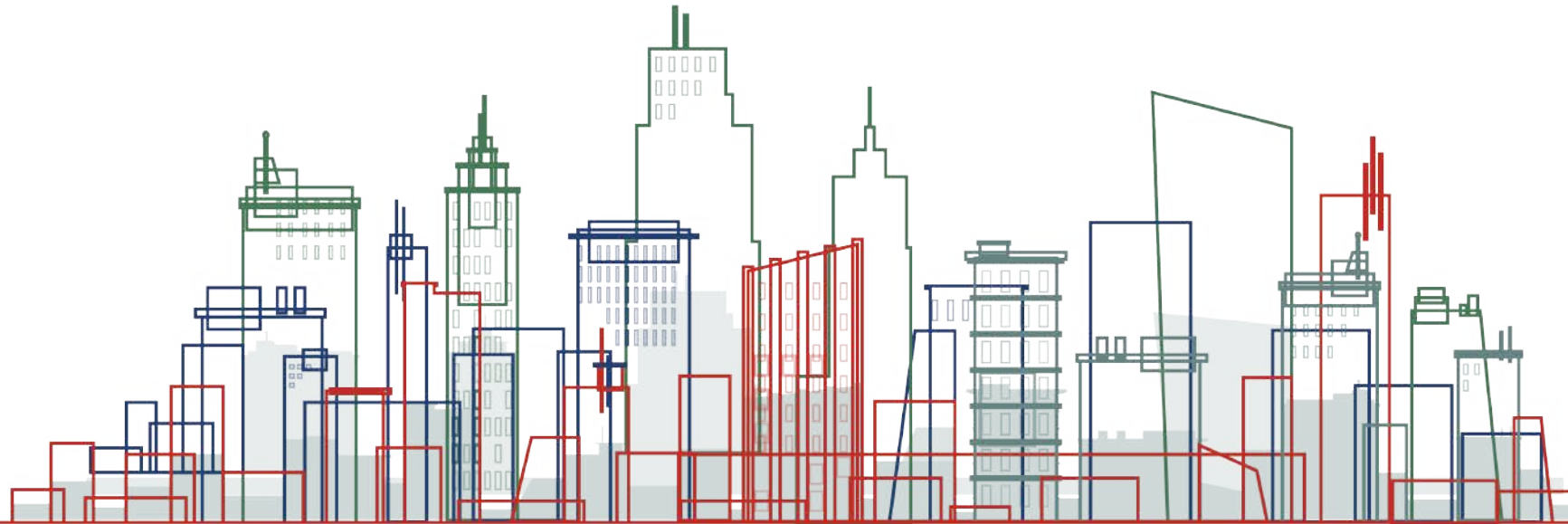




# 2020

## CSR Report



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## TO OUR CLIENTS, WORKERS, SHAREHOLDERS AND SOCIAL PARTNERS

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For Banesco, 2020 was a year of surprising and extraordinary learning. A year that constituted a historical challenge and a source of pride over time, the premise of maintaining our activity even in the most difficult times. On this occasion, we had to face a threat of which we were not fully aware: that of a global pandemic caused by an extremely contagious virus.

From the very first minute, we understood that it would be up to us to analyze the complexity of the facts and their projections, and to make decisions that would simultaneously guarantee the continuity of operations, the health of our customers, suppliers, colleagues, and their families. Against this challenging background, we aimed at achieving each of our goals.

Only a part of the measures and actions we have taken would cover several pages of this document. In addition to establishing biosafety standards and fulfilling them, we launched communication campaigns - with a high educational and motivational content - designed to be implemented within the framework of the organization and beyond.

We set up routines and teleworking teams; we made modifications in the offices where necessary; we adjusted our schedules and capacities to the authorities' successive decisions. In every scenario, our colleagues showed their willingness and ability to adapt to the new demands.



**JUAN CARLOS ESCOTET RODRÍGUEZ**  
CHAIRMAN OF THE BOARD OF DIRECTORS

Another set of facts that I would like to highlight concerns the progress achieved in the “macro process” of digital transformation during 2020. I called it so because it encompasses the entire Banesco structure. The Digital Transformation Plan is made up of 21 initiatives (projects). Three are in the planning phase. The remaining 18 have already surpassed 86% of their execution stages. These lines of work refer to matters such as training in digital competencies -seminars, contests, courses-; digitization of processes; promotion of digital thinking that allows

us to review and improve services and products, under the immense perspective of new technologies; development of our skills for advanced data analysis; creation of digital-based products; and, fundamentally, permanent improvement of the customer experience in every interaction with Banesco. In all of these endeavors, we made great strides toward the goals we had set for ourselves.

