safety of our collaborators. Additionally, we filled the vacancies, but avoiding the expansion of our payroll. At the closing day of the 2010 fiscal year, Banesco's payroll was composed of 13,969 employees, 3.74% below the previous year figure.

The distribution of employees per position and age group shows that we are a young and dynamic institution, with an average age among our employees of 32 years, but without any discrimination based on age. In 2010, 89.97% of our Human Capital, that is 12,568 employees, were people aged between 18 and 45 years.

Banesco Banco Universal, C.A. intention is to be a solid and discrimination-free employment source and as a proof of this assertion, 86.08% of our workers are fixed employees. 62.54% of them are women and the personnel filling the base positions accounts for 41.49% of the total payroll.

► Distribution per age and position category

Level / Age Group	2010						2009					
	15 - 17*	18 - 30	31 - 40	41 - 50	> 50	Total	15 - 17*	18 - 30	31 - 40	41 - 50	> 50	Total
Base	194	3,833	1,199	431	139	5,796	34	3,740	1,079	444	123	5,420
Professional and Technicians	0	2,614	2,165	553	112	5,444	0	2,744	2,013	479	90	5,326
Supervisory	0	191	850	469	78	1,588	0	230	866	420	63	1,579
Managerial	0	38	461	421	124	1,044	0	48	471	404	119	1,042
Vice-Presidents	0	0	11	57	19	87	0	0	13	54	23	90
Directors	0	0	0	7	2	9	0	0	0	5	2	7
President	0	0	0	0	1	1	0	0	0	1	0	1
Total	194	6,676	4,686	1,938	475	13,969	34	6,762	4,442	1,807	420	13,465

*The group of workers in this age rank corresponds to INCEB apprentices.

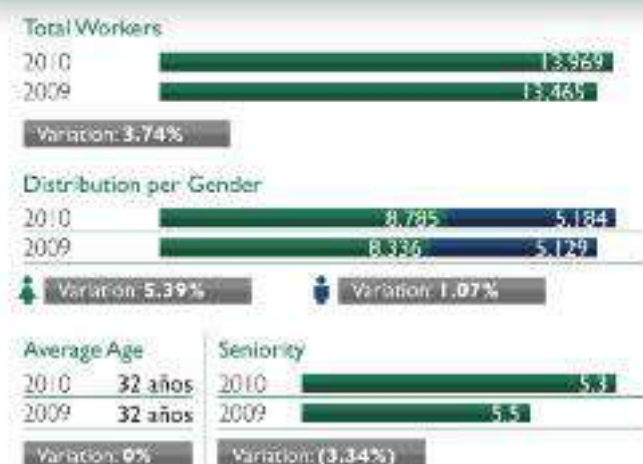
► Distribution per gender and position category

Level / Age Group	2010			2009			Variation (%)		
	F	M	Total	F	M	Total	F	M	Total
Base	3,487	2,309	5,796	3,161	2,259	5,420	10.31	2.21	6.94
Professional and Technicians	3,746	1,698	5,444	3,644	1,682	5,326	2.80	0.95	2.22
Supervisory	853	735	1,588	830	749	1,579	2.77	(1.87)	0.57
Managerial	648	396	1,044	650	392	1,042	(0.31)	1.02	0.19
Vice-Presidents	48	39	87	50	40	90	(4.00)	(7.50)	(3.33)
Directors	3	6	9	1	6	7	200.00	0.00	28.57
President	0	1	1	0	1	1	0.00	0.00	0.00
Total	8,785	5,184	13,969	8,336	5,129	13,465	5.39	1.07	3.74

► Distribution per type of contractual relation and gender

Level	2010		2009	Variation (%)
	F	M		
Apprentices	410	206	306	33.99
Under contract	854	474	54	1,481.48
Fixed employees	7,521	4,504	7,976	(5.70)
Total	8,785	5,184	8,336	5.39
General Total	13,969		13,465	3.74

► Main Indicator



► Vice-Presidents of the Network

Level	2010		2009	
	Workers	% of Total	Workers	% of Total
Capital City	5	100.00	5	100.00
Middle-The Plains	1	100.00	1	100.00
Western-Andean	1	100.00	1	100.00
Eastern-South	1	100.00	0	--
Zulia-Falcón Region	1	100.00	1	100.00
Total	9	100.00	8	100.00

to become fixed employees in a year. The high turnover of this segment explains the reduction.

The Executive Vice-Presidency of Human Capital has a presence at the main Venezuelan cities, with a team of integral advisors, expert people in Human Capital management.

The hiring process in the countryside is carried out following the same rules and procedures applied in the Capital City, through the evaluation of the candidates and their profiles, which shall be in accordance with the organizational requirements.

In the countryside, the vice-presidents in charge of the Sales Network are native of each one of these regions. This favors a better understanding of the economic dynamics of each region and its customers.

National Distribution

Banesco has carried out a territorial division based on its business strategy. As a result, Banesco is an important employment source at the different regions of the country. 86.06% of our payroll is composed of fixed employees.

This percentage recorded an important reduction in comparison to 2009, as during this period the Bank hired base staff with a view

► National Distribution

Level	2010		2009	Variation (%)
	Workers	% of total		
Capital City	8,364	59.88	8,289	61.56
Middle-The Plains	1,686	12.07	1,598	11.87
Western-Andean	1,410	10.09	1,275	9.47
Eastern-South	1,390	9.95	1,253	9.31
Zulia-Falcón Region	1,119	8.01	1,050	7.80
Total	13,969		13,465	504

In the regions, the hiring process of the executives ascribed to the sales area helps to support the local communities while, at the same time, allows a better understanding of the regional situation based on particularities of each region.

Hires and Separations Patterns

The Turnover Index is a function of the percent index between hires and separations in relation to the number of employees in the area and over a given period of time. From 2009 to 2010, the index went from 13.87% to 14.90%, showing that the labor stability of our Human Capital has been preserved against the figures of the previous year.

BanESCO Banco Universal, C.A. Collective Bargain does not establish a minimum previous notice in relation to organizational

Staff Turnover Index (1)			
Concept	2010	2009	
Hires (*)	2,331	1,827	
Separations	1,832	1,907	
Population	13,969	13,465	
Staff turnover index	14.90%	13.87%	

(1) The Staff Turnover Index is calculated with the following formula: $[(\text{Hires} + \text{Separations}) / 2] / \text{Population at year end} \times 100$. This year we did not include the data about workers under contract as we consider it is not relevant for the purposes of this index.

(*) Workers promoted or fixed employees and contracts renewed not included.

changes. The Bank abides by the regulations established in the Organic Law of Labor and the LOPCYMAT.

Staff Turnover Index per Region 2010			
	Popul.	Hir + Sep	Staff Turnover Index
BanESCO Banco Universal			
Middle-The Plains	1,686	585	17.35
Metropolitan Region	8,364	2,143	14.60
Western-Andean	1,410	416	14.75
Zulia – Falcón Region	1,119	313	13.99
Eastern-South	1,390	406	14.60
Total	13,969	4,163	14.90

Staff Turnover Index per Region 2009			
	Popul.	Hir + Sep	Staff Turnover Index
BanESCO Banco Universal			
Middle-The Plains	1,598	452	14.14
Metropolitan Region	8,289	2,375	14.33
Western-Andean	1,275	385	15.40
Zulia – Falcón Region	1,050	244	11.62
Eastern-South	1,253	278	11.09
Total	13,465	3,734	13.87

Staff Turnover Index per region, age and gender 2010											
	<18		18-30		31-40		41-50		>50		
BanESCO Banco Universal											
Middle-The Plains	71.43%	133.33%	22.86%	32.83%	9.40%	11.80%	4.39%	4.46%	-	6.82%	
Metropolitan Region	71.08%	62.71%	23.87%	28.20%	7.60%	9.92%	4.63%	5.25%	5.36%	8.41%	
Western-Andean	325.00%	-	22.68%	19.68%	10.60%	7.46%	2.60%	6.33%	5.56%	5.26%	
Zulia – Falcón Region	106.25%	200.00%	23.46%	25.90%	8.10%	9.80%	3.33%	3.13%	5.56%	8.70%	
Eastern-South	64.29%	88.89%	23.88%	23.24%	8.31%	12.34%	4.30%	4.09%	2.08%	11.76%	

Staff Turnover Index per region, age and gender 2009											
	<18		18-30		31-40		41-50		>50		
BanESCO Banco Universal											
Middle-The Plains	25.00%	25.00%	16.23%	27.49%	4.47%	15.49%	3.06%	5.08%	6.67%	2.78%	
Región Metropolitana	19.23%	41.67%	18.99%	21.97%	8.63%	10.92%	4.34%	6.66%	2.66%	10.00%	
Western-Andean	-	-	17.83%	23.08%	10.28%	11.54%	3.52%	10.00%	16.67%	4.17%	
Zulia – Falcón Region	-	150.00%	18.29%	21.35%	6.44%	7.00%	2.55%	5.84%	1.52%	4.55%	
Eastern-South	40.00%	50.00%	17.26%	17.33%	9.47%	7.85%	3.39%	2.97%	-	-	

Staff Turnover Index per region and gender 2010					
Regions	Population		Hir + Sep		Staff Turnover Index
Middle-The Plains	1,115	571	240	212	10.76% 18.56%
Metropolitan Reg	5,259	3,105	1,394	981	13.25% 15.8%
Western-Andean	789	621	182	203	11.53% 16.34%
Zulia – Falcón Reg	696	423	130	114	9.34% 13.48%
Eastern-South	926	464	192	86	10.37% 9.27%
Total	8,785	5,184	2,138	1,596	12.17% 15.39%

Staff Turnover Index per region and gender 2009					
Regions	Population		Hir + Sep		Staff Turnover Index
Middle-The Plains	1,086	512	240	212	11.05% 20.70%
Metropolitan Reg	5,141	3,148	1,394	981	13.56% 15.58%
Western-Andean	673	602	182	203	13.52% 16.86%
Zulia – Falcón Reg	621	429	130	114	10.47% 13.29%
Eastern-South	815	438	192	86	11.78% 9.82%
Total	8,336	5,129	2,138	1,596	12.82% 15.56%

Performance Evaluations

In order to cover the Performance Evaluation cycle 2010, the following activities were carried out:

- In 2010 our professional employees were submitted to performance evaluations by individual goals, which complemented the evaluation by factors carried out on a yearly basis. By 2011 it is expected the inclusion of the professional employees segment of the Branches Network, as well as the whole population of base positions, into the evaluation by individual goals, with which the whole population will count on quantitative and qualitative performance measurement.
- Implementation of Performance Evaluation in the SAP (Employees' Self-Service portal). This allowed the unification of the different evaluation platforms and to simplify the processes for employees and supervisors. The new platform also provides the employees with an optional tool so as they could make a self-evaluation of results and performance over the year.
- The total of employees with performance evaluations was of 12,211 people, accounting for 87.41% of the active workers in December. The remaining percentage corresponds to those workers who joined the Bank after the deadline established to conduct the process. Thus, they were not submitted to evaluation for this period.

Jobs Promotion

We believe in our employees' talents. Thus, our promotion policy provide our employees with the possibility of growing internally towards positions of more and more responsibility. In 2010 we promoted 617 workers as the primary source to fill vacancies.

Remuneration Policy

Having in mind the importance of a fair remuneration and wage for our employees and their families, our economic compensation policy establishes a start-up wage which is 25% above the minimum wage fixed by the Executive Government on an annual basis. In 2010 we granted a wage raise higher than the peer group average wage in the banking system, in terms of effective raises.

The total of employees with performance evaluations was of 12,211 people, accounting for 87.41% of the active workers in December.

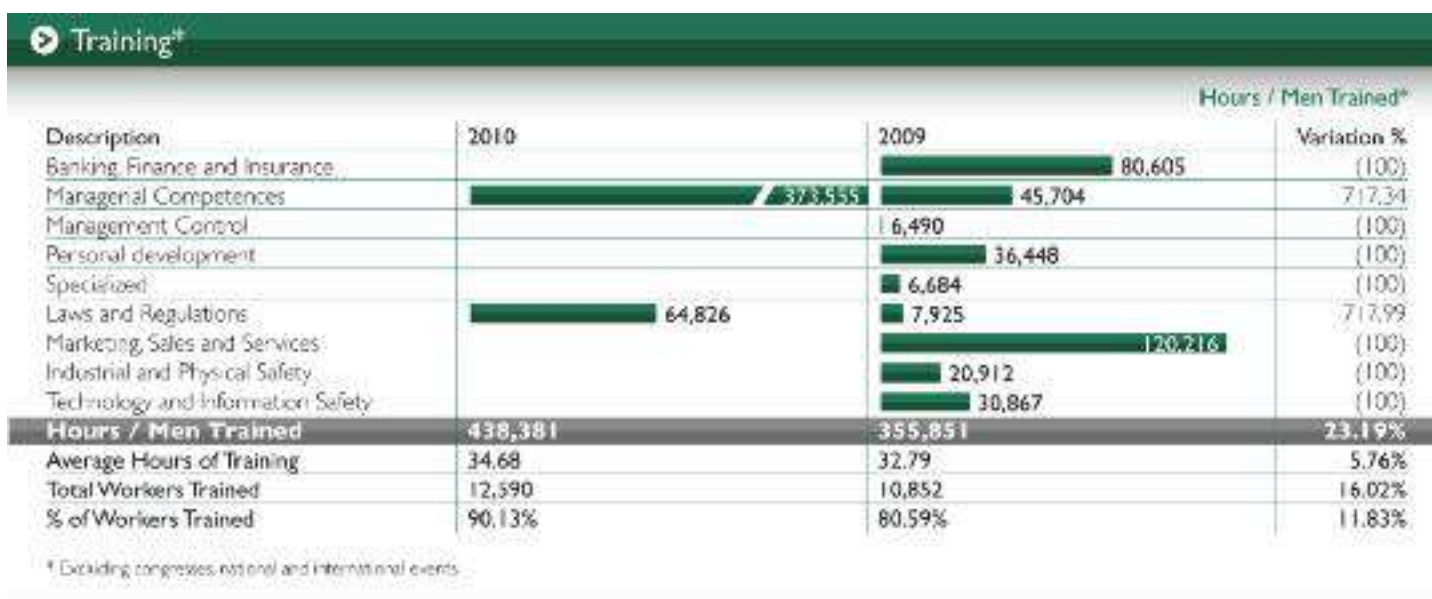


Workers with Disabilities

From the very beginning, Banesco has been deeply committed to the creation of jobs for people with disabilities able to participate in the labor market when they are previously prepared and trained by specialized associations on this matter. We have provided these people with the possibility of dealing with flexible and dynamic activities. No doubt, their development has turned them into productive persons and their effort and perseverance have become an example to be followed within and outside the Bank.



Jobs Promotions					
2010			2009		
Direction			Direction		
President Board of Directors	13		President Board of Directors	--	
Exe. Dir. Administration and Cral. Services	16		Dir. Analysis, Control and Operations	89	
Exe. Dir. Banking and Cards	71		Dir. Credit, TDC, Channels and Services	68	
Exe. Dir. Corp. Development and Cred	52		Dir. Strategic Manag, Risk and Finance	15	
Exe. Dir. Products	41		Dir. Real Estates, Infrastruct. and Insurance	12	
Exe. Dir. Risk, Treasury and Finance	18		Dir. Technology and Processes	35	
Exe. Dir. Massive Segments and Channels	376		Dir. Sales	470	
Exe. Dir. Corporate Services	17		--		
Exe. Dir. Technology and Corporate Proc.	31		--		
Total Promotions	617		Total Promotions	689	



Training

We are committed to the professional growth and development of our human talents. Thus, we provide them with the necessary training that pushes them towards the achievement of the required competences.

SAP-HCM Phase II

The materialization of this project is reflected on the "Employee Self-Service Portal", available in our Intranet to all our collaborators since October 2010. This new tool fosters the employee self-management, as it produces requests online and immediate answers, without the physical presentation of documentation or visits to the Human Capital offices.

This tool was designed by the Exe. Vice-Presidency of Human Capital under a platform wholly automated and standardized according to our parameters. It's a user-friendly tool that makes easier the navigation through the portal; it's also ecological as it reduces the high rate of paper consumption due to the printing of documents, forms and requirements usually required in hard-copy to request services and benefits related to our human capital.

Workshops and Training on Operating Risk

One of the objectives of the VP of Operating Risk is to strengthen our employees' knowledge about the implantation of the Operating Risk Methodology, as well as their awareness about the need of implementing and optimizing the processes designed to guarantee minimum risk, business continuity and the provision of financial services to our customers.

In 2010, a total of 60 training workshops were given nationwide to 1,661 participants. 29 of these workshops were carried out in the Capital City (*Ciudad Banesco*) with 1,061 participants, while the remaining 30 were held in the rest of the



country, with 600 participants, specifically at the cities of Barinas, Barquisimeto, Coro, Maracaibo, Maracay, Maturín, Mérida, Porlamar, Puerto La Cruz, Puerto Ordaz, San Cristóbal and Valencia.

► Training on Prevention and Control of Capital Legitimation

	Number of workers			Amount Bs.		
	2010	2009	Variation %	2010	2009	Variation %
New employees	1,047	1,583	(33.86)	*	5,694.60	(100)
Active Staff	8,266	3,177	160.18	247,475.17	298,362.43	(14.77)
Total	9,313	4,760	95.65	*	296,057.03	(100)

* The costs of training new hires were charged to different cost centers because of changes to our structure in 2010, why can not discriminate for this period in 2010 - the area will be taking charge related to costs.

► Budget for Training of Operating Risk Delegates

Objective 2010

To increase the penetration level of the Risk Culture in order to guarantee the effectiveness of risk management in our business key areas.

Objective 2009

To increase the maturity level about risk culture.

Planned Bs.

2010 31,491.59

2009 48,184.00

Variation: (34.64)%

Executed Bs.

2010 30,891.49

2009 42,066.00

Variation: (26.56)%

These workshops allow us to guarantee that, at the very moment they join the Bank, our new employees count on a general knowledge about the operational risks and the functions associated with the area in charge of providing advice about how to manage businesses

We also offer a yearly training program on the matter of Prevention and Control of Capital Legitimation, which involves all Banesco Banco Universal, C.A. employees.

Workshops on Human Rights

In 2010, we continued with the development of lectures and workshops on the matter of Human Rights. This initiative, launched in 2009, seeks to reinforce the knowledge on the matter of citizenship and fair treatment to the most vulnerable people.

Two training strategies are applied to this area:

During 2010, a total of 60 training workshops were given to 1,661 participants. 29 of these workshops were held in the Capital City (Ciudad Banesco).

- Workshop addressed to the staff ascribed to the Security area of the Executive VP of Protection. This workshop was given by Provea, a non-profit ONG devoted to the study and divulgation of Knowledge on Human Rights. 43 auxiliary security agents were trained in 2010 on this matter.
- Workshop to raise awareness among the staff ascribed to the Executive VP of Massive Segments about Resolution 209-08 issued by SUDEBAN. In 2010, the total amount of people trained rose to 1,211, accounting for an increase of 58.51% against 2009.

Development of Competences

In order to develop and enhance competences, in 2010 the following activities were carried out:

- 3 Cinema-Forums
- Training of 4,160 employees to strengthen specifically the key competences for 2010 development plans.
- Publication of the Individual Development Plan. This tool available in our Intranet allows employees to design their self-development plan.
- First steps for configuration of the required tools to automate the 360° Diagnosis within the SAP Portal (Self-Service for Employees). This means that as of 2011, Banesco citizens will be able to make their own diagnosis about their competences and to know their strengths, with the help of tools to improve their professional profile.

► Training on Human Rights

Indicator	2010	2009	Variation %
Hours of training	7,059	2,358	199.36%
Number of people trained	1,211	764	58.51%
Total Employees	13,969	13,465	3.74%
% of staff trained	8.67%	5.67%	52.79%

► Security Staff Trained on Human Rights

Indicator	2010	2009	Variation %
Security staff trained	43	57	(24.56)
Total Employees	102	282	(63.83)
% of staff trained	42.16%	20.21%	1.09

Internships Program

Banesco Banco Universal, C.A. Internships Program allows the early recruitment of talents to be incorporated into our Organization in order to foster their long-term development within the Bank.

Internships Program / N° of Internships			
Type	2010	2009	Variation %
External	65	101	(35.64)
Internal	157	205	(23.41)
Total	222	306	(27.45)

QUALITY OF LIFE, FREE TIME AND PERSONAL DEVELOPMENT

Vacation Plan

In this edition, 1,266 boys and girls (5-12 years) attended to a Day Camp (Metropolitan Region) and Camping (countryside), showing an increase of 95.67% against the previous year. Meanwhile, boys and girls aged between 13 to 17 years enjoyed the Vacation Plan for the Youth. The investment on this program amounted to Bs. 3,745,006.49, accounting for a 60.69% increase against the previous year.

Active Life

We carried out fitting and physical conditioning activities (dance-therapy and Tae Boxing) in order to foster the wellbeing, preventive health and the active life of our collaborators. These activities are expected to be held in the countryside in 2011. In 2010, 278 people enjoyed these activities.

Health at the Workplace

In 2010 we continued providing Medical Assistance at the facilities of our Health Care Center located in Ciudad Banesco. This medical care was provided to 6,467 workers, with 9,197, immediate doctor's appointments, successive doctor's appointments and emergency care.

During the VI Preventive Campaign 2010, we provided preventive health care to 2,080 people, who were submitted to medical test such as corporal mass measurement, blood pressure tests, dislipidemy, breast cancer checkups, maternity control,

weight and osteoporosis control and lectures about eating habits, smear tests, among others. We have continued with our work to prevent the AH1N1 influenza, supporting the divulgation of abundant information to our staff and through all our internal communication channels, as well as preventing maintenance at our facilities to avoid the spread of respiratory tract diseases, dengue fever, micoplasm and mononucleosis, among others.

Two new branches of our Medical Service were inaugurated, one of them at Sabana Grande headquarters, to speed-up the pre-hiring tests and the second one at El Rosal Tower for nursery attention.



Labor Security

In Banesco we are aware of the importance of protecting our workers from potential labor risks. Therefore, we foster safe work conditions and a favorable, adjustable and ideal labor environment for the best performance of our people, well beyond the provisions of the labor laws in force.

We encourage the prevention of risky incidents, within and outside our facilities, through lectures and training on the matters of health and work environment, as well as prevention campaigns through our internal communication channels. On a monthly basis, we offer lectures about physical and industrial safety to the new employees, according to the regulations established on this matter.

In 2010 we developed information campaigns in our Intranet aimed to accidents prevention, occupational diseases and knowledge of applicable regulations, steps to be taken in case of emergency, security and health at our offices, what to do in case of emergency and information about how to improve the body position to avoid occupational diseases.

Labor Safety Activities		
Activity	Workshops or lectures	Participants
Workshop "The LOPCYMAT and Our Responsibility"	10	1004
Lecture "When the Earth Shakes" "Prevention Depends on You" and "Development of Healthy Life Styles"	3	224
Induction on Hygiene and Industrial Security to our new employees	34	-
Lecture about Use and Manipulation of Fire Extinguisher	19	-
Induction lectures on Hygiene and Industrial Security for branches officers	11	168

Lectures on labor safety and health activities were also carried out in order to consolidate the knowledge on the matter.

In compliance with the LOPCYMAT (Art. 56), we carried out 30 Evacuation Practices at the following facilities: Ciudad Banesco, El Rosal Tower 1, América Tower and Boleíta Warehouse.

Labor Relations

Banesco Banco Universal, C.A. Collective Bargain currently in force, duly homologated by the Direction of National Labor Inspectorate and Other Labor Collective Matters for the Private Sector, protects all our fixed employees under undetermined contracts working at any place of the nation, excluding the Presidents of the Board of Directors, Chairmen, Directors and Vice-Presidents. INCES apprentices are also excluded from this collective bargain.

In order to improve our employees' benefits, the Basic Insurance Policy covering for Hospitalization and Surgery rose from Bs. 20,000 to Bs. 25,000, and for Maternity it was increased from Bs. 7,000 to Bs. 10,000, as of November 2010.

This collective bargain includes clauses of different nature: preliminary, general, economic, social-economic and labor union and final clauses. It grants very competitive economic and social benefits in the banking market. Its central purpose is to improve the quality of life of our workers and their families, as it grants additional economic benefits, such as Hospitalization, Surgery and Maternity Insurance Policy for the worker and his family (spouse, children), scholarships for the worker, and toys for their children, among others.

This collective bargain is the result of applying the principle of Social Responsibility to our main asset, our human capital, in order to create wellbeing, improve labor conditions and the quality of life of our workers.

Additionally, and in order to avoid the devaluation of the amounts granted, several clauses included in our Collective Bargain establish yearly adjustments for scholarships, aid for school supplies, contribution for marriage and birth of children, death of relatives, among others.

At the end of 2010, 13,250 employees were protected under our Collective Bargain, accounting for 94.85% of all the workers of Banesco Banco Universal.

Workers under Collective Bargain			
Program	2010	2009	Var. %
Total employees	13,969	13,465	3.74
N° employees	13,250	12,940	2.4
% employees	94.85%	96.10%	(1.3)

Freedom of Association

Banesco Banco Universal, C.A. guarantees all and each one of the rights established in the National Constitution, the

At the end of December 2010, 13,250 employees were protected under our Collective Bargain, accounting for 94.85% of all the workers of Banesco Banco Universal.

Organic Law of Labor and its Provisions and other applicable labor laws, particularly the right of free association with legal purposes and the right to create and participate in labor unions. The Bank provides all the conveniences, so as its workers could exert all these rights, as a legitimate expression of freedom to develop the activities they deem appropriate for their interests, without any restriction, but those established by the Law. A proof of this was the affiliation, at the end of December 2010, of 11,546 workers to SITRABANESCO, the Nation Union of Workers of Banesco Banco Universal, C.A. Financial Group. This union gathers 82.65% of our total payroll. Another example of freedom of association is the fact that the right of our workers to celebrate and negotiate Collective Bargains is guaranteed. In fact, several Collective Bargains have been subscribed with SITRABANESCO.

Steps taken to deal with corruption incidents

Financial institutions are exposed to all kind of risks, mainly those linked to Capital Legitimation and Terrorism Financing. In Banesco we are protected by our Integral System to Prevent and Control Capital Legitimation and Terrorism Financing, which involves and binds all Banesco's citizens who could help to prevent, control and identify any attempt to legitimate illegal capital or to finance terrorist activities.

In this sense, we provide induction lectures to our new employees, as well as specialized training workshops for the staff in charge of our sales network and centralized areas. Likewise, we have included in our Intranet all the necessary information about this topic, urging at the same time our workers to support the actions of the Unit for the Prevention and Control of Capital Legitimation and Terrorism Financing. We also count on direct lines of communication with the Committee of Ethics and Conduct (see chapter 'Corporate Government'), as well as a mail box identified as "Banesco Unit of Capital Legitimation Prevention", where anyone can notify about unusual or suspicious activities identified by customers or employees.

The main tool to reduce these risks is to maintain and apply comprehensive and effective control mechanisms available to the customer ("Knowing your Customer" policy at the Sales Network) in order to avoid relations with sensitive or vulnerable customers for our financial institution as a means for them to carry out illegal activities, such as fraud, capital legitimation, swindle or any other act of corruption.

Before the suspicious of a corruption incident involving Banesco employees, the first step is to analyze the facts in order to determine

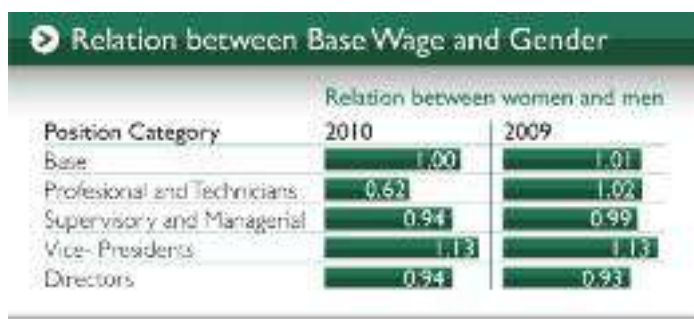
if the displayed behavior falls into any kind of illegal action, according to the Venezuelan regulation on the matter. If this is so, we make a formal complain before the competent national authorities, so as they could start the necessary investigations to prove the crime.

Likewise, as a transparency measure and application of our policy "Know your Employee", the staff working in our institution is obliged to notify the source of the funds in their accounts, excluding their payroll income.

Equal Opportunities and Non-Discrimination

Banesco Banco Universal, C.A. takes all the required steps likely to establish an honorable, ethical, respectful, gentle and fair labor environment, free of any and all discriminatory treatment for all the employees working in our organization or those with expectations of joining our ranks. In Banesco Banco Universal, C.A. all our workers receive an equal treatment, without any distinction whatsoever of age, race, religion, political or sexual orientation, or any other discrimination, granting the same opportunities to all our workers. We encourage all our collaborators to strengthen their capabilities, talents and competences. Therefore, to this date Banesco has no reports of discrimination against its workers.

Inwards, we apply a series of rules that prevent discriminatory practices, such as the Collective Bargain (Clause 2 of the General Declaration of Principles) and the Code of Ethics and Conduct for Banesco's Citizens, which entered into force in 2009.



Relation between Base Wage and Gender, detailed by professional level

The Venezuelan labor market is characterized by an offer of men higher than the offer of women for certain areas and positions. Banesco offers equal opportunities without any discrimination based on gender. Proof of this assertion is the fact that 55% of our Vice-Presidents are women.

Child Exploitation

The very nature of the banking business demands activities and functions that would hardly favor or allow child exploitation. Only our INCE's trainees are under-age. These apprentices

devote most of their time to educational activities on the matters of administration and accounting and their activities are regulated and supervised by the INCE. Therefore, no risk incidents of child exploitation have been identified within the organization.

Forced Labor

As a leader and socially responsible institution, Banesco has always guaranteed not only the enforcement of the national legislation in force but of all those international treaties signed by the nation on this matter. For this reason, Banesco labor force has never reported any incident of forced labor whatsoever.