In spite of the unusual factors that the organization had to face, 2020 was a year of consolidation of our leadership position within the Venezuelan private banking sector. The figures reveal that we continue to be the leading entity in the financial system into the category of financing for productive activities. This emphasizes our vision of being a bank that recognizes the role that loans play in economic progress and in nations potential.

TO OUR CLIENTS,  
WORKERS,  
SHAREHOLDERS  
AND SOCIAL  
PARTNERS

I would like to add two revealing pieces of information: these loans, which represent 22.36% of the market, had an almost non-existent delinquency rate: 0,000002%. It reflects an experienced and efficient management.

Banesco's increasingly strong policy of Economic, Social and Environmental Sustainability reached new milestones during 2020. As time goes by, and according to the state of the planet, our adherence to the Sustainable Development Goals strengthens. On the one hand, it is worth mentioning that the amount of our investment was almost 405 billion, and that its benefits reached over 10,000 people. This is a first consideration. The other question, of greater significance, concerns the meaning of these social investments and the conceptual framework in which they are included.

The 17 Sustainable Development Goals (SDGs) of the United Nations (UN) constitute the shared agenda of all organizations worldwide that want to contribute to fundamental issues such as the eradication of poverty and inequalities; the achievement of zero hunger and improvement of the health and well-being of individuals and communities; progress towards a state of full respect for human rights and non-discrimination; the generalized improvement of living conditions, education, work and solidarity, all of which are consistent with the purpose of stopping and reversing the climate crisis. We know that the scope of the problems is wide-ranging. But this thought, far from disabling us, encourages our activity.

Under the premise that each organization must do everything within its reach, Banesco has made a special effort to ensure

that its social investments correspond to the aforementioned SDGs, and that they are a source of concrete gains for those in need.

When we signed the UN Global Compact in 2009, in which we agreed to comply with ten principles focused on issues such as respect for labor rights and human rights, environmental protection, the promotion of transparency and the fight against corruption, we knew that we had assumed a long-term responsibility. And so it has been. Following the announcement in 2015 of the Sustainable Development Goals, we immediately recognized that it was our duty to adopt this new framework and align our Corporate Social Responsibility activities with it.

And this is to what we have been committed since then, doing the best we can within the scope of our possibilities, empowering our workers, upholding the cause of entrepreneurs, giving our support to a number of projects that, in different ways, are aimed at improving the living conditions of Venezuelan communities.

These have been the guidelines for our actions during 2020 and will continue to lead us throughout the coming years. We will remain firm in our duty to contribute to the well-being of Venezuelan society, every time our capabilities allow us to do so.

**JUAN CARLOS ESCOTET RODRÍGUEZ**  
Chairman of the Board of Directors



**Banesco Banco Universal, C.A.** is a financial institution of 100% Venezuelan capital, authorized to conduct all operations permitted by the Decree with Rank, Value and Force of Law on Institutions of the Banking Sector, and it is subject to the supervision, inspection, control, regulation, and oversight of the Superintendency of the Banking Sector Institutions (SUDEBAN).

Its headquarters is located at Ciudad Banesco, in Colinas de Bello Monte, Caracas, Venezuela, and it is the bank with the largest subscribed and paid-up capital in the Venezuelan financial system, amounting to VES 1.25 billion.

### MISSION

#### COMPREHENSIVE AND INNOVATIVE FINANCIAL SERVICES

We are an organization of comprehensive and financial services. Our main goal is to identify our customers' needs in order to satisfy them through relationships based on mutual trust, easy and secure access, and excellence in quality. We combine tradition and innovation with the best human talent and updated technology. We also work to offer an improved customer experience. We are committed to our community's well-being, we develop win-win relationships with our suppliers and employees and we optimize profitability for our shareholders.

### VISION

#### INNOVATION AND HUMAN EFFICIENCY SENSE

► **To be leaders in customer experience:** To be leaders in customer experience: This means providing attention and personalized services models, which are comprehensive, simple, fast, and reliable through the best Omnichannel network in the country.

► **To be pioneers in innovation:** To become so acquainted with our customers' needs and habits that we end up anticipating their requirements with innovative, technologically integrated products, services, and channels that result in a better life quality.

► **To be an example of Human Sense:** To continue to prepare the best human talent to promote a balance between profitability and human quality, leaving a mark of the highest standards of quality and performance.

#### Responsibility

We meet our tasks with accuracy and passion. We make the best use of time and give our best to everyone.

#### Reliability

We tell the truth under any circumstances and answer honestly. We recognize our mistakes and call for help when needed.

#### Quality

We do every task with the utmost care and we aim at being the best in what we do. We work hard to exceed our customers' expectations.

#### Innovation

We are a visionary organization that offers new solutions. We look for ideas and technologies that promote change.