BENEFITS GRANTED TO OUR WORKERS

One of the main objectives of Banesco Banco Universal, C.A. has been to improve the quality of life of all the collaborators that compose the great Banesco Family. Our constant challenge is to preserve our leader position in terms of benefits granted and the best labor conditions.

Every year, the organization makes any effort to evaluate the social and economic conditions in our country and provide our Human Capital with competitive benefits and the best conditions to improve their quality of life. Thus, our benefits program covers all the staff, including those employees under part-time contracts or temporary workers, mainly those benefits related to food, health and housing.

Among the main benefits provided by Banesco we find those covering basic aspects for the wellbeing, particularly those oriented to foster preventive health, sports and recreation, as well as a positive use of free time.

Non-Contractual Benefits

It is important to mention that our temporary workers (hired for a determined period of time) do not enjoy the benefits established by the Labor Collective Bargain, neither the non-contractual benefits offered by Banesco Banco Universal, C.A. to its fixed workers, such as the affiliation to the Saving Fund. They only enjoy the clauses established by the legislation in force. Our part-time fixed workers do receive the Contractual and Non-Contractual benefits described in this section.

Program "Your House with Banesco"

In 2005, Banesco Banco Universal, C.A. established as concrete goal for its strategic planning that all its employees with a seniority above a year in the organization should have a house of their own. At the end of 2010, this program reached to a total accumulated investment of 827,198,164.99 for the benefit of 4,472 workers.

Contractual Benefits

Contractual Benefits	Investment (Bs.)			N° Beneficiaries		
	2010	2009	Vari. %	2010	2009	Vari. %
Contribution to Saving Fund	42,636,038.57	36,344,475.10	17.31%	13,157	12,835	2.51 %
Contribution to Relatives for Employee Death	84,768.00	187,088.00	(53.45%)	6	10	(40.00%)
Contribution for School Supplies	502,500.00	498,000.00	0.90%	3,735	3,684	1.38 %
Scholarships	144,000.00	142,410.00	1.12%	200	199	0.50 %
Contribution to tellers and promoters	754,065.50	687,639.80	9.66%	4,513	4,628	(2.44 %)
Contribution for Death of Direct Relatives	23,040.00	22,560.00	2.13%	96	96	-
Contribution to Mothers' Day	226,800.00	215,550.00	5.22%	4,535	4,311	5.20 %
Marriage Bonus	30,120.00	29,420.00	2.38%	217	222	(2.25 %)
Birth Bonus	107,200.00	100,940.00	6.20%	657	767	(14.34 %)
Christmas Toys	4,265,560.23	3,182,800.00	34.02%	8,408	7,957	5.67 %
Acknowledgment Policy - Seniority Acknowledgments	781,609.65	928,250.18	(15.80%)	1,545	1,076	43.59 %
HCM Insurance I	110,055,424.41	85,667,297.91	28.47%	36,685	36,363	0.89 %
Family Subsidy	228,290.00	207,705.00	9.91%	3,394	3,093	9.73%
Uniforms and equipment	13,080,059.76	6,449,337.14	102.81%	5,562	7,440	(25.24 %)
Vacations and Vacation Bonus	29,831,550.93	25,812,915.19	15.48	13,053	11,207	16.49%
Total	202,751,027.05	160,491,388.32	26.33%	95,767	93,888	2.00%

(1) Includes workers and family members.

Non-Contractual Benefits

Non-Contractual Benefits	Investment (Bs.)			N° beneficiaries		
	2010	2009	Vari. %	2010	2009	Vari. %
Unsecured Loan for Housing	6,695,000.00	11,591,401.44	(42.24)	400	942	(56.36)
Parking subsidy (1)	360,000.00	360,000.00	0.00	847	714	15.70
Cafeteria subsidy	15,338,587.00	10,568,981.53	45.13	4,176	4,065	(100)
Medical service	838,013.00	1,075,306.92	(22.07)	6,467	7,041	(100)
Medical Assistance for Extreme Diseases	305,465.00	81,793.27	273.46	30	10	(200)
Total	23,537,065.00	23,677,483.16	(0.60)	--	--	--

(1) This benefit was not active this year.

Legal Obligations

	Investment (Bs.)			Nro. beneficiaries		
	2010	2009	Vari. %	2010	2009	Vari. %
Nurseries	7,559,434.65	5,069,884.73	49.10	932	853	9.23
INCES (1)	11,635,315.03	9,768,157.01	19.11	616	466	32.18
Food coupons	61,750,291.15	35,509,067.86	73.90	12,590	10,386	21.22
Employment Law	8,782,893.83	8,201,788.28	19.28	13,963	13,465	4.16
Housing and Habitat Law	14,934,928.80	12,834,786.43	16.36	13,963	13,465	4.16
Mandatory Social Security	44,224,132.95	36,388,217.07	21.53	13,963	13,465	4.16
Training on Prevention of Capital Legitimation (2)	247,475.17	296,057.03	(16.40)	9,313	4,760	51.11
Total	150,134,472.38	108,067,958.41	38.93			

(1) Apprentices (2) It only includes the costs associated with training of active employees due to the fact that costs of training for new employees were charged to different Cost Centers because of changes applied to our structure during 2010. For this reason, those costs cannot be included in this period. For 2011, the area in charge will be taking the corresponding provisions.

Program "Your House with Banesco" 2010

	Investment (Bs.)		Nro. beneficiaries	
	2010	2009	2010	2009
Mortgage credit for housing acquisition	129,541,917.56	152,536,951.95	681	897
Mortgage credit for housing revamping	16,330,145.75	31,730,746.69	168	338
Total	145,872,063.31	145,872,063.31	849	1,235

Other Benefits Granted to our Employees

	Investment (Bs.)			Nro. beneficiaries		
	2010	2009	Vari. %	2010	2009	Vari. %
Contribution for medical emergencies from the Saving Fund	213,483.54	54,625.57	74.41	32	15	53.125
Credit for Vehicles (Own Resources)	53,897,000	49,669,000	7.84	837	1,006	-20.19
Vacation Plan for the children of the employees	3,745,006.49	2,130,624.48	37.76	1,266	647	48.89
Sports and Recreational Activities	807,764.75	1,987,077.76	-145.99	783	1,708	-118.13
Education and training programs	8,711,391.43	11,490,718.36	-31.9	10,363	10,852	-4.71
Total	54,110,483.54	65,532,046.17	-21.10			

Organizational Climate Study

In 2010, the Organizational Climate Study was not conducted because the Bank started to execute action lines associated with the results of the study that was carried out in 2009. In 2011 this measurement will be applied again.

AA 1000 Standard

Since 2007, we have been working on the application of the international standard called Accountability 1000 (AA100), which will guide our efforts as an "Accountable" organization. That is, we have to explain or justify the actions or omissions for which we are responsible before those who has a legitimate interest on our Bank's sustainability and the development of processes and goals for a sustained improvement of our performance.

In 2010, we recorded a significant advance towards the application of this standard, in terms of design and planning to carry out the dialogue which is expected to take place during the first half of 2011.

Preferred Stocks

In 2008, the Board of Directors made the decision of granting preferred stocks to Banesco's employees at the base, professional and technician levels who were active employees at May 1, 2008. This benefit to acknowledge their work and commitment to the organization was granted to a total of 8,811 workers, accounting for 65% of Banesco's staff. Under this benefit, they received the dividends corresponding to these actions between 2009 and 2010.

Internal Communication Means

These are our internal communication channels:

- **CableBanesco**: a CCT system at Ciudad Banesco and located at the elevators.
- **TiempoBanesco Intranet**: a high versatile media, which is under a permanent updating process. In 2010 we implanted a more user-friendly design and platform for Banesco citizens.
- **The Virtual Library**, available through our TiempoBanesco Intranet, was specially created to display all the core information related to the business in a simple, updated and easy-access format for all Banesco Citizens.
- **"Bulletin Boards"**: a useful electronic tool to place announcements, available in LotusNotes and the Intranet, to get information about products, services and goods sold by our employees.
- **TiempoBanesco Extra Journal**: Based on the optimization of our internal media mix, the results of the use of the channels survey 2009 and our ecological policy to reduce paper consumption, we decided to eliminate this means during 2010 first half.
- **TiempoBanesco Bulletin Board** (elevators and service areas-toilets): its scope was increased through the additional delivery at La Primer Tower, Community Banking agencies nationwide. Additionally, the elevators Bulletin Boards are published in digital format at Intranet Tiempo.

Employees Satisfaction Index

Program	2010	2009	Variation %
Cafeteria	6.61	6.30	4.92
National Min-Olympic Games (I)		8.30	(100.00)
TodoTicket (tickets/boys coupons)	7.79	8.00	(2.63)
Vacation Plan	8.50	8.47	0.35
Collective Health Insurance Policy	7.10	7.48	(5.08)
Satisfaction Index	7.50	7.71	(2.72)

(I) The Min-Olympic Games were not held in 2010.

THE EXTERNAL DIMENSION OF OUR SOCIAL RESPONSIBILITY

OUR SOCIAL PARTNERS

Main Action Lines in 2009

- The continuation of the projects and initiatives launched in 2008 was guaranteed thanks to our budgetary planning.
- New surveys models were used to measure the result of our work with the Social Partners was modified in order to enhance the social impact of our joint projects.
- We built results indicators that allow us to enhance the social impact of our joint projects, measured by number of direct and indirect beneficiaries.

Management Evolution in 2009 and Main Action Lines in 2010

- We kept closer relations with our Social Partners
- The survey applied to our social partners was modified and adapted in order to adjust it to the sector where they act
- We continue offering logistical support to our Social Partners and allies, in order to accomplish their goals and activities, such as Fundana and Avesid auction
- Our Social Responsibility and Sustainability policy was updated to create sustainable value in the economic, social and environmental fields.

Commitments Made for 2010

- To offer support to our Social Partners to carry out their projects.
- Building strong relationships with our Social Partners to strength the long-term projects they carry out to favor to the community
- Celebration of quarterly meetings of the Responsibility and Sustainability Committee in order to design, introduce and watch over the fulfillment of sustainability strategies that ensure the business maintenance in the short, medium and long term

Our Policy

In Banesco Banco Universal, C.A. we focus our social investment on supporting projects linked to the education and health sectors. We develop our social action in the community, hand in hand with the institutions that, all along the Venezuelan territory, materialize the fight and action initiatives to favor the



communities. We count on a Manual of Rules and Proceedings that rules all the resources request process and approval. The Manual can be found at our Web page www.banesco.com.

The Social Partners concept involves a medium and long-term relationship which guarantees the continuity of the projects, so as the contributions could be more than mere aids but a growth process for the participant organizations. To this end, we employ a series of financial tools and we conduct regular surveys, visits and progress reports.

An indispensable and crucial condition for an organization to be and remain one of our Social Partners is its commitment to provide timely and detailed information about the development of the projects supported by Banesco Banco Universal, C.A.

With the firm determination of improving day by day, in 2010 our Organization modified the policies of our Corporate Social Responsibility and Sustainability. This modification ratified our commitment with sustainable development, with our leader role in relation to our value proposal which is composed of products and services that leverage social, environmental and economic development in a balanced, responsible and sustainable way, respectful of the human rights and supporting the promotion of wellbeing in those places where Banesco is present, as well as acting with ethics in our relations with all our stakeholders: workers,

stockholders, customers, suppliers, authorities and society as a whole.

The principles of this new policy are the following:

- Honest management of our business and consistency between what we are, what we say and what we do.
- Fair and inspiring leadership able to develop alliances, to boost talents and build successful teams for the permanent benefit of the corporate government's practices.
- Promotion of the adjustment capability to new realities, markets and cultures during the development of our business, even going beyond the dully enforcement of the law and regulations.
- Commitment to the evolution of the topics related to our Corporate Social Responsibility and Sustainability policy and willingness to break paradigms in order to meet our stockholders' expectations on a permanent basis.
- Innovation and excellence to preserve our leader position at the Forefront of the knowledge about sustainability and watch over its application by Banesco's citizens.

Our Management

The following inventory of activities mirrors the interests of our Social Partners and responds to a number of observations made

by several Banesco Banco Universal, C.A. stakeholders about the content of our Corporate Social Responsibility Report.

Banesco Banco Universal, C.A. social action in alliance with its Social Partners is carried out through its VP of Communications and Corporate Social Responsibility, which in turn reports to the Committee of Responsibility and Sustainability composed of the President of the Board of Directors, the Director of Massive Segments and Channels; Director of Corporate Services; VP of Corporate Social Responsibility and Communications; Executive VP of Comptrolling; Executive VP of Human Capital; Executive VP of Real Estates, Infrastructure and General Services; the VP of Community Banking; VP of Corporate Government; VP of Procurement, Outsourcing and Contracts; and the Executive VP of Losses Prevention and Business Continuity.

In 2010 our Social Partners continued being: Fe y Alegría, Don Bosco Houses' Network Civil Association, Foundation of the Child in Need of Protection (Fundana by its Spanish acronym), The Children Museum Foundation, Andrés Bello Catholic University (UCAB), Venezuelan Association of Catholic Education (AVEC), Venezuelan Foundation against Infantile Paralysis, "Asociación Audaz" for the Guidance and Support of People with Special Needs (Apoye), Salesian Women Civil Association, State-Foundation for the National Systems of Youth and Children Orchestras of Venezuela (Fesnojiv), Always Friends Civil Association and Los Roques Scientific Foundation.

Our Social Partners				
Investment in 2010 y 2009 (Bs)				
Organization / Institution	Project	2010	2009	Variation %
Fe y Alegría	Construction and equipment for University Institutions	1,481,460	1,481,640	(0.01)
Don Bosco Houses Network Civil Asso.	Others	3,871	-	100
	Bosco Bus	-	530,000	(100)
Fundana	Maintenance fee of The Toddlers Villages	180,000	180,000	0
The Children Museum Foundation	Development of educational web page	4,000	3,000	25
UCAB - Caracas	Contribution for the payment of 5 scholarships	20,750	15,900	(23.37)
	Sponsorship for the Chair of Literature and Writing	-	250,000	(100)
	Encouragement of the UCAB School of Humanities	-	-	-
	Sponsorship for the Fundational Chair Andrés Bello	-	25,000	(100)
	Others	9,587	3,960	58.69
AVEC	Consolidation of educational and recreational programs	1,000,000	1,315,375	(31.53)
Venezuelan Foundation against Infantile Paralysis	Building of roof for the Waiting Room of the Hospital	800,000	-	100
	Hospitalization area expansion	-	190,000	(100)
	Others	-	10,000	(100)
Apoye C. Assoc.	50% of the headquarters rent	51,000	51,000	0
Salesian Women Assoc.	Program to Consolidate Work Training	250,000	250,000	0
Fesnojiv	Construction of the new facilities for the Center of Social Action for Music	1,863,000	1,637,000	12.13
	Sponsorship concert of West Eastern Divan Orchestra	260,696	-	100
	Scholarships, wages, labor training	-	45,451	(100)
Los Roques Scientific Foundation	Education and Environment Program	50,000	20,000	60

* Right amount executed in 2009 for this institution.

Results of projects carried out with our Social Partners

2010 and 2009

Social Partner	Project	Description	Direct Beneficiaries 2010	Direct Beneficiaries 2009	Indirect Beneficiaries 2010	Indirect Beneficiaries 2009	Status in 2010	Status in 2009	Final Execution	Territorial Impact	% Executed
Re y Alegria	San Francisco University Institute (USF) Zulia State, and Jesus Obispo University Institute in Barquisimeto (UJO)	Construction of educational buildings to complement the academic area and libraries to be converted into multiuse spaces. University Institutes San Francisco (USF) and UJO Barquisimeto.	A total of 8,187 direct beneficiaries. UJO Barquisimeto and USF Zulia State.	An average of 3,665 students. (Only at the USF in Zulia State)	Approx. 16,800 people (9 indirect per 1 direct)	Approx. 18,325 people (5 indirect per direct beneficiary)	Construction completed in 2009, currently under operation.	Construction completed, under operation.	—	San Francisco Municipality, Zulia State and Barquisimeto, Lara State.	100%
Civil Assoc. Don Bosco Houses Network	"Bosco Bus" Mobile Unit.	Assistance and social reinsertion of children and adolescents under risk and living in the street.	37 children and adolescents.	75 children and adolescents.	95 families.	140 families.	During 2010, Banesco did not provide any contribution for the execution of the Ark Project.	The present project covers the period 2009-2011.	Permanent program.	Caracas Metropolitan Area, Libertador, Cumaná and Sucre Municipality, San Félix, O' Tigre, Pinarón, Cruz, Acandá, San Cristóbal, Mérida and Caba Le Mer.	It was not carried out in 2010.
	Building a Network without Drugs.	Educational project for the integral prevention of illegal drugs, alcohol and tobacco.	425 children and adolescents who attended the Vacation Plans and Educational workshops.	—	20 people (relatives).	—	The present project covers the period July 2010-June 2011.	—	Permanent program.	National territory.	70%
Fundare	The Tridlers Villages	Maintenance of these villages that serve as homes for abandoned or abused children.	120 children.	324 children.	—	Approx. 300 families (760 adults).	Consolidation and continuity of the program.	Consolidation and continuity of the program.	Permanent program.	Capital District and Miranda State.	100%. It will be carried out from 20 to 30 October.
	Fundare Art Auction	Funds raising through the auction of art works, donated by national and international artists.	—	324 children.	—	Approx. 300 families (760 adults).	—	The 9th Auction raised Bs. 1,075,000.00	Annual program.	Capital District and Miranda State.	100%
Fundación Museo De Los Niños	Web page Consolidation	Creation of the scientific Web for the children. Consolidation in to learn P3eT3.	All children and adults who visit the page.	All children and adults who visit the page.	All children and adults who visit the page.	All children and adults who visit the page.	Successfully executed.	Consolidation and continuity of the program.	Permanent program.	National and international.	Waiting for information.
Universidad Católica Andrés Bello	Sponsorship to the Chair to Encourage Literature and Writing (Faculty of Arts and Education)	"Imagination and literary genres" a course given by Pilágrus Souza.	Waiting for information 7,043 children, adolescents and adults.	30 students.	Non applicable.	Non Applicable. Approx. 60,000 people (5 indirect beneficiaries per direct beneficiary).	The second half of the year ended on February 2010.	It lacked of in March 2009. The second half of the year ends on February 2010.	U.C.A.B. Permanent program.	Capital District and Miranda State.	65%
Asociación Venezolana de Educación Católica (AVEC)	Consolidation of educational infrastructure.	Construction, reamping and expansion of educational areas at various centers of AVEC nationwide.	—	12,632 children and adolescents.	24,715 (15,943 direct beneficiaries per 5 members of the family group).	—	35% m2 expanded or resourced.	Consolidation and control of infrastructure procurement and educational equipment. (25 areas built and/or revamped).	Permanent program.	National territory.	—

Results of projects carried out with our Social Partners (continuation)

2010 and 2009

Social Partner	Project	Description	Direct Beneficiaries 2010	Direct Beneficiaries 2009	Indirect Beneficiaries 2010	Indirect Beneficiaries 2009	Status in 2010	Status in 2009	Final Execution	Territorial Impact	% Executed
Venezuelan Association Against Infantile Paralysis	Revamping of the General Waiting Hall at the Orthopedic Children Hospital, Caracas	Fitting out of the General Waiting Hall for the patients that go to the external consultation, with 26 specialties.	An estimated of 252,000 patients a day attend the external consultation, with 26 specialties.	7,000 patients (children and adolescents).	7,000 patients (children and adults).	Approx. 20,000 people (1 indirect beneficiaries per direct beneficiary).	80% of the project executed in 2010.	—	—	The Hospital is a national hub for the specialty of orthopedics and it serves to patients from the whole country.	50%
	Revamping and technological updating of the Orthopedic Service, Orthopedic Children Hospital, Caracas	Equipment and furniture procurement.	—	Patients assisted, as the resources are devoted to improve the institution.	The patients are cared by their relatives.	The patients are assisted, as the resources are devoted to improve the institution.	—	Phase II was executed in 2009.	—	The Hospital is a national hub for the specialty of orthopedics and it serves to patients from the whole country.	100%
	Bingo of Kindness.	Sponsorship to print the Bingo cards.	The patients are cared by their relatives.	Provide assistance to 2241 (9 patients and 6929 surgical events were carried out).	The patients relatives.	The patients relatives.	—	—	Annual Program	National.	100%
	Expansion of the Hospitalization Service, Orthopedic Children Hospital, Caracas	To increase hospital capacity, through the construction of new rooms for the patients.	—	—	Approx. 174 families (3 direct beneficiaries per patient/room (relatives and carers)).	Approx. 175 families (3 families per direct beneficiary).	50% of the rent paid for the seat.	Relocation of the services of the Bank of Blood and Gastroenterology to build 6 hospitalization rooms.	The rooms were built in 2010.	The Hospital is a national hub for the specialty of orthopedics.	100%
Civil Assoc. Apoyo	50% of the rent paid for the seat.	Academic education, Therapies and workshops on arts and for labor insertion for young people with Down Syndrome.	58 young people.	58 young people.	502 young people (3 people of direct line per student).	Approx. 459 people (3 indirect beneficiaries per direct beneficiary).	Successfully executed.	50% of the rent paid for the seat.	Permanent program that requires continuity over the time.	Capital District and Miranda State.	100%
Civil Assoc. Salesian Women	Consolidation of training for work "Centro Don Bosco 80"	To train low income young women and men who have abandoned the education system, with a view to their future insertion in the labor market.	190 young people.	150 students received their degrees as administrative assistants and accounting analysts.	2,040 members of the National System of Infante and Juvenil Orchestras.	297,433 member of the National System of Infante and Juvenil Orchestras.	Successfully executed.	Successfully executed.	Permanent program that requires continuity over the time.	Capital District and Miranda State.	92.67%
Fesnojv	Financing to strengthen the instrumental plant and adjustment of infrastructure at centers and modules of the system, specifically at J. Real center in Barinas State.	The funds are used to provide equipment and strengthen the instrumental plant, as well as to revamp the infrastructure of Center D Real Barinas State.	680 members of the National System of Infante and Juvenil Orchestras.	297,433 members of the National System of Infante and Juvenil Orchestras.	—	—	Successfully executed.	Successfully executed.	Permanent program that requires continuity over the time.	National territory.	100%

► Results of projects carried out with our Social Partners (continuation)

2010 and 2009

Social Partner	Project	Description	Direct Beneficiaries		Indirect Beneficiaries		Status in 2010	Status in 2009	Final Execution	Temporal Impact	% Executed
			2010	2009	2010	2009					
Banesco	Encouragement of musical education	Fostering the academic-musical education and the integral development of children and adolescents who are members of the system.	1,172 children and young people who are members of the National System of Infantile and Juvenil Orchestras		2,516 children and young people who are members of the National System of Infantile and Juvenil Orchestras		Successfully executed		Programa permanente que requiere continuidad en el tiempo	Permanent program that requires continuity over the time	100%
Los Roques Scientific Foundation	Educational-missionary program "Scientific Knowledge hand in hand with the community of Los Roques National Park"	Fosters the interaction between Los Roques community and the scientific community. It spreads the knowledge about the historical-cultural patrimony and archeological past.	171 students, 22 teachers and 23 pupils at the education missions	202 students	684 indirect beneficiaries (3 indirect beneficiaries per direct beneficiary)	Approx. 400 people (2 indirect beneficiaries per direct beneficiary)	Consolidation and continuity of the program	Consolidation and continuity of the program	Programa anual permanente que requiere continuidad en el tiempo	Permanent annual program that requires continuity over the time	100%

Survey on Satisfaction and Projects Follow-Up

Each year we conduct a survey among our Social Partners in order to monitor the evolution of the projects under execution and our partners' satisfaction level. This survey provides timely and detailed information about the progress of our joint initiatives, as well as about the investment and the fulfillment of our recommendations for the successful conclusion of these projects, correcting potential deviations and building indicators to gauge the social impact of these initiatives.

In 2010 we modified the survey in order to adjust it to our information needs, according the experience gathered during its processing. The main change was the creation of specific questionnaires for the sectors "education", "health" and "assistance for people in need". This modification made easier the use of the survey by our Social Partners and provided the Bank with more detailed information.



► Satisfaction Indicators of our Social Partners

Satisfaction with:	% 2010	% 2009
Banesco response time	90.90	100.00
Guidance and support provided by Banesco	50.00	91.67
Amount of information provided by Banesco	81.80	100.00
Results	27	80.00
Weighted Satisfaction Index	51.60	88.75

SOCIAL ACTION IN THE COMMUNITY

Main action lines in 2009

- We continued developing the dialogue with the representatives, authorities and the community of Colinas de Bello Monte, the immediate neighboring area to our headquarters.
- We continued with the process of education and specialization of the VP of Communications and Corporate Social Responsibility staff with a view to go deeper into the dialogue process with our stakeholders.
- We organized several free-entrance concerts and events to entertain the community.

Management Evolution in Relation to 2009 and Main Action Lines in 2010

- We developed our program of participative budget with Colinas de Bello Monte Community.
- We continued receiving and giving answers to request of assistance addressed to the VP of Communications and CSR, as well as those requests addressed to other areas.

Commitments Made For 2011

- To encourage the dialogue with the community and representatives of Colinas de Bello, the immediate neighboring area to our headquarters.
- To provide logistics support for the implantation of the Training Program for Micro-Entrepreneurs developed by Banesco Community Banking (see chapter Community Banking).

Our Policy

Our motivation is to make a solid contribution to all the neighboring communities to our different headquarters nationwide. Therefore, we practice the “good neighbor” policy. Guided by this

vision, Banesco Banco Universal, C.A. adds its presence to our society, interacting with the different actors involved, keeping an eye on their problems and making a contribution suitable to their expectations.

Banesco social action has many faces that reflect our goal of including those sectors deprived from education and health, thus, impaired to break the vicious cycle of poverty. In this sense, the organization's task is to offer study scholarships, workshops, support for educational lectures, material and equipment donations and a wide and growing work carried out by our volunteers.

Likewise, we support cultural activities offering the communities a wide range of opportunities to enhance their aesthetical and intellectual background.

Our Management

- We granted study scholarships to 24 people. Eight of them also enjoy the benefit of Banesco Life Scholarships. This initiative was launched in 1996, when we decided to provide our current account holders affiliated to any of Banesco Plans with the opportunity to participate in quarterly draws which prize will be a study scholarship named “Banesco Scholarship”. This scholarship covers all the academic expenses from pre-school to higher education, and even post-graduate studies. The beneficiary can also transfer the scholarship to his relatives. Since then and up to this date, we have favored 19 people, with 8 of them still receiving the scholarships.
- We organized free-entrance concerts for the community at our auditorium “Fernando Crespo Suárez” located at our headquarters in Ciudad Banesco. The auditorium can host 300 people.
- Ciudad Banesco has also been the scene of different activities organized by our Social Partners and other institutions and organizations, which have a positive impact on the community.

Banesco Study and Life Scholarships						
Institution	2010		2009		Variation %	
	Beneficiaries	Amount	Beneficiaries	Amount	Beneficiaries	Amount
Metropolitan University	14	205,898	14	155,263	0	24.59
Apoye Civil Assoc.	1	2,760	1	7,030	0	(154.71)
Banesco Life Scholarships	8	75,510	9	119,801	(12.5)	(58.65)
Individual	1	131,000	1	107,906	0	(17.75)
Total	24	415,368	25	407,894	(4.16)	(1.79)

Cultural Agenda – Ciudad Banesco

2010		
Event	Group	Montos (Bs)
Exhibition	Selected Works, Banesco Collection	197.00
Concert	Venezuelan National Systems of Youth and Children Orchestras, Baruta headquarters: Celebration of 35 Anniversary of the Venezuelan National Systems of Youth and Children Orchestras	0.00*
Concert	Venezuelan National Systems of Youth and Children Orchestras, Baruta headquarters: Celebration of 325 th Anniversary of Johann Sebastian Bach	0.00*
Total		197.00
2009		
Event	Group	Montos (Bs)
Exhibition	Alejandro Otero, logbook of his Monumental Sculpture and Presentation of the book "Crítica: Memory Alejandro Otero"	58,321.15
Documentary Screening	Alfredo Sadel, that Singer	600.00
Documentary Screening	Delta Solar and Alejandro Otero Self-Portrait	600.00
Photo Exhibition	Journalists, Vasco Sanstar	14,630.00
Total		74,151.15

* This activity did not generate costs for the Organization

Banesco social action has many faces that reflect our efforts to include those groups deprived from education and health.



Events – Ciudad Banesco

2010		
Institution	Activity	Montos (Bs)
Fundana	Presentation of Jesús Sanoja Hernández's book: VI Fundana Auction	12,533.44
Ximena Borges	Ximena Borges Recital	1,562.50
Venamicham	CSR Special Events	21,168.00
Venezuela Without Boundaries F	Resources granted for the Bank of Projects	6,020.16
Simón Bolívar University	Introduction of the Collection Papyrus for Poetry	1,983.50
Bello Monte Community	Participative Budget 2010	15,502.01
Avesid	Press conference for Bicentennial Conquest	1,432.72
	Sponsorship for the XIII International Congress on Down Syndrome	3,150.00
Total		60,352.33
2009		
Institution	Activity	Montos (Bs)
Alvarez, Gamus y Padrón Lawyers	Introduction of the book "Current Topics of Banking Law"	14,089.60
Avesid	Sponsorship for the XIII International Congress on Down Syndrome	0.00*
CECODAP	VI Annual Seminar "Growing Together"	0.00*
Fray Luis Amigo Private School	Presentation of Children Chorus	0.00*
Editorial Libros Marcados	Introduction of the book "La Gran Depresión del 2009", by Víctor Salmerón	22,575.60
Step by Step Foundation	Ceremony of the 4to. Conquest of Photography "Here we are"	2,699.00
	VIII International Summit on Scholar Inclusion	0.00
Fundana	V Fundana Auction	11,078.57
Carabobo University	Antonio Garmonea (Recital) in the framework of FILUC 2009	1,360.00
Los Andes University	Lecture on Economy addressed to Journalism students	3,735.90
Simón Bolívar University	Bautizo Colección "Pápiros de Poesía"	14,009.65
Venezuela Without Boundaries	Resources granted of the II Fund for Social Investment (FS)	14,280.00
Total		82,828.32

* This activity did not produce expenses for the Organization

Printer Cartridges donated to Fundana

Headquarter	2010	2009	Variation %
Ciudad Banesco	408	519	(27.20)
El Rosal	142	108	23.94
El Recreo	149	234	(57.04)
San Martín Branch	22	18	18.18
Petare Branch	8		100.00

“Up to the Last Cartridge” Program

As a tradition, Banesco Banco Universal, C.A. has always cooperated with the program “Up to the Last Cartridge” developed by Fundana, one of our Social Partners. This plan consists of the recollection of used cartridges from tape, laser or ink-injection printers that are sold by Fundana to recycling companies in order to raise funds.