“ With innovation, efficiency, and human sense, we will uphold the premise of being close to our customers. That is our Contigo's meaning. ”

Banesco Banco Universal maintained its performance despite the restrictions due to the Covid-19 pandemic that affected not only our country but also the rest of the world. This time, the changes and working pattern led us to revisit the business model, the customer experience, and the digital transformation.

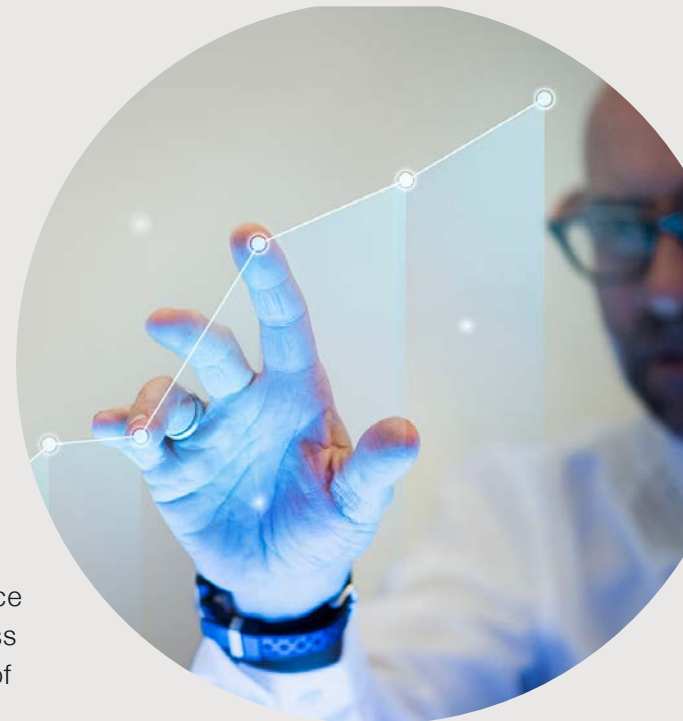
These three fundamental aspects paved the way for the main purpose of this pandemic year: ensuring operational continuity, meeting the needs of our talents, and maintaining open communication with our different audiences.

The financial sector accurately tackled the difficulties arising from operations maintenance by providing face-to-face attention, complying with all the necessary biosecurity measures, and including the technological and logistical adjustments required to meet all our customers' needs. Preserving the health of our employees and their families, suppliers and customers continued to be one of our greatest challenges, compelling us to redesign the processes and develop special contingency plans to serve every client in a reliable and timely manner.

229 points of service, including ticket offices and agencies, remained active during all the weeks in which restrictions were eased. We kept 479 ATMs in operation throughout the country, processing more than 6.2 million transactions.

In terms of liabilities, Banesco recorded a balance of VES 119.23 billion in deposits from the public at the end of December 2020, achieving a market share of 7.81%. Excluding foreign currency accounts, this percentage reached 16.95%. We ended the second half of the year in first place in the banking market in terms of gross loan portfolio, with a year-end figure of 70,087 billion and a share of 22.36% (4.07 percentage points higher than that of the same period in 2019), settling more than 2,000 loans during 2020.

“229 points of service, including ticket offices and agencies, remained active during all the weeks in which restrictions were eased.”





## DIALOGUE WITH INTERESTS GROUPS, CONSULTATIONS TO CUSTOMERS AND EMPLOYEES

**At Banesco Banco Universal, C.A., we have several communication channels that allow us to know and understand the opinion of our stakeholders as well as to respond to their expectations. We hold a continuous dialogue with them, conducting studies and meetings that enable us to improve our management according to their needs (see chapters Shareholders page 33, Human Capital page 35, Our Social Partners and Social Action in the Community page 67, Our Clients page 79 and Our Suppliers page 103).**

## TANGIBLE VALUE CREATION BREAKDOWN BY STAKEHOLDER GROUP

(THOUSANDS OF VES)

STAKEHOLDERS	VALUE INDICATOR	2020	2019
Shareholders	Dividends <sup>1</sup>	623,487,954	0
Employees	Personal expenses <sup>2</sup>	3,390,980,988	232,865,561
Clients	Interest and similar charges <sup>3</sup>	666,111,803	36,056,027
Suppliers	Other general administrative expenses <sup>4</sup>	10,582,338,762	562,688,078
Society	Taxes <sup>5</sup>	6,249,303,763	259,359,884
	Funds destined to Community support <sup>6</sup>	57,175,123	911,629

1 Source: Managerial Shareholders Unit.

2 Source: SUDEBAN Estado de Resultado de Publicación o CONRP, Gastos de Transformación (Gastos de personal grupo 441).

3 Source: SUDEBAN Estado de Resultado de Publicación o CONRP, Gastos de Captaciones del Público (Gastos Financieros por Captaciones Grupo 411).