Toys Donation

During 2010 we continued concentrating resources to support our Social Partners’ priority programs with a view to maximize the impact of the external social investment. However, we also granted specific support by request.

Likewise, Banesco Banco Universal, C.A. delivered the remaining toys from previous years as follows:

- 94 SAIME
- 310 Artesano Group Foundation

Our social action in the community covers a broader scope thanks to the support to initiatives and projects developed by different organizations and institutions. We focus our action on the education and health of each Venezuelan citizen.

The dialogue with the neighbors of our head office will continue in the future, based on the best international practices



Solidarity with Haiti

In January 2010, Banesco Banco Universal, C.A. developed a funds raising campaign addressed to the public with the purpose of providing assistance to the hundreds of thousands victims of the earthquake that devastated the Republic of Haiti. In this sense, the Bank offered a current account called “SOLIDARITY WITH HAITI” and gave an initial contribution of Bs. 50,000.

Under this campaign, Banesco Banco Universal, C.A. would contribute Bs. 1 additional per each bolívar deposited in the aforementioned current account. At the end of this campaign, the representatives in Venezuela of the United Nations Program for the Development (PNUD) received from Banesco Banco Universal, C.A. a check amounting to Bs. 1.35 million (US\$ 523,385.33 at the exchange rate of Bs. 2,59 in force at the moment). This mount was devoted to foster activities carried out by the PNUD at the Caribbean Island.

Collection for Raffles carried out by our Social Partners and other Events

Collection Bs.					Direct contributions
Organization/ Institution	Project	2010	2009	Var. %	2010 2009
Venezuelan Foundation against Infantile Paralysis	Super Bingo de la Bondad	351,298.00	167,671.20	52.27%	- 10,000
Fe y Alegría	Fe y Alegría raffle	317,538.01	224,458.17	29.31	- -
Foundation Children with AIDS	The Good Samaritan – Foundation Children with AIDS	152,361.00	106,888.90	29.84	- -
Anti-Cancer Society	Gran Bono de la Salud	1,060,528.00	127,866.00	87.94	- -
Fundana	Ciudad Banesco was the venue of Fundana V and VI Auctions	774,714.00	1,875,000.00	(147.02)	- -
Total		2,338,903.01	2,501,884.27		10,000.00

► Our Commitment to the Community by area

Assistance to Children under Risk, the Elder and People with Disabilities

Organization/Institution	Project	Amount 2010	Project	Amount 2009
Venezuelan Association for Down Syndrome Fundación	—	0	Sponsorship for Avedis XII Intern. Congress	15,000
Dividendo Voluntario para la Comunidad Step by Step Foundation	Annual contribution	6,565	Sponsorship Week of Health	50,000
St. Domingo Foundation	—	0	—	0
Venezuela Without Boundaries Civil Assoc.	Donation for Event "Social Entrepreneur of the Year"	20,000	Sponsorship for Photographic conquest about Disability. Later published in notebooks	6,706
Friends of the Elder Foundation	Maintenance of Juan Cuchara Park	5,244	Multiple use area for the community elder	115,760
Autism Out Loud Foundation Individual	Construction of headquarters	100,144	—	0
CEIDAD	Donation for camping activities with 3 young boys with Down Syndrome	7,000	—	0
—	Contribution for facilities	20,000	—	0
Total		158,953		192,254

Health

Organization/Institution	Project	Amount 2010	Project	Amount 2009
Nurses Social Pension Foundation, Zulia State	—	0	Contribution for the celebration of Nurses' Day	202
Friends of the Child with Cancer Foundation	Medications procurement	100,000	Medications procurement	100,567
Carcinogen Foundation	—	0	Support for rising funds party	15,000
Smile4kids	—	0	Sponsorship for Christmas concert	15,000
Total		100,000		130,769

Education

Organization/Institution	Project	Amount 2010	Project	Amount 2009
Central University of Venezuela (UCV)	Donation for the Management of Knowledge Project	150,000	—	0
Simón Bolívar University	7th Conquest of Economy Essays Sponsorship for Colección Pájaros 2010	5,000 350,000	6th Conquest of Economy Essays Sponsorship for "Colección Pájaros 2009"	5,000 300,000
Los Andes University	International Sponsorship for the University Book 2010	40,000	Other	30,000
IPSA	Other	14,000	International Sponsorship for the University Book 2009	40,000
PROVEA	Agreement of talents	1,290,000	Other	5,000
Casely España Foundation	Avoidance to Safety Workshops	6,000	—	0
Mariano Roca Sales Foundation	—	0	Workshop on Human Rights Contribution	6,000 20,000
Fundación Skerrena	Contribution to educational program AINASR	20,000	Sponsorship for VII Literature Festival Mariano Roca Sales	10,000
Forums for Professional Training (Forpro)	—	0	Contribution to educational program AINASR	30,000
Fundapal	Publication of school magazines	30,000	Participate in the Summit of Popular Marketing	16,500
Norma Esparta University	Other	35,711	—	0
Carabobo University	Sponsorship of XI International Fair of the Book 2010	100,000	—	0
ArtistasGroup Foundation	Sponsorship of "Makers of the Country"	9,900	Sponsorship of "Makers of the Country"	28,980
Foundation "Today's Teacher"	Contribution to I National Summit on School Violence	10,000	—	0
Individual	Sponsorship of "The Fight of Sabal"	4,480	—	0
Juan Pablo Rojas Pad Foundation	Contribution to digitalize the Librarian's fees	102,500	—	0
FUNDISSMAR	—	0	Donation of a bus seat	380,000
Asociación Los Campos Private School	—	0	Sponsorship for the UN Model	3,000
Venezuelan-American Friendship Assoc.	—	0	Sponsorship for Scholarship program	60,000
Oasis Deserts Foundation	Donation for building	135,000	—	0
Capital Market Finance	—	0	Sponsorship of the Forum "Perspectives of the Venezuelan Economy and Oil Market"	9,000
ABC Prodein (School at Ciudad Santa María Petare - CSAMA)	—	0	Construction of sports facilities	25,000
Tomás Vicente González School	—	0	Donation of School Texts	320
Benjamín Fierro Students of Meridiana	—	0	Sponsorship Meridiana	15,000
Univ Institute of Public Relations (IUIERP)	—	0	Other	4,903
San Ignacio Private School	—	0	Contribution for Family Sunday	5,000
Innovap	—	0	Program to encourage Micro-Entrepreneurs / Others	32,113
Foco Sustentable	—	0	Program to encourage Micro-Entrepreneurs	16,212
Civil Association Asunto Pájaros	—	0	Program to encourage Micro-Entrepreneurs	24,123
FLIDEP	—	0	Program to encourage Micro-Entrepreneurs	15,066
"Miro Amigo" Civil Assoc.	—	0	Construction of the School at Flax de Turgu	50,000
Individuals	—	0	Other	8,873
Total		2,302,591		1,139,996

Church

Organization/Institution	Project	Amount 2010	Project	Amount 2009
Venezuelan Episcopal Conference	—	0	Sup. for workshop "Principles and Values for Society"	50,000
AVESAMAR	—	0	Contribution for religious event	2,000
Total		0		52,000

Our Commitment to the Community by area (continuation)

Public Entities

Organization/Institution	Project	Amount 2010	Project	Amount 2009
Baruta Municipality Mayorality, Miranda state	Christmas Program	349,216	Christmas Program	309,106
Autonomous Institute Baruta Police	—	0	Others	5,000
Sucre Municipality Mayorality Miranda state	Christmas Project, Sucre Mayorality	1,344,000	Christmas Project, Sucre Mayorality	1,890,000
—	—	0	Donation of 50 jackets to the circulation police	27,295
Single Authority of Los Rioses	—	0	Contribution to the festival of the Virgin of the	1,000
C.A. Energía Eléctrica de Barquisimeto	—	0	Contribution to the celebration of an event with the children of the shelter homes	5,000
Metropolitan Sports Foundation (FUNDIMECA)	Contribution to Christmas Marathon 2010	20,000	Contribution to Christmas Marathon 2009	30,000
Carabobo state regional government	—	0	Sponsorship for Painting activity with children	6,998
"The Child Smón" Foundation, Carabobo state	—	0	Children Day celebration	6,000
Zulia state regional government	—	0	Sponsorship for La Cruzita Virgin Fair	96,030
Foundation for the Assistance of the Family, Children and Adolescents (FUNDIAFAMIA)	Other	29,792	Other	10,000
Autonomous Institute for Nutrition, Miranda State	—	0	Contribution to the celebration of Children Day	10,000
Children Foundation, Guárico state	—	0	Sponsorship of "El Trompo de los Alimentos, Claves de Higiene y Manipulación de Alimentos"	2,847
Falcón state regional government	—	0	Celebration of Children Day	10,998
IPSFA football selection	—	0	Sponsorship for the program "For Love to my School"	15,000
Monagas state regional government	—	0	Celebration of Football Egypt 2009 classification	10,000
Carrauna Fair Foundation	Sponsorship of XII fair of La Candelaria Virgin	5,000	Other	8,457
Asoporuguesa	Sponsorship "Pórcico Agrofeña 2009"	8,902	—	0
—	Sponsorship Agrofeña	4,032	—	0
Miranda state regional government	Sponsorship for Event on Science and Technology in Miranda state	5,000	—	0
Corporatel	Children Day Celebration	10,000	—	0
Foundation for the People Power for Integral Social develop of Bermudez Municipality, SAIME	Christmas celebration	10,000	—	0
Los Salas Mayorality, Miranda state	Christmas celebration	14,851	—	0
Arceobá	Christmas celebration	9,973	—	0
—	Sponsorship XII TAGUANES Auction	10,080	—	0
Total		1,820,848		2,445,733

Guilds and Professional Associations

Organization/Institution	Project	Amount 2010	Project	Amount 2009
Lawyers College, Zulia state	Sponsorship Inter School Games	7,000	—	0
Venemicham	Annual membership contribution	20,800	—	0
—	—	0	Sponsorship for the Annual Dinner of Venezuelan Popular Craftworks	6,000
—	—	0	Seminar on Social Responsibility	1,600
—	—	0	Other	823
National College of Journalists	Sponsorship "Arturo Uslar Pietri Award 2010"	11,200	Others	50,000
—	Others	5,600	Sponsorship of Capreol magazine anniversary edition	5,000
Savings and Social Provision Fund of Zulia University Workers	—	0	Sponsorship of III Week of Construction in Caracas, Venezuela	28,000
Construction Chamber	—	0	—	—
Total		44,600		91,423

Sports

Organization/Institution	Project	Amount 2010	Project	Amount 2009
Administradora Fray Luis de León, C.A.	—	0	Sponsorship for Institute Market F.C. courses rent	5,600
Individuals	—	0	Support to several athletes to attend different competitions	6,000
Hebraica Social and Sports Club	Sponsorship Triathlon Hebraica 2010	22,400	—	0
Total		22,400		11,600

Culture

Organization/Institution	Project	Amount 2010	Project	Amount 2009
Los Cortijos Country Club	Sponsorship for "The Voice of Los Cortijos"	10,000	—	0
I.Q. Historiadora	—	0	"It's not a tale, but History"	43,600
Fundación Tránsito Cultural	—	0	Sponsorship for the Exhibition "Immediate Memory of Miguel Otero Silva"	15,392
Museum of Contemporary Arts, Zulia state	Maintenance of Induction Rooms	35,000	Maintenance of Induction Rooms	57,140
El Cuarteto Civil Society	—	0	Sponsorship of event	50,000
Total		45,000		166,132

Editorial Projects

Organization/Institution	Project	Amount 2010	Project	Amount 2009
Book "Al Hilo de los Años"	—	65,900	—	0
BID & Co Espar	—	0	Book "El Día de la Huella"	45,000
Grupo Editorial Cuyabur	—	0	The Journalist in the Lens	257,600
Total		65,900		302,600

Our Commitment to the Community by area (continuation)				
Others				
Organization/Institution	Project	Amount 2010	Project	Amount 2009
National Center for Competitiveness	Membership 2010	7,680	Membership 2009	7,724
CSR Activities	---	0	Consulting on Ethics and Corporate Social Responsibility (CERSE)	22,400
Inversiones Europa	---	0	Sponsorship of event "La Innovación se Cultiva 2009"	14,571
Rolando Peña	---	0	Sculpture "El Totem", by Rolando Peña	150,000
Individual	---	0	Installation at Plaza Mier, Colinas de Bello Monte, Caracas	---
			Speed Reducers at Avs. Caroni and Motolin	14,475
			Colinas de Bello Monte	---
Total		7,680		208,670

Banesco-Colinas de Bello Monte Participative Budget

In 2008 we began a systematic dialogue with Colinas de Bello Monte community, a sector of Caracas where is located our headquarters, Ciudad Banesco.

During the construction of these facilities, inaugurated in 2004, Banesco made some improvements in the surrounding streets and sidewalks, as a part of our policy of "Good Neighbor". During the following years, Banesco also made donations to specific works on the sector.

In 2010, Banesco Banco Universal, C.A. carried out for the third time in a row the so called Participative Budget, with the participation of non-profit organizations, Community Council, Neighbors Association, Peace Judges, Baruta Mayorality and its Municipal Council.

During the year Bs. 400,000 were invested in projects submitted by the Bello Monte community. The aim of this project is to encourage the community organizations to propose educational and infrastructure improvement projects for that zone. Then, the projects are discussed and submitted to vote to select the projects to be developed, according to priority for the community.

The works carried out during the year were the following:

1. "Respecting the differences", awareness campaign about people with disabilities addressed to children and teachers of the schools located at Colinas de Bello. The project was proposed by Step by Step Foundation. Amount: Bs 28,778.
2. "Young people excluded from the formal educational system", a training program addressed to assistants, so as they could serve elder people. The project was proposed by St. Domingo Foundation. Amount: Bs 129,413.
3. "Habilitation and procurement of the Center of Physical Therapy and Rehabilitation", also proposed by St. Domingo Foundation. Amount: Bs 200,031.
4. "Plan of Sport Scholarships Fray Martín Larrainza", to provides Young people from the low income sectors with the possibility of participating in the Soccer School "Santo Tomás de Villanueva", presented by Biohabitat Civil Association. Amount: Bs 90,248.
5. Micro pilots and rehabilitation of the sports course at the Educational center for UCV Professors. Amount: Bs 124,197.

The remaining amount of Bs 42,063 will be allocated to a Project presented by Bello Monte Community Council related to the incorporation of security cameras in the main streets of neighborhood.

It's relevant to mention that, as in the previous years, the procedure followed at all the meetings with the community is guided by an external moderator (who is neither a representative of the community nor of Banesco). All the participants have the same right to participate; rules and procedures are established in advance; the meetings are recorded in video and each meeting ends with the preparation of a detailed minute to guarantee the transparency of the process. This year the moderator was the sociologist and expert on urban topics, Mr. Omar Hernández.

An additional result of this dialogue with the community is the establishment of a direct link, otherwise absent, among all the representatives of this community. This new bond favors an enhanced coordination of actions. This means that Banesco has acted as a real catalyst agent for the benefit of the quality of life in this zone.

This dialogue with the neighbors of our headquarters will keep going on in the future, following the best international practices and pointing to apply in the short term the AA1000 Standard about dialogue with stakeholders.



BANESCO SOCIAL ACTION BY REGION OF THE COUNTRY 2010

► Banesco social action by region of the country 2010

I. Capital Region		SAIME	14,851.00
Capital District, Miranda and Vargas		Andrés Bello Catholic University	9,587.00
Civil Assoc. Apoye	53,760.00	Universidad Central de Venezuela	155,000.00
Civil Assoc. Don Bosco Houses Network	3,871.00	Los Andes University	40,000.00
Mayorality of Sucre Municipality, Miranda State	1,344,000.00	Los Andes University	14,000.00
Mayorality of Los Salias Municipality, Miranda State	9,975.00	Metropolitan University	205,898.00
Mayorality of Baruta Municipality, Miranda State	349,216.00	Nueva Esparta University	35,711.00
Civil Assoc. Biohabitaf	90,248.00	Simón Bolívar University	365,502.01
Civil Assoc. Salesian Women	250,000.00	Venamocham	26,820.16
CEDIAD	20,000.00	Ximena Borges	21,168.00
National Center for Competitiveness	7,680.00	Total Bs.	8,825,571.89
Club Hebraica Social and Sports Center	22,400.00	2. Middle- The Plains Region	
Los Corbijos Country Club	10,000.00	Carabobo, Aragua, Guárico, Cojedes and Apure	
Private School at the Educational Center of the UCV Professors Assoc. (CEAPUCV)	124,197.00	Asocobú	10,080.00
National College of Journalists (CNP)	16,800.00	Corposlud	10,000.00
Bello Monte Community	432.72	Total Bs.	20,080.00
Bicentennial Conquest	3,150.00	3. Western-Andean Region	
Bello Monte Community Council	42,063.00	Lara, Yaracuy, Portuguesa, Mérida, Táchira, Trujillo and Barinas	
Fosnojiv	2,123,696.00	Asoportuguesa	12,934.00
Foundation Friends of the Elder	5,244.00	Total Bs.	12,934.00
Foundation Friends of the Child with Cancer	100,000.00	4. Eastern-South Region	
Foundation Artesano Group	9,900.00	Anzoátegui, Sucre, Monagas, Bolívar, Amazonas, Delta Amacuro, Nueva Esparta and Federal Entities	
Foundation Autism Abroad	100,144.00	Foundation Cantaura Fairs	5,000.00
Los Roques Scientific Foundation	50,000.00	Total Bs.	5,000.00
Foundation of Metropolitan Sports (FUNDEMECA)	20,000.00	5. Zulia - Falcón Region	
Foundation Today's Teacher	10,000.00	Zulia and Falcón	
Foundation Juan Pablo Rojas Paúl	102,500.00	College of Lawyers, Zulia State	7,000.00
Children Museum Foundation	4,000.00	Zulia Regional Government	29,792.00
Foundation Oasis The Desert	135,000.00	Museum of Contemporary Arts, Zulia State	35,000.00
Foundation Step by Step	28,778.00	Andrés Bello Catholic University	20,750.00
Foundation St. Domingo	329,444.00	Total Bs.	92,542.00
Foundation "Siembra"	20,000.00	National Territory	
Venezuelan Foundation against Infantile Paralysis	800,000.00	Avec	
Foundation Venezuela without Boundaries	20,983.50	Fo y Alegria - IUJO	
Fundana	180,562.50	Total Bs.	
Fundapuel	30,000.00	2,481,460.00	
Miranda Regional Government	5,000.00		
IESA	1,290,000.00		
Individual	131,000.00		
Individual	7,000.00		
Individual	4,480.00		
Individuals (Life scholarships)	75510.00		
PROVEA	6,000.00		

BANESCO CORPORATE VOLUNTEERS



Main Action Lines in 2009

- We were able to know our volunteers' perception about Banesco Corporate Volunteers' management through an electronic survey in order to identify opportunities to improve.
- Along with our Social Partners, we trained volunteers as facilitators in the application of pedagogical tools.
- Expanded the training programs addressed to students and the staff of Fe y Alegría in Caracas, Barquisimeto and Maracaibo.
- Through a joint effort with our Social Partners we developed a training program for our Corporate Volunteers with a view to strengthen their abilities for the development of the varied activities they carry out with those Social Partners.
- Created new opportunities for a stronger participation and exchange of ideas among our volunteers organized by work teams.
- Fostered environmental responsibility in the groups served by our Social Partners.
- Created the Environmental Volunteers program.

Management Evolution against 2009 and Main Action Lines in 2010

- The activities based on the initiative "Friends of Nature" have continued hand in hand with others organizations devoted to environmental protection.

- Our Corporate Volunteers were trained on the matter of Human Rights.
- Developed complementary education programs at the higher education centers of Fe y Alegría in Maracaibo (IUSFRA) and Barquisimeto (IUJO Barquisimeto).
- As a result of the evaluation carried out to identify new opportunities for volunteer tasks, we found that the Orthopedic Children Hospital was a favorable option to develop our activities.
- Developed the Environmental Volunteers initiative.
- The Electronic Registry of our Volunteers was included in the Intranet.
- For the first time we defined the Annual Plan, this time for 2011, along with the members of our Corporate Volunteers.

Commitments made for 2011

- Review of the policy that rules the functioning of Banesco Corporate Volunteers in order to adjust it to the new realities.
- Strengthen the program of Complementary Instruction addressed to the higher education center of Fe y Alegría.
- Reinforce the work of Banesco's Volunteers in the different regions of the country.
- Consolidate the Environmental Volunteers Initiative.
- Development of seminars and workshops addressed to our volunteers on the matters of Human Rights, environment and prevention of alcohol, tobacco and drugs abuse.

Our Policy

Banesco Corporate Volunteers bases its action on the community and the organizational value of the Individual and Social Responsibility. The purpose of our program is to establish a closer relationship between our human talents and the communities where Banesco operates, supported by the expertise of our Social Partners.

The Executive VP of Human Capital coordinates the process to recruit volunteers, through the internal communications channels, particularly the Internet where our collaborators are able to get information and learn about the program. We urge our executives to recruit volunteers ascribed to their directions and create teams committed to Social Responsibility.

► Distribution of Volunteers by job levels/men hours

To December 31, 2010:				
Job Category	2010		2009	
	Volunteers	% of total	Volunteers	% of total
Apprentices/Interns/Thesis students	5	11%	0	0%
Base	72	14%	52	12.32%
Professional and Technicians	279	54%	252	59.72%
Supervisory and Managerial	152	30%	109	25.83%
Vice-Presidents	6	11%	9	2.13%
Total volunteers	514	100%	422	100%
Total men/hours aportadas	4,432		3,999	
Annual average hours per volunteer	8.62		9.48	



We align our strategies to the best practices, supporting with technical advice, training, logistics and assistance the communities and programs developed by our Social Partners in priority areas such as social service.

We support our Social Partners on projects and initiatives related to education, health and environment.

► Hours served by our Volunteers

Participation Model	2010	2009	Vari. %
Specific events of social action	453	374	38.77%
Free time invested	1,339	297	379.46%
Group Project	983	2,009	(50.32%)
Professional volunteers	132	182	(25.27%)
Environmental Volunteers	477	0	100%
Volunteers Training	1,048	1,137	(7.83)
Total hours	4,432	3,999	21.98%

► Volunteers Recruitment

2010		Hours	2009		Hours
Story-Tellers workshops		178	Lecture on Paper Recycling - Volunteers Recruitment		37
Accelerated Dynamic Learning (Banesco Barquisimeto Volunteers)		63	Training Program for Facilitators (ADA Barquisimeto)		320
Accelerated Dynamic Learning (Banesco Caracas Volunteers)		100	Training Program for Facilitators (ADA Caracas)		450
Accelerated Dynamic Learning (Banesco Maracaibo Volunteers)		81	Training Program for Facilitators (ADA Maracaibo)		330
Workshop - "Companies, Human Rights and Education"		456			
AVAA Program- Introductory Workshop: Coaching Basic Abilities		162			
Total Hours of training		1,048	Total Hours of training		1,137

► Investment on Banesco Corporate Volunteers

In Bs	
2010	218,108.44
2009	160,550.95
Variation %: 122.03%	

Volunteers Typology

The action areas of our Corporate Volunteers are the following:

- **Professional Volunteers:** it is composed of a team of professionals who facilitate learning experiences to our Social Partners through workshops, lectures, consultancy and organizational aspects.
- **Free time invested:** a team of volunteers that accompany the children and adolescents in need of assistance who are served by our Social Partners.
- **Group Projects:** participation in projects involving financial and human resources for each activity; fostering team work and participation.
- **Specific events of social action:** participation in specific one-day or one-week long activities for a given campaign or event.

Volunteers Training

We carry out training and instructional activities in order to strength the capabilities of our volunteers on educational and communicational matters.

Activities Carried out by our Volunteers along with our Social Partners

Social Partner	Date	Description	Beneficiaries		
			2010	2009	Vari. %
Fundana	01/29/2010	Activity "Friends of the Nature" in Fundana – Ex.VP Human Capital	800	700	14%
	04/30/2010	Second activity in Fundana			
	05/15/2010	Ecological activity in Fundana			
	10/30/2010	Christmas Foamy Workshop in Fundana			
	06/11/2010	Exhibition of the play: "Let me tell you a tale" in Fundana			
	11/14/2010	Auction for Fundana			
	11/20/2010	Christmas Decoration at Fundana			
	12/11/2010	Christmas party in Fundana			
Don Bosco Houses Network	05/08/2010	Sports game Banesco – Don Bosco Shelter Samá	250	250	0%
	06/12/2010	World Football game and Friendship Game – Don Bosco Shelter Samá			
	06/25/2010	Donations of sports equipment- Don Bosco Shelter Samá			
	08/21/2010	Sports game Banesco - Don Bosco			
	10/16/2010	Sports game Banesco - Don Bosco			
Orthopedics Children's Hospital	05/13/2010	Friends of Nature – Orthopedics Children's Hospital	500	-	-
	07/10/2010	Exhibition of the play: "Let me tell you a tale" to celebrate the Children's Day – Orthopedic Children's Hospital			
	08/26/2010	Friends of Nature- Orthopedics children's Hospital			
	10/15/2010	Friends of Nature – Story-telling session			
	10/29/2010	Friends of Nature- Orthopedics children's Hospital			
Fe y Alegria	All along 2010	Complementary Education Workshops at the higher education institutions in Maracaibo, Caracas y Barquisimeto	350	-	-
	Nov 15-16, 2010	Community wardrobe at IUSFRA (Zulia State)	200	-	-

Corporate Volunteers Summit

In November, we held our Corporate Volunteers Summit, where different work teams defined the 2011 Annual Plan. Here we drew the actions lines for our program, as well as the details of each activity to be developed over the next fiscal year. This is the first time that an Annual Plan is discussed with members of our Corporate Volunteers.

Banesco went forward with the following aspects:

- Contextualization of Banesco Corporate Volunteers
- Conceptual description of Banesco Corporate Volunteers program.
- Establishment of guidelines and policies.

Others activities

Solidarity

- Logistic support to the Collection Centers in Zulia State and Ciudad Banesco (Caracas) in order to help victims of the heavy rains crisis at the end of 2010.
- Creation of a Collection Center for the victims of the heavy rains in Guárico State.

Environmental Volunteers

- Hand in hand with Inparques we held a planting campaign of species native from the Warairarepano National Park
- Along with The Caribbean Experimental University we celebrated the World Day of Beaches with a cleaning activity at Playa Escondida (Vargas State).

Banesco Corporate Volunteers align its strategies to the best practices, supporting the communities and our Social Partners with technical assistance, training, logistics and assistance.



Assistance to children and adolescents

- Banesco Volunteers created a theater troupe which offered different shows for the children who attended our Vacation Plan for our workers' kids in 2010.
- We paid a visit to the population of Guadalupe, in Lara state, along with Fundación Artesanogroup to give toys to the children of this community.

OUR CUSTOMERS

Main Actions Lines in 2009

- Encouragement of a wider use of our e-channels and ATMs in order to reduce the time invested by our customers at the branches.
- Implantation of Protocol of Relations with the Customers at all our branches.
- Improvement of the process to grant credit cards with the Lean Six Sigma methodology.
- Consolidation of the market of regional public institutions.
- The empowerment model advanced towards the vice-presidencies of the Middle-The Plains, Zulia-Falcón and Eastern-South regions. The implantation process nationwide was finished.
- Complete integration of the Projects Corporate Center (PCC) into the strategic management of the bank.
- Modification of the ADS measurement process (Services Auditing) in order to get a clearer perception of our customers.
- Constant increase of the payments and domiciliations services through the Data Electronic Exchange (EDI) platform.

Management Evolution against 2009 and Main Action Lines in 2010

- Our Business Corporate Model was implanted.
- The implantation of IT transformation was launched.
- We went forward with the creation of procedures to evaluate and examine the business lines in terms of environmental and social risks.
- The application BanescoMóvil and the APP for Blackberry were developed and provided.
- We entered into the Internet social media (Twitter, Facebook) to strengthen the dialogue with our customers.
- A new system for special operations was implanted, as well as new functionalities for this channel.

Commitments made for 2011

- Development of mobile applications for new electronic devices, such as Ipad, Iphone, Nokia, LG, among others.
- Development of the micro-payments service project.



- Development of initiatives to preserve our customers through the collocation of credits.
- Provide profitability to our customers by positioning our products.
- Re-definition of our natural customers' segmentation in our Premium Banking and Private Banking.
- Finishing the adjustment process to the Chip technology for all our Debit and Credit Cards in order to offer transactions 100% safe.
- Consolidate of our presence in the social media.
- Continue with our traditional Regional Tours in order to get closer to our customers nationwide.
- Strengthening BanescOnline to provide our customers with technological solutions to request foreign currency, buy bonuses, review and pay credits and self-management of requirements.

Our Policy

We foster win-win relationships based on three principles: profitability, reciprocity and quality service. In accordance with our Business Vision 2013, we encourage a massive bankarization supported by products and business models that account for a real innovation from the technological perspective. In this way, our strategies guarantee growing levels of financial inclusion.

The First Financial Institution of the Country

Banesco Banco Universal, C.A. has continued expanding its service points all over the country in order to provide a more timely and convenient service to our customers nationwide.

At the end of the year 2010, Banesco ranked first in the Venezuelan financial market, with a total amount of managed resources of Bs. 50,233, 18.10% above the closing amount of the previous year.

This figure accounted for 15% of the total managed by the commercial and universal banking.

Banesco leadership was also ratified by the performance shown by the first staples of the balance:

- Bs. 52.08 billion in assets, first place among private Banks. This accounts for a 13% market share with a year-on-year variation of 21% (Bs. 9.02 billion).
- Capitalization of Bs 637 million during the year that pushed our total stockholders' equity to Bs 4.23 billion. The operations of the second half of the year led to an annual net result of Bs. 503 million and a patrimonial sufficiency of 23.6%.
- Deposits taking from the public rose by more than Bs. 8 billion, balance of Bs. 45,83 billion accounting for a 14,1% market share.
- Banesco Banco Universal, C.A. kept its first place in terms of its net credit portfolio with Bs. 27.65 billion accounting for a 21.6% increase against 2009 year-end.
- The manufacture portfolio accounted for 10.39% of the total credits, well above the level established by law, with an investment of Bs. 2.41 billion for a total of 1,251 credits granted to the industrial sector.
- In terms of commercial credits, the Bank closed the year with a balance in portfolio of Bs. 6.23 billion, corresponding to over 122,000 credits granted.
- Check Accounts deposits amounted to Bs. 28.24 billion, accounting for a 15.4% market share.
- Savings account deposits rose to Bs. 8.44 billion, accounting for an increase in the balance close to Bs. 1.90 billion.

- Besides our Web page BanescoOnline, we have 446 service points available nationwide, 53,437 points of sale, 1,865 ATMs, 342 self-service machines, 243 checkbook dispensers and its call center.

At 2010 year-end, Banesco had allocated Bs. 2.55 billion to the mortgage credits portfolio with its own resources. This amount corresponds to Bs. 1,803 for long-term credits and Bs. 749.01 to short-term credits. In this sense, the Bank complied with the 10% level established by law.

As for the credits established by the Mandatory Savings Fund for Housing (FAOV by its Spanish acronym), Bs. 3.69 billion were granted, accounting for 75,637 loans for the benefit of 302,548 people.

It's also worth mentioning that Banesco kept its place as the leader in micro-credits granted in the financial system as a whole, with a portfolio amounting to Bs. 1.37 billion.

Products and Services

As a part of the implantation of our New Business Corporate Model (BCM), the VP of Liabilities was consolidated as an independent business area in charge of watching over the fulfillment of our organizational objectives in relation to Passive Products. This area is in charge of ensuring related offers, services and promotions which should be simple and adjusted to our customers' needs and leveraged on the innovation and value attributes, as well as on a permanent follow-up of the products' life cycle.

Main Passive Products

- Checks account with interests.
- Checks account without interests.
- Electronic account.
- Savings account.
- Electronic Savings account.
- Investments: Time deposits and traditional participations.
- Sight deposits.
- Sight progressive deposits.

Service Points				ATMs			
Region	2010	2009	Vari. %	Region	2010	2009	Vari. %
1. Capital city	190	194	(2.10)	1. Capital city	859	887	(2.67)
2. Middle - The Plains	71	77	(8.45)	2. Middle - The Plains	251	271	(7.96)
3. Western-Andean	62	64	(3.22)	3. Western-Andean	278	300	(7.91)
4. Eastern-South	66	69	(4.54)	4. Eastern-South	256	276	(7.81)
5. Zulia-Falcón	57	58	(1.75)	5. Zulia-Falcón	221	236	(6.78)
	446	462	(3.58)	Total	1,865	1,965	(5.36)

* Including branches, tellers outside branches, satellite Express Centers, drive-up windows, among others.

Main Credit Products

- Credit Cards.
- 48-Hour Multicredits
- ExtraCrédito Banesco.
- Credit for vehicles: Credicarro via Internet.
- Credits for Housing: Mandatory Savings Fund (FAOV), Mortgage loan.
- Credits for Tourism and construction sectors.
- Agricultural credits.
- Microcredits.
- Credit line of Checks Account.

Other Important Products

- Trust Funds
- Insurance

Main Services

- Remote Banking Service: BanescOnline, SMS, Phone Banking, Points of Sale, Automated Checkbooks Dispensers, Self-service, External bank counters by shifts, BanescoMóvil, Multipayments via Internet.
- Taxes and services collection.
- National Services: Payment of checks from other banks, transfers in national currency from the same bank to another bank, special services.
- Payroll payment, suppliers' payment and domiciliations collection.

Always at the Forefront of Innovation

"Stop going on and forget about to pay!"

An offer oriented to encourage the monthly domiciliation of utility services such as cell phone, fixed phone, TV cable and electric light with an automated payment charged on your Banesco account or credit card.

Relax!... Banesco Checks Accounts: the best of liquidity

We relaunched the product "Banesco Liquid Accounts" the best option to manage your money with comfort – 24 hours- and you don't have to go to the bank, with Banesco Debit and Credit Cards Maestro for 15 free-charge transactions at our ATMs.

MultiCredits 48 hours

We re-launched our Campaign 48-hours Multicredits under the motto "Make grow your business in 48 hours!". Addressed to the SME sector, the purpose of this campaign was to increase the credits portfolio through the granting of loans between Bs. 3,500

Number of Customers

At December, 31

Banking	2010	2009	Variation %
Branches network	3,815,577	4,940,248	(29.47)
SMEs	186,963	161,569	13.58
Premium Segment	60,103	59,800	0.50
Community Banking	130,794	93,234	28.71
Private Banking	4,403	4,345	3.07
Enterprises Banking	7,390	7,014	5.08
Corporate Banking	698	693	0.71
Energy Banking	833	795	4.56
Public Sector Banking	627	796	(26.95)
Agricultural Banking	2,772	2,546	8.15
Total	4,210,240	5,271,040	(25.19)

Details of accounts per banking

At December, 31

Total Passive Account

Banking	2010	2009	Variation %
Branches network	4,493,432	4,495,472	(0.04)
SMEs	202,535	194,718	3.85
Premium Segment	120,160	134,553	(4.98)
Community Banking	130,794	93,234	28.71
Private Banking	9,818	11,344	(15.54)
Enterprises Banking	11,688	9,028	22.75
Corporate Banking	1,510	916	39.33
Energy Banking	1,320	1,072	18.78
Public Sector Banking	2,869	1,477	49.51
Agricultural Banking	3,939	3,339	15.23
Total	4,986,065	4,945,153	0.82

Total Credits Liquidated

Banking	2010	2009	Variation %
Branches network+SMEs	29,550	33,604	(12.06)
Premium Segment	7,770	3,078	60.38
Community Banking	73,369	49,782	32.14
Private Banking	1,213	600	50.53
Enterprises Banking	8,522	2,443	71.33
Corporate Banking	504	319	36.70
Energy Banking	694	371	46.54
Public Sector Banking *	0	28	(100)
Agricultural Banking	2,779	2,828	(1.76)
Total	124,327	93,053	25.15

Total Credit Cards

Banking	2010	2009	Variation %
Branches network	716,511	1,679,671	(134.42)
SMEs	0	0	-
Premium Segment	31,091	85,354	(174.52)
Community Banking *	588	0	100
Private Banking	8,586	8,966	(4.42)
Enterprises Banking	1,190	1,141	4.11
Corporate Banking	181	217	(9.88)
Energy Banking	230	240	(4.34)
Public Sector Banking	140	186	(32.85)
Agricultural Banking	1,967	1,912	2.79
Total	760,484	1,777,687	(133.75)

* Community Banking launched a new Community Education Loan, which is managed through credit card.

Banesco Credit and Debit Cards, as well as customers of credit cards from other banks, participated for 5,000 opportunities to enjoy an instant free-charge purchase.

and Bs. 500,000; approved and deposited in 48 hours, with terms from 12 to 18 months.

Exclusive Alliances for Customers of our Private Banking

With the purpose of providing a special service to the customer of the Private Banking sector we established an alliance with Le Gourmet restaurant, where we invited them to enjoy special compliments in reservations when they are identified as Banesco customers and pay through a Banesco payment means.

New Look of Banesco-Locatel Credit Card

In April we renewed the image of Banesco-Locatel Health Card, according to the new graphic image adopted by this commercial ally.

We joined the Reality Show

“The Amazing Race Latin America”

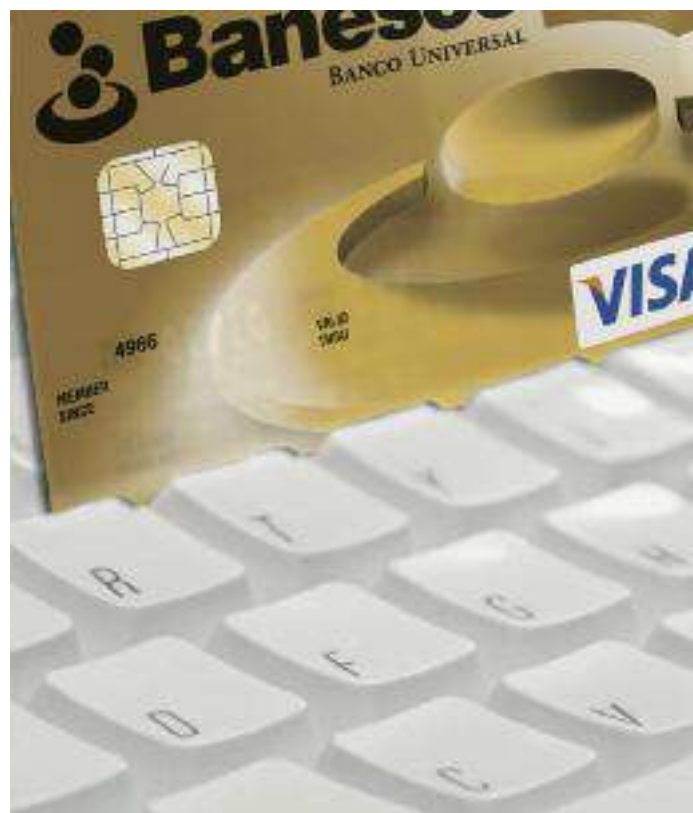
The reality show The Amazing Race, broadcasted by Discovery Channel, paid a visit to Venezuela. From the magnificent landscape of Canaima, our Banesco brand accompanied the participants coming from 8 countries all along their journey through our lands.

Banesco Alliances Debit and Credit Cards

With a view to encourage our cardholders' fidelity offering them, as usual, the best advantages and benefits of our Banesco Debit and Credit cards, we provided them with the opportunity to get discounts in products and services, through alliances with renowned brands such as Universal, Hotel Tamanaco Intercontinental, BanService, Cryocel, KFC and Tracker GPS.

Banesco – Cinex Alliance

Continuing with the actions to boost this alliance —for six years in a row has been providing a 50% discount to those paying the entrance ticket to Cinex with Banesco Debit and Credit cards— we launched in July the promotion “Premiere of the Film”, where the winners attended with five companions the exclusive premiere of the film Karate Kid in Caracas.



Promo Banesco MasterCard Grammys

Looking for prizes that offer our customers something else beyond what they can buy, we launched our exclusive promotion for the segment Premium Banesco MasterCard, where our cardholders participated to attend the Grammy Awards 2011, in Los Angeles, United States.

A Prized Ticket in Christmas for 5,000 winners

During the previous Christmas season, the Permanent Program Banesco Prized Ticket offered 5,000 prizes between November and December for all those who paid their purchases through a Banesco point of Sale. Banesco Debit and Credit holders, as well as cardholders from other banks participated for 5,000 opportunities to enjoy an instant free-charge purchase.

Presence at events all over the country

Our brand, products and services are always present at highly advertised and interesting events for our customers. In 2010, we participated in the following massive events:

- Tourism International Fair 2010 (FITVEN)
- Construction Week
- Credit Fair organized by Miranda State regional government
- Miranda V Meeting
- Gastronomy Festival in Lara State

ELECTRONIC BANKING

Electronic Channels

At the end of 2010, the transactions through our Electronic Channels recorded a relative increase of 4.8% against the previous year, going from a monthly average of 67 to 71 million transactions.

The share of transactions made through electronic channels was of 88.47%, accounting for a 1.08 percentage points improvement against 2009.

BanescOnline

In December 2010, BanescOnline closed with 2.3 million affiliated customers. This means that 348,860 customers joined this e-channel during the period, accounting for a 17.7% increase against December 2009.

The monthly average of transactions was 37.6 million, recording a 10.6% increase against the previous year. As for amounts managed in 2010, the average monthly figure was Bs. 9.7 million with a 49.5% increase against 2009. In 2010, new functionalities were added to this channel, such as Balance Consultation to Square, donation to Venezuela without Boundaries and PIB reassignment for Debit Card.

Call Center (CAT)

At the end of 2010, this service had managed a monthly average of 2.9 million calls. The monthly average managed by the Agent of the Call Center was 817,319. Regarding transactions, the monthly average managed by this channel in 2010 was 1.6 million calls, with 81% average participation of the robot (IVR) against the previous year.

During this period new functionalities were incorporated through this channel, such as Dynamic Password for Special Operations (OTP), PIN reassignment in debit cards compromised and Credit Consultation.



The new system of dates to request CADIVI certificates was also incorporated. The new functionality was focused on all the individual and family requests to request certificates.

Points of Sale, ATMs, Self-Service and Checkbooks Dispensers

At the end of 2010, Banesco counts on:

- Points of Sales (44,246 Physical POS and 9,191 virtual POS), through which a monthly average of 11.9 million transactions are carried out. This accounts for a relative growth of 3.8% against 2009.
- Currently, Banesco already counts on a 37,000 Points of Sale reprogrammed to use EMV (Chip), reaching to 90% of the business affiliated and managing over 11,000,000 transactions through this technology.
- 1,865 ATMs, through which a monthly average of 10.8 transactions (Issuer) and 11.5 million average (buyer) were made in 2010. That is, 8% and 11% respectively, above previous year figures. Likewise, we are still the leaders in Transactions as buyers of the Suiche 7B and Conexus networks.
- 342 Self-service machines (581,780 monthly average transactions).
- 243 checkbooks dispensers (153,000 monthly average transactions).

Payment Means and Services

Cash Management Services

At the end of 2010, the service of payroll payment, suppliers' payment and domiciliations through our Electronic Data Exchange Platform (EDI) recorded a significant increase. In all, the group of transactions rose 5.03%, whereas the amounts managed rose to 48.70% against 2009.

During the year, 747 customers were incorporated. 163 of them correspond to the Payroll Payment service, 486 to the Suppliers' Payment service and 98 to domiciliations.

At 2010 year-end, the aforementioned service network has a total of 7,075 affiliated customers. The Payroll Payment service has 4,897 customers (69.2% of total), the Suppliers' Payment service counts on 1,454 customers (20.5% of total), with 724 customers for Domiciliations (10.2% of total).

Collection Services

At 2010 year-end, the collection service counts on a portfolio of 119 customers.

Over the year, the volume collected rose by 32.8% against the previous year, while the transactional records rose by 12%, going from 9.1 million in 2009 to 11.1 million in 2010.

Debit Cards Issuance Business

Banesco kept its leadership in the market of Sales with Debit Cards, with a 24.14% share market at the end of the year 2010. This means a difference of 8.64 percentage points compared with our closest rival and 9.84 points in relation to the third place.

During the 2010 second half, Banesco launched its Campaign of Replacement of Debit and Credit Cards with magnetic strip for Chip Technology (EMV). This improvement allows a higher security level for electronic transactions made through our POS and ATMs. To this date, over 400,00 Debit Cards and 70,000 Credit Cards have been replaced, while we encourage the rest of the customer to follow suit with our Campaign Micro-Chip.

Credit Cards Issuance Business

Banesco kept its leadership in the Venezuelan market of Credit Cards, based on the implementation of different business strategies that follow our innovation line.

We encourage the use of ExtraCrédito for Purchases: vacation travel tickets and travel packages; purchase of uniforms and school materials, articles for the house and Christmas gifts. This products acts as a parallel line or additional financing to the credit limit of Banesco Credit Cards in order to provide our customers with an "extra" at important moments of their lives.

In June, the SME Credit Card was created. It's a product addressed to the SME segment with the purpose of serving as a financing means to purchase inputs and materials for the development of their activities (working capital) with a cash advancement functionality and consumption through POS.

Technological Advances and Developments

In 2010, the new functions for **Electronic Payment** were standardized, such as:

- New Users Administration for accounts with the possibility of defining Administrator Users.
- Configuration of the information to be visualized by the users in the options of consultation and approvals.
- Administration models of approval per account.
- Improvements in terms of visualization and printing of Suppliers' Payment Receipts.
- Preview of the file's contents.
- Detailed view of the approval model per document.
- Possibility to block some available options for the Master user
- New applicative type version of DataEntry.
- **The new system of password for special operations** was implemented. This system has resulted in a significant reduction

Banesco kept its leadership in the Venezuelan market of Credit Cards, based on the implementation of different business strategies that follow our innovation line.

of fraud among natural persons' operations, while it also protects the customer's directory.

- The Daily Limit for other Banks was established with a view to protect inter-banking operations.
- **Request/Follow-up Option** (registry and consultation of requirements), with which the customer can send requirements online, by himself and without going to the Bank.
- **Credit Consultation Option**, which allows the customer to make a consultation and control his credits with the institution.
- **Multi-payments Option**, which allows the user to pay several utility services through the Internet.
- **Tourism Credit Consultation Option**, through which the customer is able to validate the status of his tourism credit request.
- The option to view returned checks was improved, according to our users' needs, showing more details and the digitalized image of the check.
- **Virtual Lock for Debit Cards (DC)**: to enable/disable Debit Cards through the IVR channels and counters. This helps to mitigate the fraud in transactions carried out through all our e-channels. This applicative also allows the temporary blockage of DCs for their use at POS, ATMs, multifunction and self-service machines, BanesOnline affiliations and phone banking operations.
- **Two new donations** were incorporated into the transfers option in order to support the institutions (**CEDIAD and Pediatric Specialties**).
- Production launching of **BanescoMóvil** application, a solution that allows the customer to make consultations of his accounts and credit cards, make transfers between his own accounts and to third parties, both within Banesco and to other Banks, as well as making payments to his Banesco and other banks' credit cards and CATV service, login the system in a safe and comfortable way through their cellular phones. Besides the access via navigation, BanescoMóvil also offers the first application specially designed for BlackBerry, ratifying in this way one of its main brand attributes: innovation.

Banesco keeps its leadership over this half of the year in the Venezuelan market of credit cards, as a result of varied and innovating business strategies.

Just some weeks after its launching campaign on the social networks, the application BanescoMóvil allowed over 100,000 downloads. As a result, BanescoMóvil was nominated as an example of Case of Success in Venezuela by the company RIM International, through its representative in Venezuela, Sinergy Global Bussines.

New Model of Technological Support to the Business

This new model is based on a plan composed of business partners, solutions engineering and operational continuity, which makes easier the interaction between the different areas with technology and leveraging the strategy to rationalize costs. Among its benefits we can mention:

- Shorter periods of time to deliver solutions.
- Higher quality standards.
- Delivery of safer and stronger solutions.
- Optimization of resources use, both technical and human resources
- Focus on availability of technology services used by our customers
- IT costs rationalization.

Banesco Technological Plan

Banesco has developed a Technological Plan based on a technological vision for a short, medium and long term and its corresponding implantation

With this plan, Banesco will be able to:

- Satisfy the business needs and capacities.
- Simplify the corporate and applications architecture.
- Address Banesco's operating risk analysis.

New conveniencies and security steps for our customers

ATMs FOR DEPOSITS

In 2010, the use of our ATMs was strengthened as they provide our customers with two modalities to make deposits: online deposits (cash) and envelope deposits (cash or checks).

MICRO-PAYMENT SERVICE

A micro-payments service project is under development. It is expected that this service provide our customers with the option of paying goods and services via cellular phone at kiosks, taxi lines, supermarkets and other retail points of sale. Originally, the plan was going to be implemented in 2009. However, along the process it was evident the need to study and evaluate additional markets before defining the ideal technology, as it is based on a very complex platform.

Specialized Segments

Premium Segment

At the end of December, 2010, the Premium Segment had 60,102 customers, with a total of 10,577 credits granted. This means an increase of the portfolio intermediation percentage that accounted for a 29% increase in relation to the expectations of the portfolio volume for the period, with 0.05% for delinquency rate.

Sight deposits increased their share by 88%, resulting in an improvement of the passive structure with its corresponding impact on the Bank's profitability.

The typical profitability of this segment was considerably improved by the change in the passive structure and the sale of sight products. As a result, 76% of the customers manage their current accounts with the institution.

On the other hand, the index of credit cards use by these customers was 87.22%.

Private Banking

At the end of 2010 second half, the Private Banking showed a 29% increase for its Commercial Portfolio against the closing of the first semester 2010, with a quality of Credit Portfolio of 0.49%.

As for Total Takings, at the end of the year 2010 the liabilities of the Private Banking keep a 4% share against the total of the Bank. It's worth noting that although natural persons segment is the most sensible sector in the financial market, the results at the end of 2010 compared with the second half of the year 2009 showed a 7% position increased, with a significant variation.

The composition as a mixture of high costs liabilities went from 38% at the end of 2009 to 8% at the end of the year 2010. This favored a considerable contribution to the Bank's profitability, while at the same time is a proof that our customers trust the Bank as manager of their financial assets.

Corporate Banking

During 2010, our Corporate Banking focused its efforts on achieving a closer relationship with its customers, taking as a priority those sectors that require a higher financial support, both in terms of credits and transactions. To do so, Banesco developed visits plans to have a better knowledge of our customers' needs. This strategy resulted in an improved service in tune with our customers' demands and a stronger articulation and fidelity, which in turn improved our transactional business and increased the import volumes managed by the Bank.

Our Corporate Banking grew 53.8% on a yearly basis in terms of its passive funds in comparison with the end of the year 2009 and over 98% of the passive funds were collected in low cost funds (sight and short term deposits). On the other hand, the Corporate Banking also granted tourism and manufacture credits, which were

Specialized Banking Branches

Region	Private			Corporate			Public Sector			Energy			Agricultural			Enterprises		
	2010	2009	Vari. %	2010	2009	Vari. %	2010	2009	Vari. %	2010	2009	Vari. %	2010	2009	Vari. %	2010	2009	Vari. %
Capital City	1	1	--	1	1	--	1	1	--	1	1	--	1	1	--	1	1	--
Middle - The Plains	2	2	--	1	1	--	1	1	--	1	1	--	4	4	--	2	2	--
Western - Andean	3	3	--	0	0	--	2	2	--	0	0	--	5	5	--	3	3	--
Eastern - South	3	3	--	0	0	--	2	2	--	4	4	--	0	0	--	4	4	--
Zulia - Falcón	1	1	--	0	0	--	1	1	--	3	3	--	3	3	--	2	2	--
Total	10	10	--	2	2	--	7	7	--	9	9	--	13	13	--	12	12	--

addressed to one of the sectors driving the development of our country.

Public Sector

The most important aspect is the service provided to the IVSS (Social Security), with direct attention to over 403,000 pensioners nationwide (24.5% of the total nationwide).

Energy Banking

Banesco's growth in the credit area has continued, supporting on a permanent and sustained basis the fulfillment of the legal obligations linked to the manufacturing sector, with a total credit portfolio of 60.50%. The sector with the highest credit participation were Petrochemical 35%,

Iron and Steel/Metal-mechanical with 47% and other sectors with 18%.

The remaining of the portfolio was oriented to the services area which supports the activities of the national oil industry, as well as the electric and iron and steel sectors, accounting for 39.6% of the total portfolio of Bs. 1.2 billion.

Agricultural Banking

During 2010, the Agricultural Banking fulfilled the obligations established by the National Government in order to foster the agricultural development of the country. It took as a priority the customers of the primary and agricultural sectors. The emphasis on the primary sector expects to develop the credit business at the producer level and the agricultural sector in order to offers an additional drive, besides credit, to the transactional business of the banking and encourage growth in terms of import volumes processed through our Bank.

Banesco recorded an annual growth of 44.6% in passive funds against the end of the year 2009. More than 96% of those funds were taken as low-cost funds (sight and short-term deposits). The mandatory agricultural portfolio level accounted for 25% of the average gross portfolio 2008-2009. This means that Banesco complied and exceeded the level established by law by Bs. 75.5 million, for a total of 25.36%.

Enterprises Banking

It contributed directly with the fulfillment of the manufacture and tourism portfolios, concentration 16.0% and 7.5% respectively on

its credit portfolio. The commercial credit devoted to the growth of the general economic activity, thus, the source of social well-being, reached to 73.5% of the portfolio, with Bs. 2.6 billion.

Banesco Community Banking

(see pages 70-75)

Trust Funds

The Trust Fund portfolio was of Bs. 7.18 billion at the end of December 2010, with an assets increase of Bs. 1.16 billion against 2009 year-end, accounting for a 19.27% variation.

The Trust Fund portfolio is composed as follows: Bs. 2,575.39 million correspond to private sector assets (36% of the portfolio) and Bs. 4,605.05 million correspond to resources coming from the State (64% of portfolio), centralized and decentralized entities.

Likewise, 48% of funds corresponding to Collective Trust Funds with Bs. 3,43 billion, 17% of Administration for an amount of Bs. 1,25 billion, 19% to Guarantee Trust Funds, represented by Bs. 1,35 billion and 12% Investment funds which totalize Bs. 862.40 million. Likewise, Trust Funds with Mixed Characteristics account for 4% of the portfolio, with Bs. 278.86 million.

Trust Funds

Amount in Bs

Segments	2010	2009	Vari. %
Massive (RED)	351,040,819.29	349,953,118.50	28.87%
SME segment	12,987,158.27	1,934,248,055.71	4.33%
Premium segment	242,354,311.63	12,458,476.07	94.53%
Private banking	13,418,000.87	1,082,804.02	21.07%
Enterprises banking	687,334,680.94	556,045,434.26	23.61%
Corporate banking	267,627,125.78	189,542,086.96	41.20%
Energy banking	521,199,082.84	354,873,462.41	46.87%
Public sector banking	8,099,727,929.17	3,834,817,011.54	6.91%
Agricultural banking	8,941,457.17	9,356,445.29	-4.44%
Sub-total	6,988,547,535.96	6,020,083,087.58	16.09%
Non-allocated	191,893,850.65	-	-
Total	7,180,441,386.61	6,020,083,087.58	19.27%

During 2009, 532 new Trust Funds were established, equivalent to Bs. 496.18 million. As a result, the Trust Fund portfolio is composed of 6,515 plans. 3,952 of them are Administration Trust Funds, 1,598 Collective Trust Funds, 939 Investment Trust Funds and 26 Guarantee Trust Funds.

Trust Funds assets for the total financial system closed the year 2010 at Bs. 85.50 billion, accounting for a reduction of Bs. 19.04 billion.

Massive Segments and SMEs

During the second half of the year 2010, we increase our presence across the country with the opening of 6 new points of service:

Banesco Express at El Recreo Mall, Taquilla Coca-Cola Maracaibo (counter), Banesco Express Boleíta, Taquilla Víveres de Cándido (counter), Banesco Express Tamanaco and a new branch at Copacabana Mall.

With this, the structure of our branches' network at the end of 2010 was composed of 446 points of service nationwide (excluding Banesco Private Banking and Community Banking branches), with 7,653 employees.

In order to meet the needs of specialized service from the SME sector, we have encouraged the display of advisors, both in the Capital District and the following regions: The Plains, Western-Andean, Eastern-South and Zulia-Falcón.

New services for the Customers at our Branches

The Bank offers Banesco Express Trámites + Consultas, aiming to centralize the functions of services charges through activities standardization in order to improve sales effectiveness and enhance our operational model, optimize our branches' sizing, improve the model of service for our customers through the Internet, simplify, specialize and standardize the operational model and, finally, to liberate time to be devoted to sales and creation of business for the promoter.

Sectorial Orientation

- **Food:** Credits for business such as bakeries, grocery stores and supermarkets, among others, to finance inventory, revamping and equipment acquisition.
- **Health-Pharmacy:** Short-term financing for buy inventory.
- **Car Parts and Accessories:** Financing for inventory.
- **Importers:** Credits to buy currency and credit letters.

International

Imports

A 40% increase in the amount of foreign currency liquidated was observed in 2010, against the previous year. This is basically due to the strategy addressed to attract more clients from the Corporate and Agricultural Banking, plus the customers directly served through the branches' network, making an important emphasis on essential items importers (food and medicine), commodities and capital items.

91.44% of the total liquidated imports are oriented to the ordinary market (non-ALADI), while 8.56% to imports of ALADI member nations.

Letters of Credit

At December 13, 2010, the total of letters of credit accepted amounted to USD 638.37 million, accounting for an increase of 37.66% against the previous year (USD 463.74 million). This increase is the result of a strategy addressed to the segments of the economy with a sustained demand of currency for imports through this payment mode.

Massive Operations

This activity consists of the process of transactions created by the Exchange Rate Regime referred to the Use of Credit Cards for Overseas Travels, Cash Advances for Travelers, Electronic Commerce Operations, Students in Foreign Countries, Family Remittances, Retired and Pensioners, besides Special Cases (health, sports, culture, emergencies, among others),

Banesco is the leader in reception of requests for natural persons, processing 757,660 files. In this sense, we recorded an increase of 117% against 2009.

International Events

During 2010, we attended three international events with a view to keep our good relations with our world correspondent Banks and look for new business for International Correspondent Banks, International Trade and International Treasury.

Banesco participated in the Annual Meeting of Governors of the Inter-American Development Bank in Cancún (Mexico) in May 2010; the Latin American Foreign Trade Congress in Houston in June 2010 and the Annual Assembly of the Banks Latin American Federation (Felaban) in Punta del Este (Uruguay) in November.

In summary, we held more than 90 meetings with representatives of financial institutions, where we discussed important topics related to the Trade Finance Activity and International Correspondent Banks.

ISO 9001:2000 Certification

Guarantee of Quality Service

In 2008, Banesco Banco Universal, C.A. became the first institution of the Venezuelan financial system to introduce procedures to measure the satisfaction of our customers certified by the ISO 9001:2000. This certification on Management Systems for Quality is a guarantee that the company designs, prepares and provides its services and products based on a management methodology in accordance with the highest international standards.