4 Source: SUDEBAN Estado de Resultado de Publicación o CONRP, Gastos de Transformación (Rubro 440 Gastos Generales y Administrativos excepto 441 Gastos de Personal, 449-12 Aportes al Fondo de Garantía de Depósitos y Protección Bancaria, 449-13 Aportes a la Superintendencia de Bancos y Otras Instituciones Financieras).

5 Source: CONRP (Estados Financieros de Banesco Banco Universal, C.A.): Incluye Impuesto Sobre la Renta, Impuestos Municipales, Impuestos al Valor Agregado, Aportes a la SUDEBAN, FOGADE, SSO, SPF, LPH, INCE y LOSEP. (Cuentas 445-01 Impuestos municipales, 445-99 Otros impuestos y contribuciones, 441-22 Aportaciones patronales, 449-12 Aportes al Fondo de Garantía de Depósitos y Protección Bancaria, 449-13 Aportes a la Superintendencia de Bancos y Otras Instituciones Financieras, 471 Impuesto Sobre la Renta, Aporte de la LOSEP ver Balance de Publicación. Disposiciones de la Ley el Aporte Social a las Comunas y el Aporte de LOCTI).

6 Source: SUDEBAN Estado de Resultado de Publicación o CONRP, Gastos Extraordinarios (grupo 450).





## TANGIBLE DIRECT VALUE

The Economic Value Generated (EVG) at the end of 2020 reached VES 46.97 million, compared to VES 2.03 million in 2019.

In 2020 and 2019, among the items comprising the EVG, approximately 63.87% and 59.01%, respectively (VES 30.00 million and VES 1.29 million), correspond to the Brokerage Margin, while 36.09% and 36.25% correspond to the Net Commissions.

## ECONOMIC VALUE GENERATED & DISTRIBUTED

(THOUSANDS OF VES)

STAKEHOLDERS	2020	2019
<b>Economic Value Generated (EVG)</b>	<b>46,973,442,364</b>	<b>2,031,449,755.00</b>
Brokerage margin <sup>7</sup>	30,001,018,257	1,295,026,383.00
Net commissions <sup>8</sup>	16,954,916,901	736,306,944.00
Other ordinary income <sup>9</sup>	17,808,868	11,430.00
Other profits and net loss <sup>10</sup>	-301,663	-3.00
<b>Economic Value Distributed (EVD)</b>	<b>19,599,135,559</b>	<b>1,054,913,523.00</b>
Dividends <sup>1</sup>	623,487,954	0.00
Suppliers and other general administrative expenses <sup>4</sup>	10,582,338,762	562,688,078.00
Taxes <sup>5</sup>	6,249,303,763	259,359,884.00
Personnel expenses <sup>2</sup>	3,390,980,988	232,865,561.00
<b>Economic Value Withheld (EVW=EVG-EVD)</b>	<b>26,127,330,897</b>	<b>976,536,232.00</b>

<sup>7</sup> Source: SUDEBAN Estado de Resultado de Publicación o CONRP (rubro 510 Ingresos Financieros menos 410 Gastos Financieros más 520 Ingresos por Recuperaciones de Activos Financieros menos 420 Gastos por Incobrabilidad y Desvalorización de Activos Financieros más 530 Otros Ingresos Operativos (exceptuando 533 Ingresos por Bienes Realizables, 537 Ingresos por Programas Especiales y 539 Ingresos Operativos Varios) menos 430 Otros Gastos Operativos (exceptuando 433 Gastos por Bienes Realizables, 435 Gastos por Depreciación, Amortización y Desvalorización de Bienes Diversos, 439 Gastos Operativos Varios). (8) Source: SUDEBAN Estado de Resultado de Publicación o CONRP (Rubro 530 Otros Ingresos Operativos, exceptuando 533 Ingresos por Bienes Realizables, 537 Ingresos por Programas Especiales y 539 Ingresos Operativos Varios) menos 430 Otros Gastos Operativos (exceptuando 433 Gastos por Bienes Realizables, 435 Gastos por Depreciación, Amortización y Desvalorización de Bienes Diversos, 439 Gastos Operativos Varios). (9) Source: SUDEBAN Estado de Resultado de Publicación o CONRP (Cuenta 539 Ingresos Operativos Varios). (10) Source: SUDEBAN Estado de Resultado de Publicación o CONRP (Cuenta 533 Ingresos por Bienes Realizables menos 433 Gastos por Bienes Realizables).