At the end of 2010, Banesco successfully complied with all the requirements to get the re-certification under the current version of the ISO 9001:2008. The company in charge of the certification process was Bureau Veritas Certification, an internationally renowned French firm with 22 years in Venezuela.

Empowerment at Branches

Once finished the nationwide implantation of the Empowerment Model, in 2010 a series of follow-up over this model activities were carried out, such as:

- Strengthen the coaching tool application
- Review of functions fulfillment for each position
- Sessions addressed to public servants in order to know experiences and apply adjustments to the model

Security, Prevention and Business Continuity

Management of Losses Prevention and Business Continuity

In accordance with the strategy established, which aims to create value for our shareholders and contribute with our Corporate Social Responsibility, based on efficiency, quality service and an effective coordination among different areas, we have been able to maintain a continuous process of improvements and awareness on the matter of Integral Security. In this sense, we developed for the seven year in a row the Campaign of Prevention and Continuity addresses to all our Banesco citizens.

Main Achievements

In the Prevention area, we worked along with the areas in charge of the business in the Project Chip Technology, Products and Channels, achieving the successful 100% implantation of Banesco Points of Sale and the continuation of the final phase for the development and adjustment of Banesco ATMs. These steps were taken with a view to curve the risk of losses providing a greater security for transactions through these products and channels, as well as in accordance with the fulfillment of deadlines and regulations established by the regulator.

Regarding BanescOnline, the Project Dynamic Password reached a massive application. During the first phase of the Project,

To guarantee quality service, Banesco created a process to send SMS messages aimed to notify the customer with products exposed and guarantee the protection of their patrimony.

we got a reduction over 55% of the losses associated with this channel along the second half of the year.

Coordinating with the business areas, new routines were incorporated into the recovery management, mainly focused on Debit Cards. These steps allowed the optimization and increase of the amounts for this concept, as well as enhancing the process in the rest of the products and channels, resulting in a significant contribution to the accounting balance, with a reduction over 17% on gross losses.

As for the continuous process of migration and strengthening of our channels, products and services, additional mechanism were implemented to verify checks and reinforce security for conformation and compensation. As a result, the Bank recorded significant reductions around 50% against the first half of the year and 75% against the previous year.

Regarding the monitoring administration, during the second half of the year a series of preventive actions were carried out to automate the detection process, as well as the preventive blocking of cards potentially exposed to cloning risks, homologating the process their reactivation by the customer through BanescOnline call center.

Additionally, to guarantee the quality of our service, we created a process to send SMS messages in order to notify our clients with products exposed and provide them a timely protection for their assets with the lowest risk possible.

The actions and developments aimed to support the platform monitoring and the environment were successfully carried out in order to strengthen protection processes for our customers' and organization information.

Our service levels were above 98% at the Security Operations' Call Center, where we achieved the highest standards in terms of customer's satisfaction and working on a permanent basis to enhance quality and service time. This allows the organization to offer a timely and effective response to the requirements and operations associated to the process of Losses Prevention and Business Continuity, guaranteeing at the same time the fulfillment and levels of service required by the regulating bodies.

Likewise, as one of our key strategies in terms of quality management and attention to requirements in case of fraud, the



Bank implemented an online service through BanescOnline. This means that the customer is not forced to go to a branch to present the requirements.

On the other hand, we continued reinforcing training and awareness campaigns for business and clients about the best practices of use and approval of Payments Means and Channels, providing this guidance to 243 businesses and a total of 512 people trained. Likewise, along with Human Capital, we continue optimizing our permanent process to raise awareness among our current and new employees through the implantation of an E-Learning plan in the regions with local abilities.

As for the Protection area, the security rules and control at our branches are under a permanent follow-up in order to cut the impact of robberies at the branches. Evaluation and strengthening of security at our branches are carried out on permanent basis in order to favor a more efficient and safe management and protect our organization's assets and our customers' patrimony.

The annual process of certification for our branches before the governmental enforcement bodies was successfully concluded, as well as the evaluation and testing of several mechanisms and processes which will contribute to optimize security at branches and, thus, reduce potential losses.

In the area of Business Continuity, we developed with success the initiatives, projects and coordination with the responsible areas in order to achieve a successful optimization of services recovery in case of disruptive events, through the execution of 26 simulation exercises on contingency or high availability technological platforms, as well as updating 100% of the existent contingency plans both, manual and technological. This allows to guaranteeing the availability of contingency environments in case of a major failure in the production environment and business critical operations.

The goal established was surpassed in terms of fulfillment of the covering of contingency scenarios, so as we could be ready to provide systematic solutions to these events.

Security Rules for Electronic Banking

PROJECT "A DYNAMIC PASSWORD FOR OPERATIONS"

During the second half of 2010, the Project Dynamic Password for Operations was massified among BanescOnline Natural Person customers. This solution allows the customer to get his operations password through a SMS and/or e-mail to provide our customers with safer operations.

OPTIMIZATION FOR THE MANAGEMENT OF FAKE WEB PAGES (PHISHING)

With the purpose of furthering the optimization of our management of Losses Prevention and Business Continuity we have followed the guidelines of our commitment to improve the operating process in order to reduce our customers' vulnerability to fake Web pages that seek to steal secret passwords to make financial transactions. In this sense, the Bank counts on a tool to support the automated management that allows to switch off these false pages, including the support of a world renowned firm to report these events.

EXTENDED DIGITAL CERTIFICATES (GREEN BAR)

Banesco counts on a BanescOnline security system that provides our customers with a fast way to know if they have entered an official Web page or if they are before an imitation or phishing. When the customers enter to the Web page BanescOnline the navigator bar turns green. If the bar goes red, the customer knows that he is before a "non-secure" page and he should quite the page at once.

INCORPORATION OF IMAGES FOR INTERNET TRANSACTIONS

BanescOnline offers an additional security system which allows our customers to select a customized image to carry out their transactions with third-parties. This new service reinforces the authentication of the involved persons in order to validate if the person who is making the transaction is in fact the owner of the account.

SMS SYSTEM

The Organization offers a system to notify our customers of operations made on their behalf via text messages in order to enhance the management prevention of fraud in the electronic channels and payments means. This service combines mobile phones and Banesco monitoring systems to send fast alerts to our customers about potential illegal transactions. In this sense, among the different operations involved in this alert system we can mention:

- Transactions at Points of Sale and ATMs
- Checks collected at the bank branches
- Checkbooks requests
- Change of PIN for Credit Cards
- Transfers via Internet

McAfee Security Certification

Our portal banesco.com and BanescOnline have been certified as Hacker Safe. This certification is granted by the renowned firm McAfee to the sites with the highest security levels against Attacks via Internet.

Branches Adjustment to the needs of People with Disabilities

Our head office, Ciudad Banesco, has been furnished with the necessary adjustments to provide a comfortable service to people with disabilities: ramps, special toilettes for men and women, parking special points, Braille systems and digitalized voice at the elevators. As for El Rosal administrative headquarters in Caracas, Tower 2 has access ramps, as well as Braille systems at the elevators.

Regarding our administrative offices in the rest of the country:

- **Torre Las Delicias, Maracay (Middle-The Plains):** Braille stickers were located at the elevators, as the technology of these elevators is not compatible with the Braille system. The digitalized voice system will be incorporated when the elevators are replaced by others with a more advanced technology.
- **Torre Unida, Valencia (Middle-The Plains):** Braille stickers were located and the digitalized voice system will be incorporated when the elevators are replaced by others with a more advanced technology.
- **Centro París (Barquisimeto, Western-Andean):** it has an access ramp at the first floor.

Banesco Banco Universal, C.A has selected the best practices among the existent methodologies related to innovation models available in the market and, based on them, we have created our own model.



All our main branches in the countryside have access ramps. According to a plan, the bank will build new access ramps at 29 branches in 2011.

Innovation Macro-Process

For of VP of Innovation, the main challenge in 2010 was to spread its core capacity all over the organization, through the decentralization of the Innovation processes. And to do so, it carried out various work tables with the area of Products Management, Segments and Channels. Such a display involved the implantation of new processes, the establishment of "Service Agreements", the adoption of a methodology for the development of "Success Indicators", as well as the creation and implementation of mechanisms to review and assurance of the Innovation Macro-Process as the cornerstone for the development of competitive products and/or services with value added.

Our team applies methods of conceptual engineering, projects management and creation of innovation to add value to its coordinating role, always pointing to excellence towards the effective achievement of synergies among our supplier units and customers, so as the Group perceive us as a reserve of technical and managerial talents.

Banesco Banco Universal, C.A has selected the best practices among the existent methodologies related to innovation models available in the market and, based on them, we have created our own model. These methodologies are the following:

- **Stage-Gate:** a conceptual operational map/plan to develop new products, which divides the efforts separating them into controlled stages.
- **Innovation Diamond:** based on the Stage-Gate technology. Its differentiating feature is the fact that it incorporates factors that favor the success of the innovation processes, such as organizational climate and culture, the organizational strategic environment and portfolio management.
- **Prototyping:** it provides a fast way to implement a model of work or pilot allowing to tests several aspects of design and/or functionality and collect ideas or features arising from the early use of the pilot to implant subsequent improvements.
- **Lead User (LU):** this methodology involves innovating customers in the definition and validation process of new concepts.

The fundamental guiding criteria or design premises to formulate the new Macro-Process were the following:

- **Cycle** (Speed applied to the Development and Launching of Products)
- **Frequency** (Launching of products on an annual basis)
- **Alignment with Customers** (Value Added)
- **Profitability**

- **Inter-functional Integration** (integration and coordination of all functional areas)
- **Structuring** (structure degree in the execution of tasks)
- **Alignment with Crucial Business Focus.**
- **Competitiveness** (sustained differentiation allowing a higher resistance to imitation)
- **Variability** (management of different versions for different contexts)

All our services and products are the result of market research both, inwards and onwards, and once the product has been launched its is submitted to a permanent follow-up in order to determine if it needs any adjustment according to the customer's expectations.

A multidisciplinary team works on the design and creation of each one of our products and services, applying a systematic evaluation of their risks and functionality.

Conflicts Reduction and Customers' Loyalty

Banesco Banco Universal, C.A. has available a Web tool to manage and do a follow-up of the cases presented by our customers and steps required to manage those requests (SIR-Web). These cases are funneled into the solving internal areas, both service and situation.

Every year, the Bank makes important investments to improve the system. The customer is able to see the status of his request in BanescoOnline and some answers are automatically generated,

according to a decision-making tree that allows fast and safe solutions.

As of December, our customers are able to present new requests related to fraud with checks, deposits and cards cloning through BanescoOnline. With these new requirements our customers affiliated to the service can capture and manage their cases online, from their computers and through the option "Report Case or Requirement". The new requirements offered through this system are the following:

- Consumption non-recognized, alleged fraud (National /International)
- Cash advance "non-recognized" at ATMs
- Debits "no-recognized/alleged fraud with Banesco Maestro Debit Card
- Check non-recognized with faked data
- Check stolen and collected
- Inconsistent deposit
- Withdrawal non-recognized from Saving Account

Measurement of Quality Service

During 2010, frequent programs and market studies were conducted in order to monitor the service and the needs of the customers, focused on the main channel and Points of Service, such as: Auditing for Branches Service (79 evaluated branches) and Phone Banking monitoring (first and second half of the year). View segments: Satisfaction Survey among branches users, Satisfaction with Premium and Private Banking.

Dialogue with Stakeholders

Natural Persons		2010		2009		
Focus Groups / Interviews / Surveys	Amount	Participants	Amount	Participants		Segments
Promotion End of the Year	-	-	1	150		C y D
Satisfaction Study- Banesco Community Banking	1	500	1	600		C y D
Natural Segments Survey	-	-	2	870		Massive
Phone Banking	1	3524	4	3600		Massive
Private Banking	1	800	2	760		Private Banking Customers
Premium Banking	1	450	1	449		Premium Customers
International Banking	-	-	1	370		International
Share of Natural Segments		1200	1	1200		Massive
Tracking Advertising TV/T4	1	2820	4	3725		Natural
Brand Equity Study (Brand value)	1	1800	1	1875		Massive
Customer's Satisfaction	4	11,176	-	-		Massive
Commercial Clients	1	540	-	-		Massive
Legal Entities		2010		2009		
Focus Groups / Interviews / Surveys	Amount	Participants	Amount	Participants		Segments
FCorporate Customers	1	400	1	500		Corporate Customers
Banesco Employees	1	1621	1	521		Banesco Employees
Commercial Allies	-	-	1	100		Commercial Allies
Corporate Customers	-	-	1	900		Corporate Customers
Estudio Brand Equity (Valor de la Marca)	1	250	-	-		
Satisfacción de Cliente	4	605	-	-		

Awards and Accolades in 2010

Fondo Valores Inmobiliarios S.A C.A	Acknowledgement to Banesco Banco Universal for its Contribution to the Celebration of South Africa World Event 2010 at our Malls in Paseo El Hatillo, Toldón Fashion Mall and Centro San Ignacio Caracas.	June
P&M Magazine	Award for Wellbeing Campaign in the Category of Advertisers, sub-category Banking and Financial Institutions.	July
Visa International	The Organization was awarded with the category "Shortest Response Time for authorizations, Performance Program/quality service, 2009.	August
Foundation The Good Samaritan-Children with Aids	Acknowledgement for Banesco Banco Universal and its staff. 1st place for this campaign to provide help for these children in need, Caracas.	September
Kimberly Clark de Venezuela	Banesco Banco Universal certified as a Program participant for the use of recyclable materials being conducted by Kimberly-Clark C.A.	December
Civil Association for Possible Caracas	The Participatory Budget initiative of the Commonwealth of Colinas de Bello Monte Banesco Banco Universal was awarded in the category Social Responsibility Experience. The financial institution maintains since 2008 a budget for projects submitted and selected by the residents of the area, which is located its headquarters.	December
Don Bosco Houses Network	Thanks to Volunteer Banesco Banco Universal Love and the Love that have Demonstrated by Our Boys and ask Don Bosco and Mary Help of a special blessing for each of its Members.	December

Among other things, we were able to synchronize the Corporate Board to measure the response capacity and service availability to enhance the fulfillment of agreements and offer and achieve a more efficient planning of quality.

The management of Banesco quality has become more and more important due to the strong competition in the markets and the fact that quality accounts for a differentiating attribute for the brand.

Additionally, following the new neuro-marketing trends, we have conducted an interesting study called BrandGenetic, hand in hand with specialized advisors on the matter from the firm Mind Code.

The findings of this study drive us to go deeper even into the emotional needs that demand from our customers and employees' subconscious in relation to financial institutions, those emotions that establish a real empathy with Venezuelan values and situations and their relationship with their ideal bank.

This pathway presents us with the chance to humanize even more the relationship among Banesco and its audiences, always looking for win-win and long-term relations.

We also carried out the Brand Equity Study to get information about the evolution of variables related to the main banking brands that have an impact on the customers' decision making process and the brands' assessment. One of the aspects measured by this study is the public perception about financial institutions in terms of their performance on the field of Corporate Social Responsibility (CSR).

For most of the public, the concept of Corporate Social Responsibility is an abstract notion and not easy to understand. Therefore, we make direct consultation and based on the description of situations. The research was conducted by the firm

Comerca Estudios de Mercado, between July and August 2010, with 1,550 interviews applied to subjects classified as belonging to the levels BC+, C, D and E+ and residents of the main cities of our country.

In 2010, Banesco ranked 1st as the brand applying Corporate Social Responsibility in its peer group 2, both for bankarized and non-bankarized people. This is a confirmation that Banesco is not only the brand with the best positioning in the Venezuelan banking market, but it is also perceived as the leader on the matter of Corporate Social Responsibility.

Social Media

In Q1 2010, Banesco started to use the Social Media as a new means of service for our customers. Through Twitter, Facebook, Youtube and the blogs, Banesco customers and the general public are able to interact with us and get first-hand information.

In Twitter we have a presence with the accounts @Banesco and @Baneskin and in Facebook with the pages Banesco Banco Universal, Baneskin and Palabras para Venezuela (Words for Venezuela).

Through the e-mail dialogo@banesco.com our followers and users can establish a direct communication with us and present their views extensively and in private.

In August 2010, the site www.visible-banking.com, specialized on benchmarking for banks, financial service and insurance companies in the social media, conducted a study with 1,300 accounts at financial institutions in more than 60 countries. According to this study, Banesco Banco Universal is the second financial institutions all over the world with more followers in Twitter, with American Express as the leader.

[1] Impacts of the brand on the market of service or product, against the results that the product or service would have without the brand.

[2] Group of organizations or companies belonging to the same group or market segment.

Interestingly, among the Top Ten we see not only USA companies but also institutions from other countries such as Venezuela, Brazil and Thailand, not precisely considered by many people as hot points in terms of Twitter use.

Likewise, we created the following blogs to offer, complement and segment the information already available at our Web page www.banesco.com:

- Blogosfera: <http://banescoblog.wordpress.com/>
- Banesco Banco: <http://banescobanco.wordpress.com/>
- Responsabilidad Social: <http://rsebanesco.wordpress.com/>
- Banca Comunitaria Banesco: <http://bancacomunitariabanesco.wordpress.com/>



During 2010 our blogs received over 10,000 visits.

From entrepreneur to entrepreneur

Aiming to offer the SMEs a series of tools to encourage their productivity and competitiveness in the current environment, Banesco organized and sponsored for the second year in a row the campaign "Talking from Entrepreneur to Entrepreneur" on October 26, 2010 at Ciudad Banesco. Import brands that offer services to this segment participated in this activity, such as Migas's, Movistar, CIAP, Vapro, Pizza Hut, Café Buondi and Van Eckel.

Banesco pointing to the forefront of innovating ideas

With a view to preserve our place as a reference in terms of innovation, in September 2010 we began to develop experiences of Open Innovation: a new strategy that seeks to expand the vision and knowledge of the experts in innovation, with the talent and knowledge of Banesco Citizens and even external experts, all this oriented to the development of highly appreciated initiatives for the Organization.

With the purpose of getting in touch with external groups able to offer us a vision beyond our borders, through the portal "WorthIdea," we shared and exchanged ideas with innovators

outside our company and our country and in our first challenge we were able to find 80 new ideas.

Likewise, and trusting the talent of Banesco Citizens, the Organization designed Banesco Challenges with which we incorporated over 700 employees who provided their ideas in relation to two crucial topics for the Organization. The first one is the "Delivery of Cards with Chip Technology". The second one is "Processes related to the updating of the customers' data".

This technology created initiatives that will serve us as a raw material to feed our Bank with ideas and identify strategies to meet corporate needs, as well as our customers' expectations.

Program of Services Audit (ADS) in the Branches Network

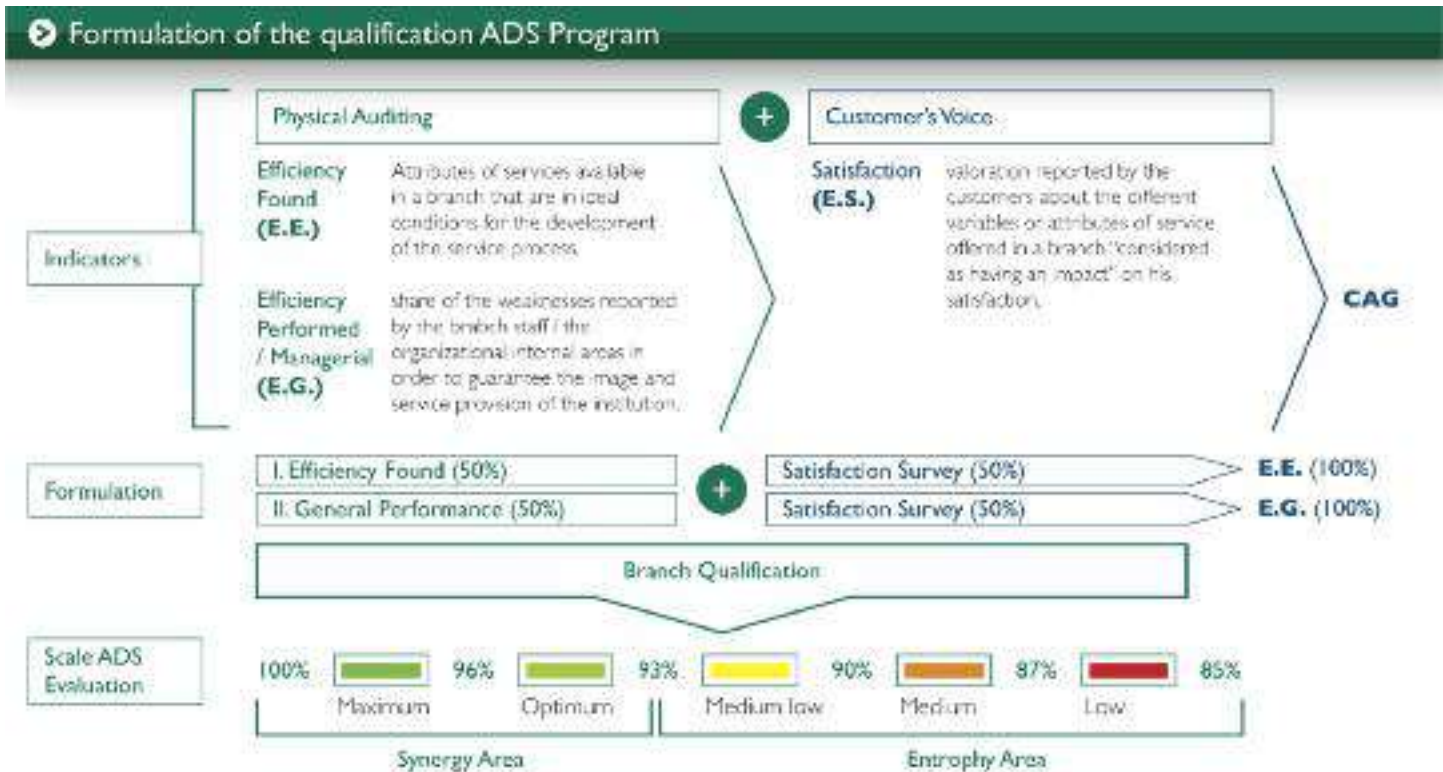
The ADS (Services Audit) is a program to measure the quality service and to watch over the fulfillment of the standards established by the organization in relation to the attention process at the branches.

The fundamental purpose of the ADS is to produce information addressed to the internal suppliers of the organization, so that they could apply certain indicators to the processes related to the service provided at the branch.

The ADS program is a part of the System of Quality Management certified under the ISO 90001:2000 international standard, which is based on the fulfillment of the requirements demanded by the customer, through procedures developed and controlled under a permanent improvement schema. At the end of 2010, Banesco complied with the requirements to get its re-certification under the standard ISO 9001:2008. The firm in charge of the certification process was Bureau Veritas, a world-class French company, based in Venezuela during the last 22 years.

The Services Auditing is composed of two processes which are simultaneously performed: the evaluation of the branches (physical auditing) and the Satisfaction Survey. These processes are carried out by Internal Auditors certified by Banesco and an external surveys supplier, respectively. The ADS program is applied to Banesco service points all over the country that work under the internal organization structure of "branch".

The physical auditing consists of the evaluation of the site, covering aspects involved in the natural process of service provided to the customer. Through a check list and under the criteria established by the organization, the fulfillment degree is verified. The satisfaction survey covers a very important aspect in this sense as the customer's voice. Among other things, the Bank's purpose is to know the customer's perception about the service offered at the branches. The questionnaire is structured according to the basic services provided by the branches and is applied to 50 "Banesco customers" randomly selected at each of the branches susceptible of physical auditing. The strategy is focused on getting information related to each contact of the customers with the Organization through his visits to the



Banesco Banco Universal, C.A. has picked the best practices from the existent innovation methodologies in the market to create its own model.

branches. The survey is applied on an annual basis, with quarterly advances of its results.

For 2010, even though we kept the general formulation of Branches Qualification (CAG), we carried out some adjustments to the evaluation structure for each process of the ADS Program.

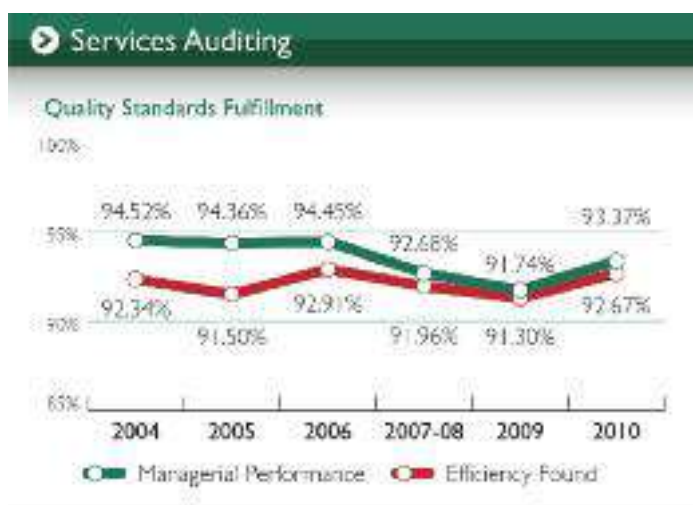
The adjustments were made based on a study that identified the main attributes fostering and/or reducing Banesco customer's satisfaction. The result of this study, along with the initiative of the ADS and Quality Management-Division to focus the analysis on the crucial moment of the service process (called "the moment of the truth", customer-bank interaction), resulted in the re-arrangement of the dimensions and aspects evaluated in the ADS.

The ADS program also brings a wide historical database of some attributes that, over the time, have ceased to be less important for the customer. However, they are considered in the evaluations, as for the internal areas of the bank these indicators favor the preservation of the standard level achieved in its processes. To avoid neglecting what we have achieved over the time, the qualification was pondered according to the importance that these attributes have for the customer.

Services Auditing – Average Score

Score according to Scale (points)		
I a 10		
Services	2010	2009
Self-Services	8.95	8.71
Phone Banking Branch	9.03	7.37
CableBanesco	-	6.69
ATMs	8.95	7.78
D.A.C.	-	8.42
Counters by shifts	-	7.85
Q-Matic	-	8.7
Average Evaluation Services	-	7.93
ATMs and Self-Services with Deposits	9.1	-
General Time (branches)		
Waiting time	8.7	-
Operation	9.37	-
General Services at the branch	9.17	-
Other services evaluated (excluded from branch evaluation)		
Phone Banking	-	8.11
BanescoOnline	-	9.39
Web Page	-	9.48
Credit Cards	9.36	9.61
General Services	9.11	-

(1) Services considered for branches qualification



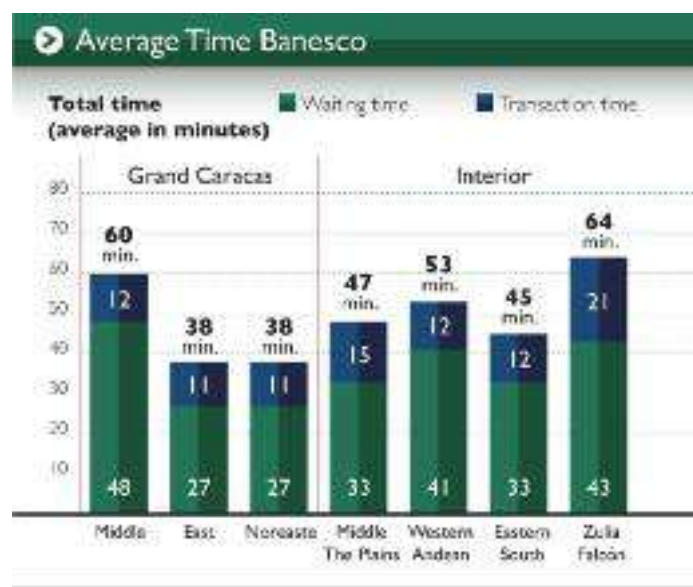
Structure of the customer's satisfaction survey

ASPECTS CONSIDERED FOR BRANCHES EVALUATION

- Current Account (checkbooks delivery process)
- Services
- Individual Service
- Branch Look
- Information Supplied
- Operations at the Bank's counters
- Operations made during Promotions
- Total Time Invested

"Mystery Buyer" Program

Banesco's Mystery Buyer Program has been applied year after year as a mechanism to acknowledge the good performance and willingness of the network's staff to offer quality service. This program has also produced quality information about some aspects linked to the attention process, based on the result of a structured evaluation which is conducted during the interaction of a "supposed customer" and a financial promoter. The promoter is not aware that he is being submitted to an evaluation during this interaction.



"Reception to the Customer" and "Treatment to the Customer" are behaviors proposed as opportunities to improve

During the year 2010, Banesco's general scored was 75.6%. This mark places the Bank in the "Medium" evaluation level and it only got an additional 0.8% against the previous year.

The "Sales Process" rose by 1,1% against the previous year. This evaluation keeps it at the "Medium-Low" level. "Cross Sales" are located at the "Low" level, with 49.2%. The remaining dimensions are marked as "Optimum" and "Maximum".

The management of information in the sales area is ranked as "Optimum", where the highlight is the "Advisory" element in the case of "Check Accounts" for Natural Persons, was qualified as "Maximum". Only Micro-Credit for Legal Entities was evaluated as "Medium". As a dimension, "Management of Information" achieved an outstanding position against the rest of the dimensions evaluated.

The gap among the evaluations of promoters, who were given a scored between 75% to 100% of the mark and those with a mark between 25% and 50%, rose by 15% against the previous year.

According to the total service time in the promotion area, the customer satisfaction with the service would be a maximum of 7 points, based on the study "Satisfaction Customers Voice" in the branches network, against those recorded by the program The Mysterious Customer.

"Reception to the Customer" and "Treatment to the Customer" are behaviors proposed as opportunities to improve, particularly "Poor Treatment", "Differential Treatment", "Greeting Rules" and "We Invite You to have a sit".

Messages

In Banesco Banco Universal, C.A. we make our best efforts to ensure that the messages we send could effectively reach to the final customer/consumer. To do so, we use concepts and ideas which are understandable, close and aligned with the real virtues of the offer or service and guarantee that we comply with what we say, avoiding false expectations.

The development of our communicational strategy is based on the following steps:

- Review of the features attached to products / services / promotions
- Evaluation of the differentiating advantages: unit selling propositions or unique proposal of sale/value
- Advantages and benefits for the customer and the organization
- Evaluation and distribution of human and financial resources
- Analysis of the media strategy
- Analysis of service points/offer to the public
- Analysis of strengths and weaknesses
- Evaluation of social and legal environment
- Implementation and control
- Follow-up

Likewise, we are proud enforcers of the legal system in force in Venezuela, in relation to advertising and communications:

- Law on Social Responsibility in Radio and Television
- Law for the Defense of People in the Access to Goods and Services (NDEPABIS)
- Laws Regulating the Administrative Processes Related to the Emission and Use of Credit, Debit, Pre-Paid Cards and Other Financing or e-Payment Cards, which articles 23, 24 and 25 (Chapter I, About the Issuers Obligations) make reference to the cases of offers of awards and promotions.
- Reform of the technical rules established by the National Telecommunications Commission about definitions, time and conditions of publicity, advertising and promotions in the services provided by radio, television and cable.
- Organic Law for the Protection of Children and Adolescents (LOPNA)



The advertisements shall contain information in the official language. This information shall be truthful, accurate and understandable.

Once the product and its publicity campaign have been designed, we send all the information required by the SUDEBAN within the five following days after the date when they are introduced in the market. This information shall include:

- 1) Denomination, description and features of the new instruments or financial products.
- 2) Type of modification of the previous product (if it is the case)
- 3) Analysis of the economic-financial impact on the promoting institution.
- 4) Benefits for the users
- 5) Detailed report of the risk analysis for depositors and investors of the new financial instrument or product.

The advertising employed for the introduction of products in the market shall be clear as for its purpose, description and benefits (interest rate, etc.). It shall be expressed with understandable terms and clearly readable. In case this notification has not been send



within the five (5) days period indicated, SUDEBAN will be entitled to suspend or forbid the ads, according to the General Law for Banks. This, in turn, can cause additional sanctions established by the same law.

Once sent the information, SUDEBAN takes up to 15 days to issue an opinion. This institution is entitled to make observations or suspend the products, according to the law.

On the other hand, the advertising of products and services is submitted to the regulations established by the Law for the Defense of People in the Access to Goods and Services. The advertisements shall contain information in the official language. This information shall be truthful, accurate and understandable. It shall not incite to violence, discrimination or hurt environmental or moral values. INDEPABIS is entitled to apply sanctions to the suppliers of goods and services who break these regulations.

In addition, the Code of Ethics of the National Advertisers Association (ANDA by its Spanish acronym), establishes the general ethical rules to be fulfilled by the advertisers and includes other regulations. Advertising shall be integrated into the process of economic, cultural and educational development of the population and shall not establish unfair competition, be disrespectful to human dignity, favor or encourage discriminations neither induce to illegal activities.

All these regulations are mandatory for the Bank in the diffusion of advertising messages addressed to inform the customers and the general public about characteristics and benefits of its products and services.

Additionally, the Bank is committed to send information to the Venezuelan Central Bank as a precondition to request authorization for the establishment of new fees and tariffs. This involves a justification of the increase and/or establishment of each fee, tariff or extra charges, structured as follows:

Qualitative Aspects

- Description of the fee, rate or additional charge
- Current and additional benefit (if applicable) for the Customer
- The Bank's opinion about the customer's perception in relation to the increase, which shall be classified as very sensitive, sensitive or not very sensitive.

Quantitative Aspects

- Number of customers who pay or will pay the fee, rate or additional charge.
- Number of monthly transactions with the bank's network and inter-banks networks.
- Number of monthly transactions (when the Internet and other channels are involved)
- Detailed cost structure for each fee, rate or additional charge, identifying: direct and indirect costs, as well as any other cost)

All the new products are designed according to the rules in force and, in case of changes on the legal system, the product is adjusted.



- Comparative information against the market of the fee, rate or additional charge.

All the new products are designed according to the rules in force and, in case of changes on the legal system, the product is adjusted. For this purpose, our contracts and general conditions include a clause that limits Banesco Banco Universal, C.A. responsibility in case of non-fulfillment in the provision of the service or product as a result of changes of the rules.

According to the requirements established by the regulatory body, a risk analysis for depositors and investors on the new financial instrument or product shall be sent. Banesco also prepares a study of the risks that Banesco could face as a result of the product provision. Although this study cannot protect Banesco from the risk involved, it helps to define mechanisms to reduce its impact.

As a financial institution, Banesco products and services have no direct influence on the users' health. Anyway, as fraud cases are always a possibility, the security and monitoring areas are involved in the process. It is important to underline that Banesco defines and spreads all possible policies and mechanisms to prevent security risks over the information and potential fraudulent actions that could make use of the products and services offered as a vehicle to commit crimes. However, the application of these policies and mechanisms will always be the exclusive responsibility of the customer.

BANESCO COMMUNITY BANKING

Main Action Lines in 2009

- **Bankarization:** 42% of our customers were bankarized. Banesco granted a total of 21,663 credits, with an accumulated of 49,782 at the end of 2009.
- **Community branches:** We brought the services of Banesco Community Banking (BCB) to Maiquetía, Santa Teresa (Valles del Tuy) and Los Teques.
- **Service channels:** We consolidated our network of commercial allies. In 2009 we had 51 Service Bars and 110 PosWebs.
- **Human capital:** We closed the year with a total of 342 people.



Management Evolution Against 2009 and Main Action Lines in 2010

- **Bankarization:** We bankarized 39% of our customers and granted 23,587 credits (8.9% increase in the number of customers served), for an accumulated of 73,369 credits at the end of 2010.
- **Community Branches:** We brought the services of Banesco Community Banking (BCB) to Palo Negro (Aragua) and Barquisimeto.
- **Products and Services:** We have continued developing the Micro-Entrepreneurs Training Program.
- **Service Channels:** We consolidated our network of commercial affiliates. For 2010 we counted on 55 Service Bars and 105 PosWebs.
- **Human Capital:** We closed the year with a total of 365 people.

Commitments Made for 2011

- Provide services to Lara and Zulia states, with the opening of 2 new community branches at each one of these states and increase our service network with a new branch in Maracay.
- Expand our network of Commercial Allies with 17 new allies (11 Service Bars and 6 PosWebs).

Banesco Community Loan

Banesco Community Banking launched a pilot among its customers for a new product: Community Educational Loan which is managed through a Banesco Visa credit card. This product aims to give financing to buy school materials and uniforms, exclusively addressed to BCB micro-entrepreneurs with an excellent payment record and with children making higher education studies. During the pilot, 602 customers receive this benefit, with a total amount of financing of Bs. 2,009,500.00.

Banesco Community Banking

Main Indicators

	2010	2009	Variation %
Bankarization	39% of the customers received credits for the first time	42% of the customers received credits for the first time	(7.14)
	19% of the customers received credits and opened an account for the first time	20% of the customers received credits and opened an account for the first time	(5)
Customers served	130,794*	53,234*	28.71
Shantytowns served	2,550	1,750	31.37
New Community Branches	Palo Negro, Barquisimeto (2)	Santa Teresa, Maiquetía and Valencia Centro (3)	(33.33)
Service Channels: Service Bars	55	51	7.27
Service Channels: Pos/Web	105	110	(4.55)
Human Resources	365	342	6.30
Branches	16	15	6.25

*Accumulated

► Employees hired by branch

At December 31, 2010

Branch	Advisors			Promoters		Analyst	Superv.	Microcred. coordinat.	Operating coord.	Collect. executive	Messenger	Com. exec.	Total
	Com.	Advance	Sen.	Comun.	Advance								
Antimano	3	2	1	4	0	4	1	1	1	1	1	1	20
Barquisimeto	10	2	0	3	0	4	0	0	1	1	0	0	20
Catia	4	3	3	5	1	3	1	2	1	2	1	1	20
Cúa	8	2	0	5	2	4	1	1	1	1	1	1	27
El Cementerio	4	2	2	4	0	4	1	1	1	1	0	1	21
Guaremas	4	2	1	4	1	3	1	1	1	1	1	1	21
Higuerote	4	1	0	1	1	3	1	1	1	1	0	0	14
La Isabelica	8	2	2	7	3	4	1	2	1	1	1	1	33
La Vega	3	1	2	5	1	3	1	1	1	1	0	0	19
Maicuetia	4	1	0	3	1	2	1	1	1	0	0	1	15
Palo Negro	7	1	0	7	2	3	1	1	1	0	1	1	25
Petare	6	3	2	3	1	5	1	2	0	1	0	1	25
Pto. Cabello	5	2	0	3	2	2	1	1	1	0	0	1	18
San Martín	5	1	1	4	1	4	1	0	1	1	0	1	20
Santa Teresa	5	1	0	2	2	2	1	1	1	0	0	1	15
Valencia	7	2	2	4	3	4	1	2	1	1	1	1	29
Total Branches													349
Headquarter (Caracas)													26
Total													375

For 2011, we expect to enhance the quality of the service and our customers' satisfaction.

These elements will be measured with Banesco Community Banking Customers' Satisfaction Study.

► Total Workers by Region

At December 31, 2010

	2010	2009	Var. %
Middle-The Plains Region	110	84	23.63
Carabobo, Aragua			
Metropolitan Region	243	258	(5.30)
Capital, Miranda, Vargas, Federal Dependencies			
Western-Andean Region	20	0	100
Lara			
Total	375	342	8.8

► Total Investment in Training and Certification Programs

Total investment Bs.F

2010	258,717.77
2009	349,505.12

Variation: (35.09)%

► Training Programs

Courses	2010	2009	Var. %
Quality Service	5	0	100
Development of Sales Competences	0	0	-
Personal Impact and Influence	0	0	-
Collections Effective Management	0	0	-
Development of Supervisory Abilities	13	21	(6.15)
Specialization in People Guidance	19	16	15.78
Development of Managerial Abilities	47	48	(2.12)
Visionary Leader	0	2	-
Innovating Leader	0	2	-
Visionary Leader I	0	3	-
Innovating Leader I	0	2	-
Legal Background	0	1	-
The Leader and Work Team	0	1	-
Managerial Ethics	0	1	-
Projects Management	0	4	-
Strategy MA	0	2	-
Coaching Transformational	14	0	-
Boulder Micro-Finance	1	1	-
Micro-finance Seminars	4	7	(75)
Congress of Collection in Micro-finance	1	1	-
Excel	0	0	-
Access	0	0	-
The art of convincing through negotiation	0	178	-
Increasing our stocks' value	0	46	-
Methodological Enhancement Micro-Credit analysis and risks	80	0	-
Integrating Teams through Successful Communication	109	0	-
Profitability: a commitment of everyone	121	0	-
Don't let for tomorrow what can be done today	10	0	-
International Exchange	5	0	-
Facilitators Training	3	0	-
Total Participants	432	335	22.22

Training and Certification Programs

Workshop	2010	2009	Variation %
Training Program for Advisors and coordinators	52	51	1.92
Training Program for Promoters and Analysts	31	28	9.67
Induction Program for Collection Executives	2	1	50
Total Participants	85	80	5.88
Total Workshops	9	9	

Banesco Community Banking is perceived as a brand providing a good service, fast transactions and facilities to get credits, among its most appreciated attributes.



Training for micro-entrepreneurs

The IV Training Program for Micro-Entrepreneurs was held in October and November. A group composed of 163 customers from Catia and Petare were enhanced with a series of administrative, managerial and technological tools that will contribute to improve their business productive capacity and optimize their competitiveness.

With this program, BCB continued working in alliance with renowned institutions on the matter on micro-entrepreneurs training: the Venezuelan Institute of Professional Training of the Church (INVECAPI); Civil Assoc. Fomento del Desarrollo Popular (FUDEP); Microsoft Venezuela, Caracas Metropolitan Mayoralty, RKM, Civil Assoc. Buena Voluntad and the consulting firm Asunto Público.

Customers' satisfaction evaluation

Each year, through an external consulting firm, we apply a satisfaction survey to our Community Banking customers.

The technical data of this study are the following:

- **Universe:** 105,801 BCB active customers.

Nuestros Productos

Loan to Work

N° of Loans Granted

Accumulated at closing date

2010	73,359
2009	49,782

Variation: 32.14%

Annual closing date

2010	23,587
2009	21,663

Variation: 8.15%

Amounts Liquidated (MBs)

Accumulated at closing date

2010	641,945
2009	364,291

Variation: 43.24%

Annual closing date

2010	277,533
2009	196,345

Variation: 29.25%

Delinquency (%)

Accumulated at closing date

2010	2.16%
2009	1.41%

Community Account

N° Community Accounts

Accumulated at closing date

2010	100,794
2009	93,234

Variation: 28.72%

Annual closing date

2010	37,295
2009	35,694

Variation: 4.29%

Balance in Account (MBs)

Accumulated at closing date

2010	35,957
2009	22,225

Variation: 39.87%

Annual closing date

2010	35,957
2009	22,225

Variation: 39.88%

Step by Step Savings

N° Affiliations

Accumulated at closing date

2010	113,776
2009	76,680

Variation: 35.41%

Annual closing date

2010	42,046
2009	37,051

Variation: 11.88%

Balance in Account (MBs)

Accumulated at closing date

2010	3,380
2009	2,402

Variation: 28.93%

Annual closing date

2010	3,380
2009	2,402

Variation: 28.93%

- **Random Sample:** 500 interviews with active customers
- **Scope:** 9 BCB attention zones.
- **Instrument:** questionnaire structured according to the study objectives.

- **Collection Technique:** phone interviews with BCB customers randomly selected.
- **Date of the Field:** July-August 2010.
- **Firm:** Dakduk Consultores, C.A.

Among the most important aspects we can mention:

- Satisfaction level of BCB customers was 9.4, measured with a 1-10 scale.
- With the same scale to evaluate products, services and service channels, the average score for each one of these items was 9.2, 9.4 and 9.1 respectively.
- Word-of-mouth communication through relatives and friends appears in this evaluation as an important factor to promote the brand.
- Consistent with the attributes valued of a Bank and a BCB, the relationship with this banking institution is determined by simplicity in terms of requirements demanded by the Bank (50%) and need of a credit (47%), which is a perceived strength of the brand.
- The BCB attributes with the highest appreciation are its support to people not served by traditional banks, as well as easy and fast processes to get credits. These elements seem to be linked to brand awareness and differentiation level against other brands.
- Finally, Banesco Community Banking is perceived as a brand that provides a good service, fast transactions and facilities to grant credits, which are among its attributes with the highest valuation levels among the public.

Citibank micro-entrepreneurs award

The Citibank Micro-Entrepreneurs Award was held In November 2010. The purpose of this award is to contribute to increase knowledge about the important role that micro-entrepreneurs play in their local economies and the relevance of micro-finance as a tool to ease poverty. The Citibank Micro-Entrepreneurs Award has been held since 2005 and it is an initiative of Citigroup Foundation, through Citibank Venezuela with the cooperation of ACCION Internacional and Centro Lyra.

Three BCB micro-entrepreneurs were among the winners and ranked first in Commerce Category, as well as the 2nd and 3rd places in Service Category.

Additionally and for the third year in a row, BCB received an acknowledgement from Citibank Venezuela for the nomination of the winner in the Commerce category of the Citibank Micro-Entrepreneurs Award 2010.

Acknowledgements awarded to BCB

BCB received the following awards and acknowledgements:

- In July, the National College of Journalists chose Banesco



For the third year in a row, Citibank Venezuela granted BCB an acknowledgement for having nominated the winner of Citibank Micro-Entrepreneur Award 2010, Commerce Category.

Community Banking as one of the finalists and BCB ranked third in the mention "Best CSR Integrated Program" in the framework of Arturo Uslar Pietri Communication Awards. This award acknowledges the work of journalists in Venezuela, as well as socially responsible companies.

- CSR Magazine Award, July.
- Certification granted by the newspaper El Emprendedor, in July, in the framework of the event Social Entrepreneur held by the Civil Association Venezuela without Boundaries Foundation and Schawb Foundation.
- In July, BCB was among the 19 winner ideas among the 420 Latin American ideas that participated in the conquest for





financial inclusion of the “Technologies for Financial Inclusion” program organized by the Inter-American Development Bank (IDB), the Multilateral Fund of Investments (FOMIN) and the Andean Corporation for Development (CAF). The idea proposed was to offer “financial services through cellular phones to the non-bankarized population”. BCB was able to pass to the second phase of the conquest, where it can finance up to \$500M for the development and implementation of the idea.

- Digital Prize: Sponsorship to attend the Program of Corporate Social Responsibility at Harvard Business School in November 2010.

On the other hand, Claudia Valladares, BCB Vice-President, received on behalf of the BCB team, the following acknowledgements:

- Inclusion in the World Network of Outstanding Social Entrepreneurs of the World Economic Forum and it also participated in the Annual Meeting of the World Economic Forum in China, in September 2010.
- Sponsorship to the Schwab Foundation for Social Entrepreneurship to attend the Social Entrepreneurship

Program given by the INSEAD at Fontainebleau, France, in November 2010. With this award she was invited to participate for a whole year as a member of the Young President's Organization (YPO).

- Venezuela without Boundaries foundation (Fundación Venezuela Sin Límites) and Schwab Foundation for Social Entrepreneurship also granted her the Social Entrepreneur Award 2010 of Venezuela.

Opportunities to Share Achievements and Expectations

- Community Tour 2010: Banesco Banco Universal, C.A. vice-presidents and managers scoured our main community branches.
- Community Breakfasts: They are held on a monthly basis to share in family our achievements and expectations in a friendly and different environment.



Other Initiatives

- Community Cinema: We screen films for free at open spaces located in the popular zones of Caracas, Miranda, Vargas and Carabobo. During the year a total of 11 films were screened.
- Barridas: Tours with loudspeaker cars at the zones served by BCB; delivery of brochures and dialogue with the population to answer their questions. In 2010 we carried out 11 barridas.

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OUR ENVIRONMENTAL COMMITMENT

Main Action Lines in 2009

- Implantation of a paper recycling system, starting at our headquarters, Ciudad Banesco.
- Consolidation of the Gelecon system development, which allow the digitalization of documents to reduce hard-copy records.
- Replacement of CRT monitors with liquid crystal monitors at all our branches and agencies.
- Implantation of the new e-mail tool LotusNotes 8.5.
- A higher number of teleconferences to replace personal meetings.
- Earlier deactivation of Ciudad Banesco's escalators in order to reduce energy consumption.
- Earlier turning off of lightning system at our administrative offices.
- Replacement of obsolete air conditioning equipment with more energy-efficient equipment.
- Expansion of energy and water consumption measurement, as well as waste and emissions, to the rest of our branches nationwide.
- Incorporation of an Intranet system into our employees' saving fund (Cabanesco) to allow the electronic management of requirements requests in order to replace printed forms.

Management evolution against 2009 and main action lines in 2010

- Expansion of paper recycling campaign to other administrative branches.
- Further development of our Gelecon system.
- Reinforce the rational use of resources (paper, water, electric power), as well as related awareness campaigns among our staff.
- Replacement of the air-conditioning chillers at Ciudad Banesco (12 years in use).

Commitments Made For 2011

- Replacement of the air conditioning chillers at El Rosal headquarters.
- Continue adjusting the headquarters to offer a better service to people with disabilities.
- Continue the campaign to promote a rational use of resources (paper, water, electricity).

Our policy

In Banesco Banco Universal, C.A. we are aware of the need to protect and preserve the environment for the benefit of the present and future generations. From our business perspective, we have committed ourselves to go forward with a series of actions that guide our behavior towards the encouragement of a sustainable development.

Our main purpose is to curve the impact produced by our activities on the environment throughout the diagnosis, evaluations, establishment of indicators and goals favoring a rational use of natural resources, energy saving and waste recycling.

Based on the nature of our activities, our environmental impact is limited to byproducts such as paper, used consumable office supplies (ink, toner) and the so-called "electronic garbage" (obsolete or crashed equipment).

By now, the only foreseeable way that the climate change could impact our organization's activities would be an increased need of air conditioning at our branches and offices, which in turn would raise energy consumption and its subsequent emissions.

These consequences have not been systematically identified and quantified. However, the Organization is ready to start in the



medium-term the replacement of its air conditioning equipment by new units with a more efficient technology.

Our management

Since January 2010, Banesco Banco Universal intensified its program to recycle office paper, through an agreement with the company Kimberly Clark. This activity included the following activities:

- Special boxes were placed at strategic points to recover the paper used (close to the printers) at Ciudad Banesco, as well as in the administrative offices at El Rosal (Towers I and II).
- We carried out special campaigns to collect paper at our warehouses in Boleíta headquarters (Caracas), San Vicente headquarters, Los Guayos and El Limón (Valencia), as well as our headquarters in Los Haticos, Maracaibo.
- During 2010, we recycled 233,330 Kg of paper. The monthly average during the first half of the year was 4,974 Kg., while in the second half we intensified our program and increased the average to 35,054 kg,
- Display of an intense awareness campaign through our internal media: boards, Intranet, Monthly Newsletter and CRT screens.

Also this year, we intensified our internal campaigns with the help of our popular character Baneskín to encourage a more rational and efficient use of paper (printing only what is indispensable and on both sides), water and electric power. The establishment of our Environmental Volunteers force was another important step on this matter (see chapter Our Corporate Volunteers).

As for the rest of the emissions, such as NO or SO, the nature of our activities does not involve production of these gases.

Electric Power Consumption

Due to the nature of our activities, Banesco Banco Universal, C.A. only consumes electric power. In Caracas, as in the rest of the country, the main source of energy is produced by hydroelectric plants. We count on emergency diesel power plants at Ciudad Banesco, El Rosal and other branches that together account for around 15% of our facilities.

These plants are activated if the voltage of the electric power network falls. As a result of these circumstances, in 2009 we generated 900,564 Kwh in all our offices as a whole. In 2010, we generated 2.000.000 Kwh, with a 20% reduction in terms of external consumption against 2009.

In 2010 we will install new diesel plants at Ciudad Banesco to avoid the negative impact of potential failures of the network. Due to governmental resolutions and the energy crisis in the country, the generation of our electric park recorded a significant increase in 2010.

The records show a reduction of energy consumption. During Q1 2010, the Venezuelan government carried out the National Plan of Energy Saving, which contributed to this reduction in all our facilities.

A series of lectures were offered at the Fernando Crespo Suárez Auditorium, in Ciudad Banesco to promote the rational use of energy. These lectures were attended by 343 people. Likewise we carried out special activities where we changed 1,731 traditional light bulbs with energy saving bulbs.

Water Consumption

The water consumed at our nationwide branches and facilities is provided by the corresponding municipal aqueducts.

Our head office, Ciudad Banesco, is our only facility that because of its dimensions could justify the construction a system of gray or underground waters recycling. However, our headquarters are located at a preexisting building that was revamped by Banesco. Thus, the construction of an infrastructure to recycle water would have implied a disproportionate investment to produce a very limited benefit. Therefore, nowadays we don't have a recycling system.

Donation of Furniture and Computers Discarded

The obsolete furniture and computers that are no longer used at our facilities, but are still useful or can be repaired, are donated to organizations, particularly charities or social action organizations, so as they are assigned to a good purpose. In 2010 we donated 97,678.50 kg in furniture, as well as 1,055 machines and accessories corresponding to 13,017.10 kg.

Key Environmental Indicators

	Unit	Consumption/Total Emission			Individual Consumption / Emission			
		2010	2009	Var. %	2010	2009	Var. %	
CO2 Emissions, Employees' vehicles 1	Kg	661,279.32	1,353,408.00	(51.14)	171.66	346.23	(50.42)	
CO2 Emissions, diesel power plants 2	Kg	1,736,254.54	66,933.22	2,494.01	446.68	17.12	8,887.52	
Electricity consumed 2	Kwh	69.9	1,745.67	95,652.795	(26.91)	5,004.77	11,970.07	(58.19)
Water consumed 3	M3	225,933.59	385,075	(41.32)	16.17	28.60	(156.53)	
Paper consumed per employee 3	Kg	23.459	23.166	1.26	1.67	1.72	(2.90)	
Paper consumed per customer 3	Kg	273.486	283.258	(3.45)	0.06	0.05	20	

(1) Includes all the administrative offices and branches located in the Capital Region. The calculation base is as follows: Population: 6,143 workers in 2008; 7,391 workers in 2009.

(2) The figure for 2010, includes nationwide consumption, taking as a base 13,969 workers. In 2009 we only included Capital region and Branches with a calculation based on 7,391 workers.

(3) National totals

► Donation of computers discarded

2010

Institution	Units	Kg
Individual	37	885.00
Bolivarian National School "25 de julio"	150	2,289.00
Urban ambulatory "Dos Lagunas"	41	448.00
Polytechnical University of the Bolivarian Armed Forces	202	2,135.00
Nazareth private school	81	861.00
Sanitary District n° 2, Valles del Tuy	41	448.00
Individual	1	676.00
Individual	4	41.30
Individual	4	41.30

Total

1,055 13,017.10

2009

Institution	Units	Kg
Don Bosco Civil Assoc.	50	850
Sucre Municipality Mayorality	15	255
Arturo Uslar Pietri House	30	510
Univ. Institute of Administration and Marketing (CUAM)	2	34

Total

2,598 44,166

Institution	Units	Kg
San Vicente school	121	2,740.00
Claretino missionary group	161	1,687.00
Individual	4	41.30
San Bernardino de Siena school	101	1,067.00
Artesanos Group foundation	20	206.50
Bolivarian national School "Tomas Vicente Gonzales"	41	448.00
Dr. Ramon Reinoso school	40	413.00
Individual	2	26.20
Individual	2	3.30
Individual	2	26.20

The toilettes sets of faucets are automated, that is, the sinks, WC and urinals are automatically activated and only use the required amount of water.

Banesco operations with environmental impact

- **PRODUCTS AND SERVICES:** In the feasibility studies applied by our Organization to the credits for construction, we underline the following aspects related to the environment:

- We verify that the project has all the permits granted by the corresponding authorities, particularly those related to environmental impact, which are mandatory by law for all the building projects: housing, industrial warehouses, hotels, factories, shopping malls, among others.
- In relation to the service of current water supply, it has to be sure that the project counts on the service capacities and the required stability in terms of delivery. If the project cannot ensure the service delivery and the builder proposes a deep well as a solution, the builder shall include an official certification issued by the Venezuelan Ministry of Environment authorizing the deep well and certifying that the water is suitable for human consumption.
- Generally, the results are requested after the diagnosis: purity and mineral composition, among others.
- Regarding waterworks, besides requesting the required legal permits issued by the Ministry of Environment, a series of inspections are also carried out in order to determine that no environmental damages could result from the project location. The condominium or land documents are also reviewed to verify that they include maintenance commitments for wells and waterworks.
- Generally, we support traditional construction systems. When a project is based on non-traditional constructive systems we verify that they have been previously tested and adjusted to the Venezuelan regulations.

► Donation of discarded furniture

2010

Institution	Units	Kg
Renacer	6,516	89,739.10
Polihatillo	60	1,285.40
C.I.C.P.C.	33	1,095.00
Journalists National College (CNP)	153	2,034.00
Salme	47	785.00
Conscripto Caracas	9	540.00
Canaima School	10	2,200.00
Total	6,828	97,678.50

2009

Institution	Units	Kg
Hogar Renacer	941	4,532
José María Vargas Medicine School	2	60
Onidex	15	520
Fire Fighters, Municipio Inbarmen, Lara State	58	470
Fe y Alegría School, La Vega, Caracas	48	1,730
Baruta Municipal Mayorality	70	1,532
Orthopedic Children Hospital	12	1,475
Orchestras National System	2	357
House of Support for Teachers AVEC	4	165
Metro-Mercado Mall, Caracas	14	180
Individual	1	10
Total	1,167	11,031

- Technical suitability certificates issued by renowned institutions (National Institute of Structural Models) or others are required. Likewise, the constructive elements should not include high content of polymers, acetates or asbestos.
 - The projects must comply with the standard distances in relation to tributaries, high-tension towers and protection zones, as well as with the urban equipment rules for a decent habitat.
 - When the projects are conceived to be located on coastal areas, they must comply with the special rules for this type of works both, tourism or housing facilities.
 - During the construction process, a Banesco's engineer inspector performs a monthly supervision to prevent unexpected environmental damages and check industrial security measures to protect the workers involved.
 - Last, but not least, we try to ensure that the financed projects count on the fitness certificate before the opening of the sales process.
- **PRODUCTS TRANSPORTATION:** Banesco Banco Universal, C.A. does not cause measurable environmental impact for this activity, as the products transported by the bank to its nationwide agencies network are office stationary, printed documents, as well as technology equipment and consumables.
 - **PERSONNEL TRANSPORTATION:** Our employees use their own vehicles as their transportation means to go to Banesco, go back home and reach different administrative facilities in the capital region. When the staff has to go to an event outside the organization, Banesco covers the expenses incurred for that movement and, if necessary, it hires transportation services.
 - **BRANCHES OPENING:** Banesco does not carry out previous environmental impact studies in the areas where we open branches, unless the municipal authorities indicate otherwise and provided that these studies are specific depending on the works to be executed.
 - **PAPER CONSUMPTION FOR PRINTED DOCUMENTS AND PHOTOCOPIES:** We integrated the Commercial Web Credit Workflow with the Electronic Management of Documents system to obtain a single electronic and digitalized file of the customer. This

allows a minimum use of paper in our business processes and a faster response for our customers' credit requests.

- **DONATION OF FURNITURE AND COMPUTERS DISCARDED:** The obsolete furniture and computers that are no longer used at our facilities are donated, that is they are re-used by their beneficiaries. Therefore, they do not produce direct environmental impacts even though they could contain hazardous substances.