## PERCENTAGE SHARE OF ECONOMIC VALUE GENERATED & DISTRIBUTED

(%)

ECONOMIC VALUE GENERATED (VEG)	2020	2019
<b>Economic Value Generated (EVG)</b>	<b>100.00%</b>	<b>100.00%</b>
Brokerage margin <sup>7</sup>	63.87%	63.75%
Net commissions <sup>8</sup>	36.09%	36.25%
Other ordinary income <sup>9</sup>	0.004%	0.01%
Other profits and net loss <sup>10</sup>	0.00%	0.00%
<b>Economic Value Distributed (EVD)</b>	<b>100.00%</b>	<b>100.00%</b>
Dividends <sup>1</sup>	2.99%	0%
Suppliers and other general administrative expenses <sup>4</sup>	50.76%	53.34%
Taxes <sup>5</sup>	29.98%	24.59%
Personnel expenses <sup>2</sup>	16.27%	22.07%



## INDIRECT AND INDUCED VALUE GENERATED

**Indirect Value is the production of wealth and sustainable development resulting from the social, environmental and economic actions promoted by the bank, e.g.: indirect employment. These effects operate through multiple channels such as: the activities stimulated by the banking clients based on the products and services provided to them and the dynamics generated by suppliers through the operations they carry out to materialize the activities contracted by them. The identified effects may also be extended to the more indirect impacts on the environment and different stakeholders generated as a consequence of the entity's actions, multiplying its range of action and, therefore, the social value that is implemented from those measures.**

## EMPLOYMENT AND GDP WITHIN THE FINANCIAL SYSTEM

The financial system ended the period with 29 institutions, of which 23 were private and 6 were public, with no changes in their composition. At the end of December 2020, there were 2,957 branches, 40,731 employees, 2,915 ATMs and 430,354 points of sale, the latter reflecting an increase of 4.1% (16,954) with respect to the first half of the year. This reflects the increased use of electronic channels by customers.

The performance of the Venezuelan economy in general, as well as that of the banking sector in particular, was characterized during 2020 by an increase in the previously existing macroeconomic imbalances and also the current situation derived from the Covid-19 pandemic. These circumstances evidently caused important disruptions in the business environment of the financial system and affected a large amount of its customers, both individuals and legal entities, significantly impacting the country's productive apparatus.

Despite the complexity and circumstances, Banesco achieved higher growth in the system's portfolio (VES 68.17 billion), equivalent to a variation of 3,563.6% with respect to December 2019, all while maintaining a portfolio of excellent quality (0.00002% delinquency rate) and an brokerage coefficient of 57.67%, above average (19.88%), once again ratifying Banesco's importance in the financing of the country's main economic activities.

We ended 2020 with an accumulated net result of VES 10,39 billion, of which Bs. 9,51 billion correspond to the operations of the second half, which mainly resulted from the growth of financial income derived from credit operations in this last period. Said financial income amounted to Bs. 12.78 billion (1st place in the system), together with the higher growth rate of other operating income, obtaining a Return on Average Assets (ROA) of 15.60%, which places the Bank at the top of the banking ranking.