Steps taken to reduce our environmental impact

Our head office, Ciudad Banesco, is a smart building that includes constructive and informatics elements, which minimize its environmental impact:

- Most of our building facade is a low-reflection green curtain wall, which along with other elements composes a comfortable labor environment and reduces air conditioning consumption.
- The building is controlled by software that provides an integral management for all the commands of our CRT, the security and electro-mechanics access controls (air conditioning, elevators, escalators and lightning), producing a higher efficiency in terms of energy consumption and security.
- The building is fitted out with "smart" elevators and they take the standby mode when they are out of use for a given period of time.
- Toilets sets of faucets are automated, that is, the sinks, WC and urinals are automatically activated and only use the required amount of water.
- Our food services supplier at Ciudad Banesco, Restoven, uses biodegradable cleaning products produced by Ecolab.
- We make every effort so that all our furniture and electronic equipment discarded are donated to public charity entities and organizations. Likewise, our cartridges are donated to our Social Partner Fundana (see chapter "Our Social Partners").
- We have implemented measures to reduce energy consumption at Ciudad Banesco and other administrative facilities
- Banesco Banco Universal, C.A. has not been imposed with fines or claims due to non-fulfillment with national or local environmental rules.

Files Processed by Gelecon

Area	Number of Files			Number of Pages		
	2010	2009	Var. %	2010	2009	Var. %
Commercial Credit	1,020	1,683	(39.39)	178,591	249,411	(28.39)
Commercial Credit (Actualization)	13,537	0	100.00	353,445	0	100.00
Credit Cards (Request/Service)	285,646	666,032	(57.11)	864,742	2,125,078	(59.31)
Passive	0	065	(100.00)	0	21,275	(100.00)
"Multiplica"	0	6,701	(100.00)	0	84,933	(100.00)
Fraude	34,196	0	100.00	170,390	0	100.00
Total	334,399	675,481	(50.49)	1,567,168	2,480,697	(36.83)

OUR SUPPLIERS

Main action lines in 2009

- We created a new VP of Procurement in order to provide a centralized service for the different organizational requirements.
- The Suppliers Single Registry use was reinforced.
- We improved the use of the SAP modules related to the procurement management.
- We started to apply on an annual basis the satisfaction surveys among our main suppliers.

Management evolution against 2009 and main action lines in 2010

- Developing the VP of Procurement as a centralized entity, entitled to standardize the purchase process to acquire goods and services at our organization, with transparency, efficiency and control.
- Design and implementation of the Procurement processes (purchases planning, bargaining, autonomies, among others).
- Training the users about how to use the SAP tool and increasing its employment in the Material Module.
- Increasing the number of registered and evaluated suppliers in our RPB database (Banesco Suppliers Registry).

Commitments made for 2011

- The Expenditures Cycle Project will be implemented, so as the Organization could design a new blueprint for the SAP tool, according to the organizational needs, including:
 - Centralization of the invoicing process and warehouses
 - Centralization of purchases and finance
- Design of procedures, rules and policies for each stage of the purchase process.
- Enhancement of the efficient use of our Purchases System, under which are recorded the movements related to the purchase process in order to make them faster, improve the decision-making process, establish a better follow-up of acquisitions and sustain the process transparency.



Our management

In 2009 we worked on the development of the VP of Procurement in order to concentrate the hiring of goods and services required by the different areas of our organization in an efficient and transparent manner.

During 2010 we started to design a series of mechanisms for the fulfillment of controls, guidelines and standards at all the stages of the procurement process.

At the same time, we have continued concentrating efforts towards the efficient use of the Material Module included in the SAP system, under which the movements related to the purchase process are recorded in order to speed-up processes, improve the decision-making process, establish and improve traceability (follow-up capacity) over the acquisitions, as well as sustain the transparency of the whole process. We also strengthened Banesco Single Registry of Suppliers (RPB).

Other aspects considered were adjustment of processes, design of the area organizational structure, definition and implementation of empowerment policies. All these adjustments resulted in benefits such as:

- Increased transparency and control of operations
- Improved relationship with our suppliers
- Reduction of organizational costs
- Vision and corporate synergies in the purchase process.

We also redefined the procurement strategy and the saving plan based on the implantation of the Purchases families, which will allow implanting various purchase leverages and to optimize consumption and introduce improvements in terms of costs, reliability and quality on a six-monthly basis.

Likewise, we redesigned the functioning flow of procurement autonomies in order to speed the decision-making process and implant the autonomies approved by the Executive Committee.

Our policy to hire suppliers

All suppliers involved in the procurement or hiring process shall be registered in our RPB database, once the required documentation has been submitted. The documents required are the following:

All suppliers involved in the purchase or contracting process shall be registered in the RPB database, once they have submitted the required documentation.

- **Legal Information** (Commercial Registry, Tax Information Registry (RIF), Stockholders Certificate, Labor Solvency, electricity and/or phone service invoice, Identity Card of the individuals who bind the company).
- **Financial Information** (Balance Sheet, Profit and Loss Statement, Trial Balance when the accounting period close was made six or more months previous to the presentation, all amounts expressed in historical values).
- **Commercial Information** (such as products lists, distributing brands, exclusivity letters, catalogues, commercial references, works made for Banesco, among others).

To make a purchase, at least three different budgets are required. Afterwards, the budgets are analyzed and the Bank selects the best offer in terms of price, response time and quality product.

Banesco Suppliers						
Denomination	N° Suppliers			% of total		
	2010	2009	Variation %	2010	2009	
Hardware store, parts, material and other supplies	105	22	(16.19)	5.19	5.38	
Stationary	30	25	16.67	1.48	1.10	
Office Equipment	10	27	(170.00)	0.49	1.19	
Hardware and Software	34	30	11.76	1.68	1.32	
Furniture	7	10	(42.86)	0.35	0.44	
Forms and Value Paper	6	21	(31.25)	0.79	0.93	
Debit and Credit Cards	3	2	33.33	0.15	0.09	
Cleaning products and material	2	3	(50.00)	0.10	0.13	
Fittings	5	6	(20.00)	0.25	0.26	
Food Stamps	1	1	0.00	0.05	0.04	
Other equipment	1	2	(100.00)	0.05	0.09	
Real Estate	6	8	(33.33)	0.30	0.35	
Technology	37	45	(21.62)	1.83	1.98	
Maintenances	157	41	10.19	7.76	6.21	
Advertising and Marketing	180	231	(28.33)	8.90	10.18	
Transportation, mail and courier	60	64	(6.67)	2.97	2.82	
Hotels and travel agencies	164	181	(10.37)	8.11	7.98	
Fees and consultancy	378	406	(7.41)	18.69	17.89	
Real Estate renting	217	223	(2.76)	10.73	9.83	
Equipment renting	11	11	0.00	0.54	0.48	
Photocopies and printed papers	7	4	42.86	0.35	0.18	
Notary and registry services	5	10	(100.00)	0.25	0.44	
Surveillance	7	7	0.00	0.35	0.31	
Affiliations and subscriptions	25	27	(8.00)	1.24	1.19	
Telephone and telecommunications	16	14	12.50	0.79	0.62	
Cleaning	9	9	0.00	0.44	0.40	
Condominium and administrators	208	194	6.73	10.28	8.55	
Training	55	80	(45.45)	2.72	3.53	
Electricity	24	21	12.50	1.19	0.93	
Other services	243	344	(41.56)	12.01	15.16	
Total	2,023	2,269	(12.16)	100.00%	100.00%	

► Amount Paid to Suppliers

In Bs	Denomination	2010	Amounts Involved		% total involved	
			2009	Variación %	2010	2009
	Hardware store, parts, material and other supplies	24,811,451	20,678,823	16.65	1.46	1.67
	Stationary	11,578,140	21,284,229	(83.83)	0.68	1.72
	Office Equipment	28,495,302	13,762,423	51.70	1.68	1.11
	Hardware and Software	137,528,035	48,711,303	64.58	8.12	3.93
	Furniture	2,154,746	2,833,610	(31.50)	0.12	0.23
	Forms and Value Paper	45,532,559	21,098,260	53.66	2.69	1.7
	Debit and Credit Cards	6,747,965	4,085,683	39.45	0.39	0.33
	Clearing products and material	11,447,822	6,986,062	38.97	0.41	0.56
	Fittings	1,556,683	1,306,752	16.05	0.09	0.11
	Food Stamps	102,883,087	43,355,800	57.85	6.08	3.5
	Other equipment	385,336	87,930	77.18	0.02	0.01
	Real Estate	3,975,337	830,009	79.12	0.23	0.07
	Technology	141,177,993	72,375,276	48.73	8.34	5.84
	Maintenances	143,452,110	163,034,706	(13.65)	8.47	13.16
	Advertising and Marketing	141,873,851	118,265,819	16.64	8.38	9.55
	Transportation, mail and courier	205,542,521	144,106,708	29.88	12.14	11.64
	Hotels and travel agencies	14,983,535	12,710,875	15.16	0.88	1.03
	Fees and consultancy	157,983,277	111,644,215	29.33	9.33	9.01
	Real Estate renting	90,615,405	91,468,414	(0.94)	5.35	7.39
	Equipment renting	62,663,440	49,117,552	21.61	3.70	3.97
	Photocopies and printed papers	33,768,219	16,155,342	52.15	1.99	1.3
	Notary and registry services	4,230	113,972	(2,594.21)	0.00024	0.01
	Surveillance	42,759,471	15,577,075	63.57	2.52	1.26
	Affiliations and subscriptions	1,853,519	1,492,037	19.50	0.10	0.12
	Telephone and telecommunications	109,521,105	78,696,691	28.14	6.47	6.35
	Cleaning	43,285,170	24,491,700	43.41	2.55	1.98
	Condominium and administrators	43,207,201	22,474,031	47.98	2.55	1.81
	Training	7,965,245	13,952,581	(75.16)	0.47	1.13
	Electricity	11,724,646	10,621,788	9.40	0.69	0.86
	Other services	62,663,847	107,147,095	(70.98)	3.70	8.65
	Total	1,692,141,246	1,238,466,758	26.81	100.00%	100.00%

Depending on the good or service to be hired, the analysis includes a visit to the factory or the company in order to assess its installed capacity and if it counts on enough inventories and stocks for production. The purchases, according to their amount, are submitted for their review and approval to the corresponding autonomies.

Alliances

We join efforts with our suppliers in order to reinforce our social action in the community. Our suppliers are aware about the importance of creating alliances to mitigate social problems and offer a higher quality of life to the citizens. Together with them and our Social Partners, Banesco held the following activities in 2010:



► Social investment from Our Suppliers

2010		2009	
Alliance	Investment	Alliance	Investment
Salesian Women (several events)	43,530.90	"Bolas Criollas" Tournament to raise funds for Salesian Women	6,168.09
Sponsorship Asodeco	15,000.00	Annual donation to Fundana	3,450.00
Project "The Soup of the Tariba Friend", Salesian Women	82,550.00	Sponsorship Asodeco	15,020.00
Donation to Naigusti School	5,000.00	Project to repair Schools in Petare, Salesian Women	94,280.00
Donation to the victims of 2010 heavy rains crisis	68,500.00		
Total	214,580.90		118,918.09

► Our Most Significant Suppliers per Region

Capital Region		Average Bs.			% total invoiced	
Service	N° Suppliers 2010	2010	2009	Variation %	2010	2009
Transportation	37	5,392,636	3,721,851	30.98	40.81	42.27
Photocopies and printed papers	7	4,824,031	4,038,835	16.28	36.51	45.87
Forms and Value Paper	15	2,995,901	1,044,176	65.15	22.67	11.86
Total	59	13,212,568	8,804,862	33.36	100.00	100.00

Eastern-South Region		Average Bs.			% total invoiced	
Service	N° Suppliers 2010	2010	2009	Variation %	2010	2009
Hotels and travel agencies	50	59,034	41,825	29.15	5.35	8.1
Real Estate renting	20	289,697	205,206	29.17	26.25	39.76
Cleaning	0	0	2,342	100.00	0.00	0.45
Transportation, mail and courier	10	184,731	129,435	29.93	16.74	25.08
Maintenances	13	546,454	122,035	77.67	49.52	23.64
Fees and Consultancy consultorias	11	23,494	15,312	34.83	2.13	2.97
Total	94	1,103,410	516,155	53.22	100.00	100.00

Middle-Western Region (includes Zulia and Falcón states)		Average Bs.			% total invoiced	
Service	N° Suppliers 2010	2010	2009	Variation %	2010	2009
Hotels and travel agencies	70	37,793	36,322	3.89	0.91	1.35
Electricity	8	125,809	209,900	(66.71)	3.05	7.79
Maintenances	14	471,340	291,693	38.11	11.41	10.83
Cleaning	3	3,495,515	2,155,186	38.34	84.63	80.03
Total	97	4,130,558	2,693,101	34.80	100.00	100.00

Centro - Los Llanos Region		Average Bs.			% total invoiced	
Service	N° Suppliers 2010	2010	2009	Variation %	2010	2009
Hotels and travel agencies	22	25,179	20,343	19.21	0.88	10.12
Cleaning	1	2,486,685	10,219	99.59	87.11	5.09
Transportation, mail and courier	12	116,095	5,507	95.26	4.07	2.74
Maintenances	12	226,852	164,869	27.32	7.95	82.05
Total	37	2,854,811	200,938	92.96	100.00	100.00

Dialogue with Our Suppliers

During 2010, we continued the dialogue with this stakeholder, through a survey sent to the 143 most important suppliers in terms of transactions amounts. From the total of surveys sent, we only received back 32.86% surveys with answers. That is, only 43 suppliers answered the questions. The questions were the following:

- Please, value your satisfaction level with the following aspects of your relationship with Banesco Banco Universal during 2010, with a scale from 1 (least) to 5 (maximum): transparency, prompt payment, personal services, online services, treatment.
- Has your company been certified by an environmental or social standard, such as the ISO 9000, ISO 14000 o SA8000, etc.?
- Does your company have a policy on Human Rights in place? Please, explain.
- Is your company willing to participate in CSR activities along with Banesco?

The satisfaction results regarding their relation with Banesco in 2010 were the following.

Beginning in 2010, we started to work with the Legal Consultancy Division to incorporate a new clause into the suppliers' contracts. The new clause will demand them the fulfillment of the

► Satisfaction of our Suppliers



principles contained in the UN Global Compact. As the clause has not been implemented to this date, there is no information available about the amount of agreements with the suppliers that include Human Rights Clauses. This information will be available in our CSR report 2011, after the effective incorporation of this clause.

Procurement committee

The Procurement Committee is a coordination organizational body that shall foster the ideal design of the procurement operations that are the framework of any event involving goods acquisitions, input and/or services, or negotiation, even when it doesn't involve the immediate disbursement of funds.



Objective

Safeguarding the fulfillment of the Organization's purchase and hire rules and processes and making the related decisions within its autonomy level, through mechanisms that guarantee transparency in the selection of the best options offered by the suppliers, evaluating the quality of the goods and and/or services offered in order to satisfy the organizational needs and improve the relations with our suppliers.

Roles and members of the procurement committee

PROCUREMENT OPERATING COMMITTEE

(PURCHASES ABOVE Bs. 200,000 AND BELOW Bs. 1,000,000)

- *Coordinator:* VP of Procurement and Contracts.
- *Committee Secretary:* Management of the Procurement and Contracts Division
- *Advisors with right to speak:* VP of Legal Consulting, VP of Processes
- *Main members with full voting rights:* Vice-Presidents named by the Steering Committee.

PROCUREMENT THEMATIC COMMITTEE

(PURCHASES ABOVE Bs. 1,000,000 AND BELOW Bs. 10,000,000)

- *Coordinator:* VP of Procurement and Contracts.
- *Committee Secretary:* Management of the Procurement and Contracts Division
- *Advisors with right to speak:* VP Legal Consulting, Executive VP Habilitation and Operations, Exe. VP Human Capital, VP International Operations, Custody, Trusts, Exe. VP Real Estates, Infrastructure and General Services.
- *Main members with full voting rights:* Dir. Technology and Procurement, Exe. Dir. Administration and General Services, Exe. Dir. Products.

DIRECTORS COMMITTEE (PURCHASES ABOVE BS 10,000,001)

Actions in the search of an Efficient Management of Operations

- Creation of electronic folder 'Procurement Committee Operations'
- Creation of the Corporate Suppliers Registry
- Creation and implantation of the Committee
- Preparation of Satisfaction Surveys
- Preparation of operating indicators of Procurement Management
- Re-implantación del Módulo SAP-MM para la automatización del proceso de compras

Committee powers

- The committee will process, endorse or question any Procurement Operation higher or equal to the minimum autonomy of the Procurement Committee.
- The exceptions shall be agreed-upon by the same committee in the case of high atomicity of suppliers or the specific market's dynamic, among others.
- The operations endorsed which amounts are higher than the maximum autonomy of the committee will be validated by the Steering Committee.
- The operations questioned shall be reformulated according to the issues and shall be informed and evaluated by electronic means.
- Every supplier, true or potential billing party one year after the minimal autonomy of the Procurement Committee, shall be endorsed under the modality of Operation of Procurement, even if none of the operations totalizes that amount and even if those operations are distributed among several Responsibility Centers.

OUR COMMITMENT TO THE AUTHORITIES

Main Action Lines in 2009

- In accordance with the best practices of the Corporate Government and the strict fulfillment of the applicable regulations, we have strengthened the government structures of those areas which demand control and follow-up by the organization in order to guarantee to the authorities high levels of transparency and reliability.
- We have continued holding working meetings allowing the signature of new and better service agreements which include the timely and efficient dispatch of all and any accounting and legal documentation requested by SUDEBAN in order to provide effective solutions to the claims submitted.
- Incorporation of the Executive VP of Prevention of Losses Management and Business Continuity.

Management evolution against 2009 and main action lines in 2010

- We carried out working sessions with SUDEBAN to get direct comments and observations.
- We launched the modernization process of the SCAV tool.

Commitments made for 2011

- Continue with our working sessions with SUDEBAN, with a view to achieve a successful exchange of processes and ideas allowing our Organization first-hand comments and recommendations from this regulatory body.
- Culmination of SCAV tool modernization.

Our Policy

Banesco Banco Universal, C.A. is an active partner of the central government, as well as regional and local government in the development and diversification of productive activities.

We continue our active work to bankarize those social groups still excluded from the financial system, as a means to strengthen the social fabric, job creation and economic growth and supporting these goals of the central government which are established in the national Constitution.

Our management

In 2010 we held a work session with SUDEBAN (Superintendent of Banks and Other Financial Institutions) which resulted in an improved response to the information requests issued by this regulatory body, as well as in the optimization of our responses to claims filled by our customers before this body.

Likewise, this exchange of ideas with SUDEBAN helped us to reduce the time to send and receive the required documents to analyze the cases. To go forward with the effort launched the previous year to solve the claims filled by our customers before SUDEBAN, in 2010 we expect to carry out new work sessions with SUDEBAN with a view to achieve a successful exchange of ideas allowing our Organization to get first-hand comments and recommendations from this regulatory body. This, in turn, will have a positive impact on the timely satisfaction of our customers' needs.

All our new products are designed according to the regulations in force. In case of changes introduced to the regulations, the product is adjusted in consequence (our contracts and general conditions include a clause of limited responsibility applicable to our organization in the event that Banesco fails to meet the regulations while providing the product or service due to unexpected regulatory changes).

Taxes on Own Operations			
Thousand Bs	2010	2009	Variation %
Income Tax (1)	0.00	26,232.41	(100)
Economic Activities Tax	114,014.43	99,461.03	15
Value-Added Tax	153,934.66	108,678.43	42
Publicity Tax	11,187.61	11,296.00	(8)
Urban Real Estate Tax	2,359.87	1,660.00	258
	271,341.99	235,793.14	13.10

(1) Corresponds to Income Tax caused the previous year and paid in 2010.

Abiding by the regulatory body's provisions, Banesco always sends a study analyzing the risks for depositors and investors of all our new financial instruments and products, as well as a study analyzing the risks of the product or service for Banesco. Although this is not a guarantee that these risks could be successfully avoided, these studies define mechanism to mitigate the impact of these potential risks.

On the other hand, our Legal Consulting office makes a careful analysis of any new law or regulatory modifications with a potential impact on the financial sector. Likewise and in order to ensure a permanent updating, we spread through our internal media the changes and decisions related to our business that are published in the Official Gazette.

All our new products are designed according to the regulations in force. In case of changes introduced to the regulations, the product is adjusted in consequence.



► Organic Law on Science, Technology and Innovation

Thousand Bs.	2010	2009	Variation %
Technology Projects	38,361.19	31,659.71	21

► Food Stamps Law

Thousand Bs.	2010	2009	Variation %
Food Stamps Law for the Workers	34,489.60	38,559.98	(1)

► Parafiscal Contributions

Thousand Bs.	2010	2009	Variation %
Law of Housing and Habitat	14,934.93	12,834.79	16
Mandatory Social Security	44,224.13	36,388.22	22
Employment Law	9,782.89	8,201.79	19
INCES	11,635.32	9,768.16	19

► Contributions to Fogade and Sudeban

Thousand Bs.	2010	2009	Variation %
Fogade	413,211.98	144,167.78	187
Sudeban	49,119.95	43,134.30	14

► LOSEP

Thousand Bs.	2010	2009	Variation %
Projects with Losep application	9,138.65	6,118.39	49

State-run Portfolios

At December 31	Amount achieved (thousand Bs)		% Required		% Maintained	
Modality	2009	2008	2010	2009	2010	2009
Tourism	638,751.18	465,795.42	3.00	3.00	3.03	2.46
Micro-Entrepreneurs	1,375,221.15	1,004,181.03	3.00	3.00	5.44	4.93
Agriculture	5,349,612.88	3,813,190.16	25.00	21.00	25.36	21.57
Manufacture	2,416,564.69	2,112,051.95	10.00	10.00	10.39	10.16
Mortgage with own resources (long-term)	1,803,585.99	1,336,802.05	6.00	6.00	7.76	7.06
Mortgage with own resources (short-term)	749,019.43	968,968.81	4.00	4.00	3.22	5.11

State-run Portfolios

In 2010, Banesco increased the percentage maintained in all the state-run portfolios. Regarding the mortgage credits to acquire primary housing, Banesco has continued funding a growing number of families nationwide. This is our contribution to make come true the dream of many Venezuelan citizens to have a dignified home.

Campaigns and external information

In order to provide our varied audiences with information about our Bank's operations, requirements for transactions and other relevant data, in 2010 we provided information through the following tools:

- Merchandising and leaflets delivery at branches.
- Ads published in the media.
- Several printed newsletters
- Several publications at our Internet site Banesco and blogs
- Publication of our half-yearly Reports (hard-copies and electronic publication at our site www.banesco.com)
- Yearly publication of our Corporate Social Responsibility Report (hard-copy and electronic publication at our site www.banesco.com, both in Spanish and English).
- Daily messages through the social media (Twitter, Facebook, Youtube)

Campaigns and internal information

- Leaflets, bulletins and billboards.
- Messages through the Internet and e-mail.
- Existent relation with the regulatory body.

Object, Operations and Legal Framework

Banesco Banco Universal C.A. is a Venezuelan financial institution entitled to carry out all the operations authorized to Universal Banks by the Decree with Rank, Value and Force of Law for the Partial Reform on the Law of Banks and Other Financial Institutions.



Universal Banks abide by their By-Laws; the Decree with Rank, Value and Force of Law for the Partial Reform on the Law of Banks and Other Financial Institutions; the Superintendent of the Banking System Institutions; the Trust Funds Law (partially revoked); regulations and instructions enacted by the SUDEBAN and the Venezuelan Central Bank. Besides, the Bank is registered before the Securities National Commission and it has its shares quoted in the Caracas Stock Exchange, so it also abides by the Venezuelan Stock Market Law (formerly Capital Market Law) and the regulations established by the Securities National Superintendent (formerly Securities National Commission).

The Law for the Partial Reform of the General Law of Banks and Other financial Institutions was published in August 2010, according to the Official Gazette N° 39.491, dated August 19, 2010.

The amendment to Article 2, related to the application field of the Public Sector Banks, deserves special consideration. This law revokes the General Law of Banks and Other Financial Institutions, published in Extraordinary Gazette N° 4.649, dated November 19, 1993.

On November 28, 2010, the Executive Power published the Decree with Rank, Value and Force of Law for the Partial Reform of the Law for the Banking Sector Institutions and the Superintendent of the Banking Sector Institutions, in Extraordinary Gazette N° 6.015, in force as of the same date. This law revokes the General Law of Banks and Other Financial Institutions, published in Official gazette N° 39.491, dated August 19, 2010

Fines and non-fulfillment

In 2009 and 2010, Banesco Banco Universal, C.A. was not imposed with any kind of sanction whatsoever issued by the National Securities Commission, Central Bank of Venezuela or FOGADE, due to non-fulfillment of the regulations established by these regulatory bodies. Banesco was not imposed with any sanction whatsoever for non-fulfillment of the guidelines established by the rules in force in relation to free competition or anti-trust rules.

In relation to the communications received from the Superintendent of Banks and Other Financial Institutions, no events were recorded with a significant impact on the Bank's financial situation and equity.

On the other hand, in 2010 the Institute for the Defense of People in the Access to Goods and Services (Indepabis) applied 12 sanctions to Banesco for alleged weaknesses in its security methods and non-fulfillment related to the response times to its customers. All these sanctions have been appealed and were under the consideration of Indepabis at the end of the year.

In relation to lawsuits, contingencies, contractual and fiscal commitments, they are half-yearly showed in the Financial Statements audited by the Bank, according to the requirements of the Regulatory Body and included in the Commitments and Contingencies Notice. The bank does not expect these lawsuits, contingencies, contractual and fiscal commitments to produce any impact whatsoever on the financial statements as a whole, up to December 31, 2010 and December 31, 2009. These audited financial statements are available at the Venezuelan Banking Association Web page (www.asobanca.com.ve).

Likewise, we keep a close eye on the strict fulfillment of the legal provisions to which Banesco is submitted as a financial institution,



In relation to lawsuits, contingencies, contractual and fiscal commitments, they are half-yearly showed in the Financial Statements audited by the Bank

such as: the Decree with Rank and Force of the General Law of Banks and Other Financial Institutions, the regulations and instructions established by the Superintendent of Banks and Other Financial Institutions, through its instruction manuals, announcements and official letters. It's worth mentioning that, due to the fast growth experienced by the Bank during the last years, we have considerably strengthened our organizational and functional structure, the internal control systems, supported by cutting-edge technology and a human capital committed to the Bank in order to face and meet on time the demands of the regulatory bodies, our customers and the general public.

THE MAKING OF THE CORPORATE SOCIAL RESPONSIBILITY REPORT 2010

Principles for the Definition of the Report's Contents

Since 2004, Banesco Banco Universal, C.A. has published on an annual basis its Corporate Social Responsibility and Sustainability Report. The present report is the seventh edition and corresponds to the period from January 1st to December 31st 2010. The previous report, which covered the period from January 1st to December 31st 2009, was published during the first half of 2011, highlighting the aspects relevant to that period. This report is made in Spanish and English (since 2007 the English version is published only in our Internet site, www.banesco.com). Reports from 2006 to 2008 are available at <http://banesco.banco.files.wordpress.com/2011/09/irse-2009-18-de-agosto.pdf>.

The structure of these reports follows the recommendations of the Guide for the Elaboration of Sustainability Reports and Sectorial Supplement for Financial Systems, issued by the Global Reporting Initiative (GRI) RG, version 3.0/FSSS Final Version. Our 2007 Corporate Social Responsibility and Sustainability Report was the first one to be certified by the Global Reporting Initiative; with the 'Application Level B+', while the 2008, 2009 reports achieve the 'A+ GRI Checked Level', the highest possible. We should underline that as the new GRI Supplement for the Financial Sector entered into force as of January 1st, 2010, the present report includes 'FS' performance indicators.

The strategic planning program of the Corporate Social Responsibility (CSR) is prepared by Banesco VP of Communications and Social Corporate Responsibility (the new name of the former VP of Communications and Social Matters, as of May, 2009), which leads the CSR practices and it is the contact point for the matters related to the content of the present report. This VP directly reports to the Board of Directors.

During 2010, we continued with the training and specialization process of the team of this Vice-Presidency in order to go forward with the dialogue process with our stakeholders, with a view to the adoption of the AA1000 Standard. This is going to continue in 2010.

As in the previous years, this Report is organized on two big blocks: the internal and external dimensions of our social responsibility, with specific chapters for each stakeholder. It also reports our successful interactions with them in 2010, particularly the collection of statistics (surveys and focus groups).



During 2010, we continued with the training and specialization process of the team of the Vice-Presidency of Communications and Social Matters, with a view to the adoption of the AA1000 Standard.

In the present report, Banesco Banco Universal, C.A. adopts the premise of reporting its performance in the framework of sustainability. That is, its purpose is not only to inform about its individual performance, but also to report its work within a wider context, including:

- Financial inclusion (bankarization) as a means to fight poverty.
- Emphasizing the support to our Social Partners who work to improve the coverage of education and health services.
- The value attached to the organization's human capital, which is reflected on wages above the minimum wage established by law, promotions, continuous training, support programs to buy houses, among others.

- The organization's impact on the creation of direct jobs at the different regions of the country, indirect jobs through the regional distribution of its suppliers, opportunities and regional services for the customers and regional donations.

Finally, the contents of this report follow the Principle of Exhaustiveness in terms of scope, coverage and time.

In relation to the scope, the report includes all the aspects that were deduced as relevant for each stakeholders group, based on the internal knowledge of them, as a formal consultation process was not opened. However, as it has previously mentioned, the organization is working to establish more formal dialogue mechanisms to raise these topics, so as we could develop a less general scope and more focused on the stakeholders' reasonable priorities.

The coverage of this report only includes Banesco Banco Universal, C.A. in Venezuela. When possible, it specifies the organization regional results corresponding to its performance. The materiality of the information is expressed by the indicators, which reflect the significant impacts of our organization on the economic, social and environmental fields.

This year, as in the previous year, we observed a more fluent process at the moment of getting information from the different areas. This, in turn, indicated that the procedure is becoming into a standardized process within the organization, as a result of several induction sessions with the VP of Communications and Corporate Social responsibility. Other areas, however, are still adjusting their processes to the request of information.

Principles to Define the Quality of the Report's Contents

In order to ensure the quality of the information displayed in this report, Banesco Banco Universal, C.A. watched over the enforcement of the principles to define the quality of the report elaboration, which are established in the Guide for the Elaboration of Sustainability Reports and Sectorial Supplement for Financial Services, issued by the Global Reporting Initiative (GRI) RG, version 3.0/FSSS Final Version. To meet the principle of Balance, Banesco ensures the transparency of all the data displayed all along the report. Currently, Banesco has no internal or external auditing in place to evaluate the implantation extent of the policies and procedures for the management of social and environmental risk. This Organization is concerned with the short-term establishment of the appropriate processes and corresponding auditing processes to evaluate these risks.

The figures here reported were displayed into detail for 2009 and 2010, with their respective variation rates. This allows the comparability of the performance for the two periods.

With a view to guaranteeing the Precision of the Information, this report has used the GRI's technical protocols in order to understand and formulate the quantitative and qualitative indicators presented in this report.

The data reported correspond to the organization's registries at their different systems of information management or internal registry mechanisms. In general terms, the data corresponds to public information published and reported to the regulatory organizations, so they are perfectly verifiable.

Regarding the principle of periodicity (frequency), this report is published on an annual basis, as it is clearly established in the report. The report is published during the second half of the year following to the year reported.

Another premise of this report was clarity. For this reason, the present report includes the most relevant elements in a readable document in terms of language simplicity, the visualization of figures and graphic expressions of the management and the volume of pages.

In order to guarantee the reliability of the information displayed and the procedures followed for the making of this report, it has documented all its internal sources for each aspect reported and the whole report is submitted to the verification of External Auditors before its publication.

For the year ended on December 31, 2010, the performance Indicators included in the Guide for the making of the Sustainability Report, version 3.0, have been submitted for review to our external auditors: De la Vega, Márquez, Perdomo & Asociados (Horwarth Venezuela), who also act as external auditors of the Bank.



► Profile, Strategy and Organization

Topic	Description	Pages
1. Strategy and Analysis	1.1 Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	2 – 3
	1.2 Description of key impacts, risks, and opportunities related to sustainability.	6 – 9
2. Organizational Profile	2.1 Name of the organization.	5
	2.2 Primary brands, products, and/or services.	52 – 58 71 – 72
	2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	14
	2.4 Location of organization's headquarters.	5
	2.5 Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	89
	2.6 Nature of ownership and legal forms.	5
	2.7 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	52, 53, 58
	2.8 Scale of the reporting organization, including: <ul style="list-style-type: none"> • Number of employees; • Net sales (for private sector organizations) or net revenues (for public sector organizations); • Total capitalization broken down in terms of debt and equity (for private sector organizations); and • Quantity of products or services provided. 	10, 24, 53
	2.9 Significant changes during the reporting period regarding size, structure, or ownership including: <ul style="list-style-type: none"> • The location of, or changes in operations, including facility openings, closings, and expansions; and • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations). 	21 – 22 52, 58, 70
	2.10 Awards received in the reporting period.	73 – 74
3. Report Parameters	REPORT PROFILE	
	3.1 Reporting period (e.g., fiscal/calendar year) for information provided.	88
	3.2 Date of most recent previous report (if any).	88
	3.3 Reporting cycle (annual, biennial, etc.).	88
	3.4 Contact point for questions regarding the report or its contents.	88
	REPORT SCOPE AND BOUNDARY	
	3.5 Process for defining report content, including: <ul style="list-style-type: none"> • Determining materiality; • Prioritizing topics within the report; and • Identifying stakeholders the organization expects to use the report. 	88
	3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	88
	3.7 State any specific limitations on the scope or boundary of the report [1][1].	89
	3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	88 – 89
	3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.	89
	3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	(1)

Profile, Strategy and Organization

Topic	Description	Páginas
	3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	(1)
	3.12 Table identifying the location of the Standard Disclosures in the report.	90 – 92
	ASSURANCE	
	3.13 Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	89
4. Governance, Commitments & Engagement	GOVERNANCE	
	4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	12, 15 – 16
	4.2 Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	14
	4.3 For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	13 – 14
	4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	13, 17, 22, 34
	4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	13
	4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided.	16
	4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental and social topics.	13 – 14
	4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	5, 16, 17
	4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	8 – 9, 16 – 17
	4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	16
	COMMITMENTS TO EXTERNAL INITIATIVES	
	4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization.	6, 16
	4.12 Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or endorses.	16
	4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: <ul style="list-style-type: none"> • Has positions in governance bodies; • Participates in projects or committees; • Provides substantive funding beyond routine membership dues; or • Views membership as strategic. 	18
	STAKEHOLDER ENGAGEMENT	
	4.14 List of stakeholder groups engaged by the organization.	7
	4.15 Basis for identification and selection of stakeholders with whom to engage.	7
	4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	(2)
	4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	(3)

(1) On this Report, there have not been reformulations or significant changes over previous reports.

(2) Shareholders: 21, 22 / Human Capital: 24 / Social Partners: 36 – 40 / Community: 41, 44 – 46 / Clients: 7, 63 – 68 / Suppliers: 80, 82 / Authorities: 94.

(3) Human Capital: 34 / Social Partners: 40 / Clients: 65 – 68, 73 – 75.

Information About the Management and/or Direction Approach

		Pages
Product Portfolio	IMPACT OF PRODUCTS AND SERVICES	
	Policies with specific environmental and social components applied to business lines. FS1	77 – 78
	Procedures for assessing and screening environmental and social risks in business lines. FS2	77 – 78
	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions. FS3	63, 77, 82
	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines. FS4	28 – 29, 49 – 50
	Interactions with clients / investors / business partners regarding environmental and social risks and opportunities. FS5	63, 72, 82
Economic dimension	DISCLOSURE ON MANAGEMENT APPROACH	10
	Economic Performance	52 – 54
	Market presence	9
	Indirect economic impact	
Environmental dimension	DISCLOSURE ON MANAGEMENT APPROACH	76
	Materials	76
	Energy	76
	Water	(1)
	Biodiversity	(2)
	Emissions, Effluents, and Waste	77
	Products and Services	78
	Law compliance	(1)
	Transportation	75 – 78
	Overall aspects	
Social dimension	LABOR PRACTICES AND WORK ETHICS	
	DISCLOSURE ON MANAGEMENT APPROACH	
	Employment	24, 27
	Company/employees relationship	31 – 32
	Health and safety at the workplace	30 – 31
	Training and education	28 – 30
	Diversity and equal opportunities	18 – 19
		31 – 32
	HUMAN RIGHTS • DISCLOSURE ON DIRECTION APPROACH	
	Practices of investment and provision	79
	Non-discrimination	32
	Freedom of association and collective bargain	31
	Abolition of children exploitation	32
	Prevention of forced and obligatory labor	32
	Claims and conciliatory procedures	17
	Security practices	30 – 31
	Rights of indigenous peoples	(1)
	SOCIETY • DISCLOSURE ON MANAGEMENT APPROACH	
	Community	36, 41
	Corruption	20, 31
	Public policy	(3)
	Anti-trust patterns	68 – 69, 87
	Law compliance	20, 68 – 69
	RESPONSIBILITY ON PRODUCTS	
	DISCLOSURE ON MANAGEMENT APPROACH	
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	Labeling of products and services	68 – 69
	Marketing communication	67 – 68
	Customer privacy	61
	Law compliance	68 – 69
	RESPONSIBILITY ON SPECIFIC PRODUCTS	
	Description of policy for the correct design and supply of financial products and services. FS15	5, 52, 62

(1) Aspect considered as non-priorities in relation to the activities of the Bank, therefore are not covered by specific management approaches.

(2) The activities of the organization do not generate significant emissions or spills of hazardous substances.

(3) Absence of a defined policy. Rather the Bank analyzes each case on an individual basis, and always within the legal framework compliance.

DARNOS TODOS UNA MANO ES EL MEJOR DE LOS BALANCES

Balance Social Acumulado 1998 - 2010



	1998-2010	ACUMULADO 1998-2010
TOTAL INVERSIÓN SOCIAL	21.803.580	185.552.244
COMPROMISOS CON FINANCIOS CON EL ESTADO	1.814.564	1.814.564
TOTAL GENERAL INVERSIÓN SOCIAL MAS COMPROMISOS CON EL ESTADO	23.618.144	187.366.808

Directivos

Juan Carlos Páez
Luis María López
Miguel Ángel Páez
María José de la Parra
Néstor Acosta
Dionicio Cerezo

Fernando Cordero
Sandra Cordero
Doris Páez
José Raúl Páez
Cristina Páez



AUDITOR'S REPORT

BANESCO BANCO UNIVERSAL, C.A.

Report on Applying Agreed-Upon Procedures for the Verification of the Social Responsibility Report
Performance Indicators included in Banesco Banco Universal, C.A. 2009. Corporate Social Responsibility Report
FOR THE YEAR ENDED DECEMBER 31, 2009



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Report on Applying Agreed-Upon Procedures for the Verification of the Social Responsibility Report Performance Indicators included in Banesco Banco Universal, C.A. 2010 Corporate Social Responsibility Report

To the Board of Directors and Stockholders of
Banesco Banco Universal, C.A.

Scope of our work

We have applied the procedures agreed-upon with you and described in the following paragraph for the review of Performance Indicators provided by the Bank for the year ended December 31, 2010, identified as **Annex I** attached hereto, and supported by the report named "**Banesco Banco Universal, C.A. 2010 Corporate Social Responsibility Report**" issued by the Bank. The Management of the Bank is the sole responsible for the preparation of the "**Banesco Banco Universal, C.A. 2010 Corporate Social Responsibility Report**", as well as its design, implementation and preparation processes and the presentation criteria. Our responsibility is to issue an independent report on Performance Indicators based on the processes applied to our limited review.

The scope of a limited review is substantially reduced compared to an audit or work of reasonable assurance. Therefore, we do not give an audit opinion on the "**Banesco Banco Universal, C.A. 2010 Corporate Social Responsibility Report**".

Verification Standards and Processes

Our work was conducted in accordance with the generally accepted audit standards on reports on agreed-upon procedures, the Sustainability Reporting Guidelines and Financial Services Sector Supplement issued by "Global Reporting Initiative (GRI) RG version 3.0/ FSSS Final Version, and the review standards issued by the International Federation of Accountants for works of reviewing ISAE 3000 (International Standard on Assurance Engagements 3000) on regards to limited assurance on non-financial information.

Our review consisted on making questions to the Management and the different departments of Banesco Banco Universal, C.A. that participated in the preparation of the "**Report on Corporate Social Responsibility 2010**" and making some analysis and sampling test reviews described below:



- Meetings with the employees "**Banesco Banco Universal, C.A. 2010 Corporate Social Responsibility Report**" and preparing the indicators subject to our review to learn the management principles, systems, and approach applied and obtain the required supporting documents for verification purposes.
- Analysis of the processes performed by the Bank to obtain and validate the information contained in the "**Banesco Banco Universal, C.A. 2010 Corporate Social Responsibility Report**"
- Review all steps taken to identify and consider the interest groups throughout the period by analyzing available internal information and third-party reports.
- Make sure the information contained in the **2010 Corporate Social Responsibility Report** does not conflict with any other relevant information submitted by Banesco Banco Universal, C.A.
- Analyze and confirm that the indicators provided by Banesco Banco Universal, C.A. include the aspects suggested by (GRI) in the Sustainability Reporting Guidelines and Financial Services Sector Supplement RG version 3.0/ FSSS Final Version, and therefore assure the relevance of the information provided regarding the situation of the Bank.
- Analyze the scope, relevance, and completeness of the information contained in the **2010 Corporate Social Responsibility Report** based on Banesco Banco Universal, C.A. understanding of the interest groups' requirements regarding material aspects described in section "The External Aspect of Our Social Responsibility Program".
- Verify by means of sampling test reviews the calculation of quantitative and qualitative information contained in the "**Banesco Banco Universal, C.A. 2010 Corporate Social Responsibility Report**" of the year ended December 31, 2010, and proper collection thereof from information provided by Bank's information sources.
- Review by means of analysis of internal information provided the performance of the parties involved throughout the period regarding the identification, collection of information and relationships.

Conclusions

Based on the results obtained from above "**Verification Standards and Processes**", which were agreed upon with the Management of the Bank to verify the Performance Indicators 2010 provided by you for review, included in the "**Banesco Banco Universal, C.A. 2010 Corporate Social Responsibility Report**", we found no deviation or significant omissions in the reviewed information and no aspects other than those reported in Annexes I and II hereto have been identified that make us believe the "**Banesco Banco Universal, C.A. 2010 Corporate Social Responsibility Report**" has not been prepared, in all its material aspects, in accordance with the Sustainability Reporting Guidelines and Financial Services Sector Supplement RG version 3.0/ FSSS Final version, prepared by the Global Reporting Initiative. Consequently, we give the rating **Level A +**.



Recommendations

In addition, we have presented the Vice Presidency of Communications and Corporate Social Responsibility of Banesco Banco Universal, C.A. our recommendations on areas to improve in order to consolidate processes, programs and systems related to the Social Responsibility of the Bank. The most significant recommendation is:

- Improve the reporting system of the information to be included in the Social Responsibility Report, particularly the Environmental Performance Indicators, in order to define global specific objectives that can be measured on a regular basis.

MARQUEZ, PERDOMO & ASOCIADOS
(MEMBER OF CROWE HORWATH INTERNATIONAL)

A handwritten signature in blue ink, appearing to read "Samuel A. Márquez T.", is written over the printed name.

Samuel A. Márquez T.
Public Accountant
C.P.C. N° 21.318
SBIF. N° CP-569
C.N.V. N° 92-2003

December 28, 2011
0296021021

Performance Indicators

Banesco Banco Universal C.A.

Appendix II

ECONOMIC PERFORMANCE

GRI Indicators / Version G3

Aspect: Economic Performance

EC1 Direct economic value generated and distributed, including revenues, operating cost, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.

Principal

Verified

8 - 9

EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change.

Principal

Partially Verified(1)

75

EC3 Coverage of the organization's defined benefit plan obligations.

Principal

Verified

32 - 34

EC4 Significant financial assistance received from government.

Principal

(2)

Aspect: Market Presence

EC5 Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.

Additional

Verified

9, 24

EC6 Policy practices, and proportion of spending on locally based suppliers at significant locations operation.

Principal

Partially Verified(3)

79 - 82

EC7 Procedures for local hiring and proportion of senior managements hired from the local community at significant locations of operation.

Principal

Verified

25 - 26

Aspect: Indirect Economic Impacts

EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.

Principal

Verified

38 - 40

EC9 Understanding and describing significant indirect economic impacts, including the extent of impacts.

Additional

Verified

41 - 47

ENVIRONMENT

GRI Indicators / Version G3

Aspect: Materials

EN1 Materials used by weight or volume.

Principal

Partially Verified(4)

76 - 77

EN2 Percentage of materials used that are recycled input materials.

Principal

(5)

76 - 77

Aspect: Energy

EN3 Direct energy consumption by primary source.

Principal

Partially Verified(6)

76

EN4 Indirect energy consumption by primary source.

Principal

Partially Verified(7)

76

EN5 Energy saved due to conservation y and efficiency improvements.

Additional

Partially Verified

75 - 76, 78

EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.

Additional

Partially Verified

75 - 76, 78

EN7 Initiatives to reduce indirect energy consumption and reductions achieved.

Additional

Partially Verified

75 - 76, 78

Aspect: Water

EN8 Total water withdrawal by source.

Principal

Verified

76

EN9 Water sources significantly affected by withdrawal of water.

Additional

(8)

EN10 Percentage and total volume of water recycled and reused.

Additional

Verified

76

Aspect: Biodiversity

EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.

Principal

(9)

Performance Indicators

Banesco Banco Universal C.A.

	Indicator	Verification	Page
EN12 Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.			
EN13 Habitats protected or restored.	Principal	(10)	
EN14 Strategies, current actions, and future plans for managing impacts on biodiversity.	Additional	(10)	
EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Additional	(10)	
Aspect: Emissions, Effluents, and Waste			
EN16 Total direct and indirect greenhouse gas emissions by weight.	Principal	Partially Verified	76
EN17 Other relevant indirect greenhouse gas emissions by weight.	Principal	(11)	
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved.	Additional	Partially Verified	78
EN19 Emission of ozone depleting substances by weight.	Principal	(11)	
EN20 NO _x , SO _x and other significant air emissions by type and weight.	Principal	(11)	
EN21 Total water discharge by quality and destination.	Principal	(11)	
EN22 Total weight of waste by type and disposal method.	Principal	Partially Verified (12)	77 - 78
EN23 Total number and volume of significant spills.	Principal	(11)	
EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of Basel Convention Annex I, II, III and VIII, and percentage of transported waste shipped internationally.	Additional	(11)	
EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitat significantly affected by the reporting organization's discharges of water and runoff.	Additional	(11)	
Aspect: Products y Services			
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Principal	Partially Verified (13)	77 - 78
EN27 Percentage of products sold and their packaging materials that are reclaimed by category.	Principal	(14)	
Aspect: Compliance			
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Principal	Verified	78
Aspect: Transport			
EN29 Significant environmental impact of transporting products and other goods and materials used for organization's operations, and transporting members of workforce.	Additional	Verified	77 - 78
Aspect: Overall			
EN30 Total environmental protection expenditures and investments by type.	Additional	Verified	76 - 77
LABOR PRACTICES AND DECENT WORK			
GRI Indicators /Version: G3			
Aspect: Employment			
LA1 Total workforce by employment type, employment contract, and region.	Principal	Verified	25
LA2 Total number and rate of employee turnover by age group, gender, and region.	Principal	Verified	26
LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees by major operations.	Additional	Verified	32 - 34

Performance Indicators

Banesco Banco Universal C.A.

	Indicator	Verification	Page
Aspect: Labor / Management Relations			
LA4 Percentage of employees covered by collective bargaining agreements.	Principal	Verified	31
LA5 Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Principal	Verified	26
Aspect: Occupational Health and Safety			
LA6 Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Additional	Verified	30 - 31
LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Principal	Verified	30
LA8 Education, training, counseling, prevention and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Principal	Verified	28 - 31
LA9 Health and safety topics covered in formal agreements with trade unions.	Additional	Verified	31
Aspect: Training and Education			
LA10 Average hours of training per year per employee by employee category.	Principal	Verified	28 - 31
LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Additional	Verified	28 - 30, 71 - 72
LA12 Percentage of employees receiving regular performance and career developments reviews.	Additional	Verified	27
Aspect: Diversity and Equal Opportunity			
LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Principal	Verified	12, 24 - 26
LA14 Ratio of basic salary of men to women by employee category.	Principal	Verified	32
HUMAN RIGHTS			
GRI Indicators / Version G3			
Aspect: Investment and Procurement Practices			
HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Principal	(15)	
HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Principal	(16)	
HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Additional	Verified	29
Aspect: Non - Discrimination			
HR4 Total numbers of incidents of discrimination and actions taken.	Principal	Verified	32
Aspect: Freedom of Association and Collective Bargaining			
HR5 Operation identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Principal	Verified	31 - 32
Aspect: Child Labor			
HR6 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Principal	Verified	32

Performance Indicators

Banesco Banco Universal C.A.

	Indicator	Verification	Page
Aspect: Forced and Compulsory Labor			
HR7 Operations identified as having significant risk for incidents of forced or compulsory labor; and measures taken to contribute to the elimination of forced or compulsory labor.	Principal	Verified	32
Aspect: Security Practices			
HR8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Additional	Verified	29
Aspect: Indigenous Rights			
HR9 Total number of incidents of violations involving rights of indigenous people and actions taken.	Additional	(17)	
SOCIETY			
GRI Indicators /Version: G3			
Aspect: Community			
SO1 Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and existing.	Principal	Verified	38 - 40
Aspect: Corruption			
SO2 Percentage and total number of business units analyzed for risk related to corruption.	Principal	Verified	16
SO3 Percentage of employees trained in organization's anti-corruption policies and procedures.	Principal	Verified	28 - 29
SO4 Actions taken in response to incidents of corruption.	Principal	Verified	31 - 32
Aspect: Public Policy			
SO5 Public policy positions and participation in public policy development and lobbying.	Principal	Verified	16 - 19
SO6 Total value of financial and in-kind contribution to political parties, politicians, and related institutions by country.	Additional	(18)	
Aspect: Anti-Competitive Behavior			
SO7 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Additional	Verified	87
Aspect: Compliance			
SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Principal	Verified	87
PRODUCT RESPONSIBILITY			
GRI Indicators /Version: G3			
Aspect: Customer Health and Safety			
PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Principal	Partially Verified(19)	61 - 66
PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services, by type of outcomes.	Additional	Verified	68 - 69

Performance Indicators

Banesco Banco Universal C.A.

	Indicator	Verification	Page
Aspect: Products and Services Labeling			
PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Principal	Partially Verified(20)	68 - 69
PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Additional	Verified	65 - 68
PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Additional	Verified	65 - 67, 72 - 73
Aspect: Marketing Communications			
PR6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Principal	Verified	68 - 69
PR7 Total number of incidents of non-compliance regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	Additional	Verified	68 - 69
Aspect: Customer Privacy			
PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Additional	Verified	68, 87
Aspect: Compliance			
PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provisions and use of products and services.	Principal	Verified	87

Pages Indicator location within Banesco Banco Universal C.A. 2010 Corporate Social Responsibility Report.

- (1) The financial consequences of the climate change and the opportunities that it would bring to the Bank have not been systematically identified. This information is expected to be included in the 2012 report.
- (2) During the period covered in this report, no Government financial aids were recorded.
- (3) The total spending on suppliers is presented. The system restructuring has prevented establishing the amount and percentage for each locally based supplier. This information will be available in the 2011 report.
- (4) We have no systematic procedure in effect to calculate the weight or volume of all the materials used in the Bank. We will work on establishing this procedure. This information is expected to be included in the 2012 report.
- (5) The organization does not use recycled input materials. A furniture, computer and toner donation program is set to give them new use.
- (6) The Organization uses energy from the urban network. The energy generated by diesel power plants is used only in the event of a voltage dip in the urban network.
- (7) In the city of Caracas and the rest of the country, the main source of energy is the hydroelectric power plants. There is also gas or carbon operated thermal plants, however it is not possible to determine which source supplies power to the city network at a given moment.
- (8) As of 2009, the figures of total water withdrawn from the municipal network had not been consolidated. This information will be included in the 2010 report.
- (9) All the agencies of the Organization are located in urban lands. Therefore, both the withdrawal and discharge of water is done through the urban networks.
- (10) All the agencies of the Organization are located in urban lands. Therefore, they do not affect protected natural areas or high biodiversity value areas.
- (11) All the agencies of the Organization are located in urban lands. Therefore, they have no impact on protected or restored areas.

- (12) The activities of the Organization do not generate significant emissions or spills of hazardous substances.
- (13) We have not implemented a systematic procedure to calculate the weight or volume of all the waste generated in the Bank. We will work on establishing this procedure to be able to include this information in the 2012 report.
- (14) We have not determined the extent of environmental impact mitigation as a result of adopted mitigation initiatives. We will work on an estimate to include this indicator in a future report.
- (15) The activities of the Organization do not generate products recoverable at the end of their useful life.
- (16) Until 2009, our Human Resources Department did not classify employee turnover by gender, age, and region. This data will be available in our 2010 report.
- (17) The Bank has not included human rights clauses in its investment agreements, neither agreement have undergone human rights screening. This information is expected to be included in the 2012 report.
- (18) In 2010, we will require our most significant suppliers to sign a new clause where they undertake to comply the Global Compact Principles. Since this practice has not been implemented yet to date there is no assessment of the agreements with suppliers including human rights clauses. This information should be available in the 2011 report.
- (19) The activities of the Organization are carried out in areas that do not compromise the indigenous rights.
- (20) In 2009, all the points of attention were reviewed, as well as 40 central administrative areas. The percentage of these 40 areas that corresponds to the Bank will be included in the 2010 report.

Verified: Verification of both quantitative and qualitative data from information reported by the Vice Presidency of Communication and Corporate Social Responsibility, as well as statistics of the different units of the Bank disclosed in this "Banesco Banco Universal C.A. 2009 Corporate Social Responsibility Report" regarding the performance indicators of the Global Reporting Initiative (GRI) RG Sustainability Reporting Guidelines and Financial Services Sector Supplement, version 3.0 / PS55 Final Version.

Partially Verified: It was not possible to verify all information disclosed in this "Banesco Banco Universal C.A. 2009 Corporate Social Responsibility Report" regarding the performance indicators of the Global Reporting Initiative (GRI) RG Sustainability Reporting Guidelines and Financial Services Sector Supplement, RG version 3.0 / PS55 final version.

Performance Indicators

Banesco Banco Universal C.A.

Appendix II

FINANCIAL SERVICES SECTOR-SPECIFIC
PRODUCT AND SERVICE IMPACT PERFORMANCE
INDICATORS

Aspect: Product Portfolio

FS6 Percentage of the portfolio for business lines by specific region size (e.g. micro/SME/large) and by sector.**FS7** Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.**FS8** Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.

Aspect: Audit

FS9 Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.

Aspect: 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.**FS11** Percentage of assets subject to positive and negative environmental or social screening.**FS12** Voting policy (ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting.FINANCIAL SERVICES SECTOR-SPECIFIC SOCIETY
PERFORMANCE INDICATORS

Aspect: Community

FS13 Access points in low-populated or economically disadvantaged areas by type.**FS14** Initiatives to improve access to financial services for disadvantaged people.FINANCIAL SERVICES SECTOR-SPECIFIC
PRODUCT RESPONSABILITY PERFORMANCE
INDICATORS

Aspect: Product and Service Labeling

FS16 Initiatives to enhance financial literacy by type of beneficiary.

Indicator Principal	Verification	Page
Principal	Verified	57 – 59 71 – 72
Principal	Verified	72
Principal	(21)	
Principal	(22)	
Principal	(23)	
Principal	(22)	
Principal	(24)	
Principal	Verified	25, 52, 70
Principal	Verified	70 – 71
Principal	Verified	72

Página: ubicación del Indicador en el Informe de Responsabilidad Social Empresarial 2009, Banesco Banco Universal C.A.**(21)** The organization does not make this type of contributions.**(22)** We take into account the safety and privacy of the clients of all our products and services; however, we have no systematic procedure to collect data as provided for by this indicator. We will work on establishing this procedure to report it in full in 2012.**(23)** We strictly comply the standards and procedures in effect for the design of all our

products and services; however we have not implemented a procedure that allows establishing a percentage as provided for by this indicator. We will work on establishing this procedure, and this information is expected to be included in the 2012 report.

(24) The Bank does not offer this type of services yet.**Verified:** Verification of both quantitative and qualitative data from information reported by the Vice Presidency of Communication and Corporate Social Responsibility, as well as statistics of the different areas of the Bank, disclosed in this "Banesco Banco Universal C.A. 2009 Corporate Social Responsibility Report" regarding the performance indicators of the Global Reporting Initiative (GRI) RG Sustainability Reporting Guidelines and Financial Services Sector Supplement, version 3.0 / PSSS final version.**Partially Verified:** It was not possible to verify all information disclosed in this "Banesco Banco Universal C.A. 2009 Corporate Social Responsibility Report" regarding the performance indicators of the Global Reporting Initiative (GRI) RG Sustainability Reporting Guidelines and Financial Services Sector Supplement, RG version 3.0 / PSSS final version.



Statement GRI Application Level Check

GRI hereby states that **Banesco Banco Universal, C.A.** has presented its report "Corporate Social Responsibility Report 2010" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 16 May 2012

A handwritten signature in blue ink, appearing to read "Nelmara Arbex".

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The "+" has been added to this Application Level because Banesco Banco Universal, C.A. has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance.
www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 2 March 2012. GRI explicitly excludes the statement being applied to any later changes to such material.

■ Survey

Please send your opinion about this report by fax (+58 212) 901-8356, or scan this page and send it to bertha_vivas@banesco.com. Thanks a lot!

Name: _____ Physical Address: _____
e-mail: _____ Telephone: _____

You are (Underline one of these answers):

- ☐ Stockholder ☐ Banesco Banco Universal Employee ☐ Customer ☐ Supplier ☐ Contractor
☐ Representative of the Authorities ☐ Other (please be specific): _____

1. What is your general impression about this report?

- ☐ Excellent ☐ Good ☐ So-So ☐ Negative

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

- ☐ Excellent ☐ Appropriate ☐ Could Improve ☐ Inappropriate

If you wish, you can propose the modifications you deem necessary: _____

3. What is your specific opinion about each chapter? ☐ Excellent ☐ Good ☐ So-So ☐ Negative

Mission, Vision and Values	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Social Action in the Community	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N
Main Impacts, Risks and Opportunities	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Banesco Corporate Volunteers	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N
The Banesco Brand	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Our Customers	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N
Corporate Government	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Banesco Community Banking	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N
Our Stockholders	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Our Environmental Commitment	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N
Our Human Capital	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Our Suppliers	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N
Our Social Partners	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Our Commitment to the Authorities	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N

If you wish, you can propose the modifications you deem necessary: _____

4. What do you think about the clarity of the information displayed?

- ☐ Excellent ☐ Appropriate ☐ Could Improve ☐ Inappropriate

If you wish, you can propose the modifications you deem necessary: _____

5. What do you think about the clarity of the tables and graphics displayed?

- ☐ Excellent ☐ Appropriate ☐ Could Improve ☐ Inappropriate

If you wish, you can propose the modifications you deem necessary: _____

6. In general terms, what do you think about the Corporate Social Responsibility actions developed by Banesco?

- ☐ Excellent ☐ Good ☐ Acceptable ☐ Poor

Explain, if you wish: _____

7. Do you see any personal benefit from the publication of Banesco's Corporate Social Responsibility Report? Which benefit do you see?

8. What is your opinion about the international certification granted to these reports?

- ☐ Very important ☐ Important ☐ Indifferent

9. Do you consider that Banesco accomplishes a satisfactory accountability to its stakeholders? Please explain.

10. Do you deem necessary to publish these reports on paper, or would it be enough to display them at the Internet?

- ☐ Printed ☐ Only in the Internet