# FINANCIAL SUMMARY

	First Half 2019	Second Half 2019	First Half 2020	Second Half 2020	G R O W T H			
					II H 2020 - I H 2020		II H 2020 - II H 2019	
Expressed in VES (MM)					Absolute	%	Absolute	%
<b>Total assets</b>	<b>2,045,800</b>	<b>11,666,789</b>	<b>41,320,140</b>	<b>231,201,373</b>	<b>189,881,233</b>	<b>459.5</b>	<b>219,534,584</b>	<b>1,881.7</b>
■ Availabilities	1,378,135	7,400,370	25,581,546	109,787,475	84,205,929	329.2	102,387,105	1,383.5
■ Investments in Bonds	115,537	1,091,680	3,696,878	19,523,073	15,826,195	428.1	18,431,393	1,688.4
■ Net Credit Portfolio	305,890	1,877,681	5,032,836	68,764,361	63,731,525	1,266.3	66,886,680	3,562.2
■ Gross Credit Portfolio	311,776	1,913,073	5,137,887	70,087,334	64,949,447	1,264.1	68,174,261	3,563.6
<b>Public Deposits</b>	<b>1,378,726</b>	<b>7,465,597</b>	<b>24,342,416</b>	<b>119,238,311</b>	<b>94,895,895</b>	<b>389.8</b>	<b>111,772,714</b>	<b>1,497.2</b>
■ Sight Deposits	1,293,846	6,991,270	22,997,005	112,700,231	89,703,226	390.1	105,708,960	1,512.0
■ Savings Deposits	72,604	406,757	1,259,320	6,078,470	4,819,150	382.7	5,671,713	1,394.4
■ Time Deposits	137	1,408	4,247	9,823	5,576	131.3	8,415	597.8
■ Others	12,139	66,162	81,844	449,787	367,943	449.6	383,625	579.8
<b>Total Stockholders' Equity</b>	<b>227,000</b>	<b>907,097</b>	<b>4,099,253</b>	<b>43,477,748</b>	<b>39,378,496</b>	<b>960.6</b>	<b>42,570,651</b>	<b>4,693.1</b>
<b>Trust Assets</b>	<b>66,134</b>	<b>331,059</b>	<b>1,423,134</b>	<b>7,437,477</b>	<b>6,014,343</b>	<b>422.6</b>	<b>7,106,418</b>	<b>2,146.6</b>
<b>Housing And Habitat Fund</b>	<b>1,747</b>	<b>13,324</b>	<b>27,024</b>	<b>32,675</b>	<b>5,652</b>	<b>20.9</b>	<b>19,351</b>	<b>145.2</b>
■ Financial Income	61,084	425,419	1,071,286	13,298,101	12,226,815	1,141.3	12,872,682	3,025.9
■ Financial Expenditures	11,206	58,883	190,562	900,401	709,839	372.5	841,518	1,429.1
■ Gross Financial Margin	49,878	366,535	880,724	12,397,699	11,516,976	1,307.7	12,031,164	3,282.4
■ Financial Brokerage Margin	211,807	1,083,219	3,525,119	26,475,899	22,950,779	651.1	25,392,680	2,344.2
■ Transformation Expenses	97,551	721,174	1,990,345	12,419,949	10,429,604	524.0	11,698,775	1,622.2
■ Income Tax	7,072	56,122	201,851	2,360,432	2,158,581	1,069.4	2,304,310	4,105.9
<b>Net Result</b>	<b>86,690</b>	<b>153,916</b>	<b>880,232</b>	<b>9,511,234</b>	<b>8,631,002</b>	<b>980.5</b>	<b>9,357,318</b>	<b>6,079.5</b>
<b>Accrued Agricultural Portfolio</b>	<b>47,163</b>	<b>709,981</b>	<b>580,535</b>	<b>2,704</b>	<b>-577,831</b>	<b>-99.5</b>	<b>-707,278</b>	<b>-99.6</b>
<b>Official Entities Collection</b>	<b>110,575</b>	<b>326,928</b>	<b>2,290,283</b>	<b>5,765,171</b>	<b>3,474,888</b>	<b>151.7</b>	<b>5,438,243</b>	<b>1,663.4</b>
<b>Microcredits</b>	<b>1,260</b>	<b>39,876</b>	<b>16,203</b>	<b>114</b>	<b>-16,089</b>	<b>-99.3</b>	<b>-39,761</b>	<b>-99.7</b>
<b>Ratios (%)</b>								
■ Provision Credit Portfolio / Immovilized Gross Portfolio	142,602.0	743,404.1	101,552.4	86,058,725.9				
■ Immovilized Portfolio / Gross Credit Portfolio	0.0	0.0	0.0	0.0				
■ Net result / Average assets *	15.3	6.9	7.6	15.6				
■ Net result / Average Equity *	143.9	65.2	78.1	95.6				
■ Net result / Average Patrimony	100.0	99.4	105.6	92.1				

\* Annual Percentages



## DIALOGUE WITH STAKEHOLDERS AND MATERIALITY GROUPS

Transparency is a fundamental value within the organization's way of acting, which is why at Banesco Banco Universal we have always held a constant open dialogue with our different stakeholders. This has allowed us to identify important issues for each one of them, and thus define a coherent and timely sustainability strategy. Through this dialogue process, we are able to identify challenges and obstacles, as well as opportunities for improvement in our daily management.

The Bank has maintained a process of identification, segmentation, and prioritization of its stakeholders, taking into consideration the specific characteristics of each one of them, based on the experience of the relationships we have strengthened over time. This has allowed us to set different goals and interact with each group in order to understand their needs and the environment in which they operate, and thus design strategies in order to meet their expectations throughout time.

In order to prepare the Materiality Matrix on which this Sustainability and Corporate Social Responsibility report is based, we take into account the country context and the demands that our Stakeholders have expressed through the different forms of dialogue and attention that we have established for each of them.

This process was conducted in compliance with the GRI Standards and consists of 3 stages: Identification, Prioritization, and Validation.

N°	Issues and/or Material Topics	Stakeholders						Relevance Level		Main Actions	2020 Material Topic related to GRI Standards
		Shareholders	Human Capital	Clients	Social Allies Communities	Suppliers	Authorities	Bank	Stakeholders		
1	Maintain the highest ethical standards and transparency in operations by managing risks in a comprehensive manner.	X	X	X	X	X	X	High	High	<ul style="list-style-type: none"> <li>▶ Maintain and promote good corporate governance.</li> <li>▶ Active response to new regulatory requirements</li> <li>▶ Continuous monitoring of the Control Systems.</li> <li>▶ Generation of direct and indirect economic value through the efficient development of the banking activity</li> </ul>	<ul style="list-style-type: none"> <li>▶ Economic performance</li> <li>▶ Market presence</li> <li>▶ Anti-corruption</li> <li>▶ Money laundering prevention</li> <li>▶ Risk</li> </ul>
2	Ensure the Bank's Financial Solvency and report financial and corporate information adequately and sufficiently.	X	X	X	X	X	X	High	High	<ul style="list-style-type: none"> <li>▶ Maintenance of financial indicators, solvency, profitability, liquidity, among others.</li> </ul>	
3	Promote Good Corporate Governance and Application of Best Practices.	X	X	X	X	X	X	High	High	<ul style="list-style-type: none"> <li>▶ Follow-up on Compliance with the Banesco Citizen's Code of Ethics.</li> </ul>	
4	Market presence.	X	X	X	X	X	X	High	Mid	<ul style="list-style-type: none"> <li>▶ Support for inclusion and bankarization, and access to our platforms. Development of business diversification plans.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Market presence.</li> </ul>
5	Prevention of Banking or Financial Crimes and Training Programs on ML/FT Prevention and Control.	X	X	X	X	X	X	High	High	<ul style="list-style-type: none"> <li>▶ Maintain advanced technology and innovation of products and services adapted to people's needs.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Anti-corruption</li> <li>▶ Money Laundering Prevention</li> <li>▶ Risks</li> </ul>

N°	Issues and/or Material Topics	Stakeholders						Relevance Level		Main Actions	2020 Material Topic related to GRI Standards
		Shareholders	Human Capital	Clients	Social Allies Communities	Suppliers	Authorities	Bank	Stakeholders		
6	Maintain long-lasting relationships with clients, with a long-term vision of permanence, through innovative products and services designed to meet needs and risk profiles.	X	X	X	X	X	X	High	High	<ul style="list-style-type: none"> <li>Continue conducting market surveys that enable the Bank to learn about the environment in which customers, the community and the general public operate, properly segmented to understand and meet their needs in a timely manner.</li> </ul>	<ul style="list-style-type: none"> <li>Customer experience</li> <li>Accessibility</li> <li>Service and product portfolio</li> <li>Marketing and labelling</li> </ul>
7	Information security	X	X	X	-	-	X	High	High	<ul style="list-style-type: none"> <li>Ongoing process improvement and systems health.</li> </ul>	<ul style="list-style-type: none"> <li>Client security and privacy</li> </ul>
8	Organizational & Environmental Management.	X	X	-	-	-	-	High	High	<ul style="list-style-type: none"> <li>Training and Professional Development Program designed for all personnel.</li> <li>Corporate Volunteer Development Programs</li> </ul>	<ul style="list-style-type: none"> <li>Employment</li> <li>Diversity &amp; opportunities equality</li> <li>Talent attraction and retention</li> <li>Training and education</li> <li>Work environment</li> <li>Workplace health and safety</li> </ul>
9	Promote training and personal and professional development.	X	X	X	-	-	X	High	High		
10	Encourage Employee Dialogue with Senior Management.	X	X	-	-	-	-	Mid	Mid		
11	Promote Non-Contractual Benefit Programs.	X	X	-	-	-	-	High	High	<ul style="list-style-type: none"> <li>Carry out activities that benefit employees and their family environment - Programs and activities aimed at work-life balance.</li> </ul>	

N°	Issues and/or Material Topics	Stakeholders						Relevance Level		Main Actions	2020 Material Topic related to GRI Standards
		Shareholders	Human Capital	Clients	Social Allies Communities	Suppliers	Authorities	Bank	Stakeholders		
12	Evaluation, Efficiency and Performance Methods.	-	X	-	-	-	-	High	High	<ul style="list-style-type: none"> <li>Collective Bargaining Agreement - Evaluations undertaken based on performance and level of responsibilities/functions performed.</li> </ul>	<ul style="list-style-type: none"> <li>Employment Diversity &amp; opportunities equality</li> <li>Talent attraction and retention</li> <li>Training and education</li> <li>Work environment</li> <li>Workplace health and safety</li> </ul>
13	Assessment of the Community's particular needs.	X	-	X	X	-	-	High	High	<ul style="list-style-type: none"> <li>Manage initiatives to approach communities to meet their needs through social dialogue.</li> </ul>	<ul style="list-style-type: none"> <li>Local community development</li> <li>Public-private coordination</li> <li>Participation of interest groups in social actions</li> <li>Impact on social investment</li> </ul>
14	Manage social programs that encourage personal and business.	X	-	-	X	-	-	High	High	<ul style="list-style-type: none"> <li>Microentrepreneurship Training Program and Participatory Budgeting.</li> </ul>	
15	Increase the impact of our social investment through multi-sector alliances that strengthen Corporate.	X	X	X	X	X	X	High	High	<ul style="list-style-type: none"> <li>Build alliances to promote volunteer activities.</li> </ul>	
16	Contribute to the proper application of eco-efficiency.	X	X	-	X	-	-	Mid	Mid	<ul style="list-style-type: none"> <li>Management of environmental programs</li> </ul>	





N°	Issues and/or Material Topics	Stakeholders						Relevance Level		Main Actions	2020 Material Topic related to GRI Standards
		Shareholders	Human Capital	Clients	Social Allies Communities	Suppliers	Authorities	Bank	Stakeholders		
17	Supplier Contracting Process.	X	-	-	-	X	-	Mid	Mid	<ul style="list-style-type: none"> <li>Promote the development and training of our suppliers, as well as adherence and respect for the principles of the United Nations Global Compact.</li> </ul>	<ul style="list-style-type: none"> <li>Environmental and social assessment of suppliers</li> <li>Local development</li> </ul>
18	Digital Transformation.	X	X	X	X	X	X	High	High	<ul style="list-style-type: none"> <li>Adapt to new digital trends in order to improve the experience of both external and internal customers.</li> </ul>	<ul style="list-style-type: none"> <li>Customer Experience</li> <li>Accessibility</li> <li>Portfolio of products and services</li> <li>Marketing and Labeling</li> </ul>

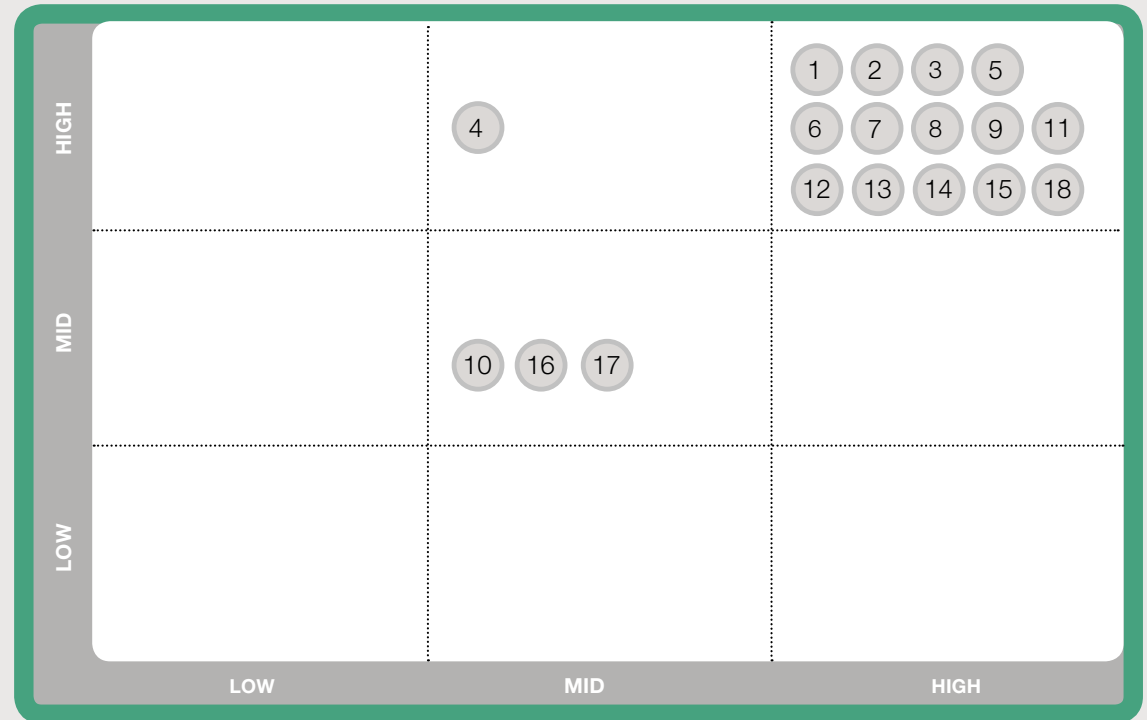


## MATERIALITY MATRIX

Material issues included in the materiality analysis are under constant review and, if adjustments are required over time, they will be made and reported to all stakeholders in a timely manner, stating the impacts they cause, as well as the actions taken to ensure the strategies adopted. This is how we remain at the vanguard in order to consolidate our capacity to respond to future eventualities.

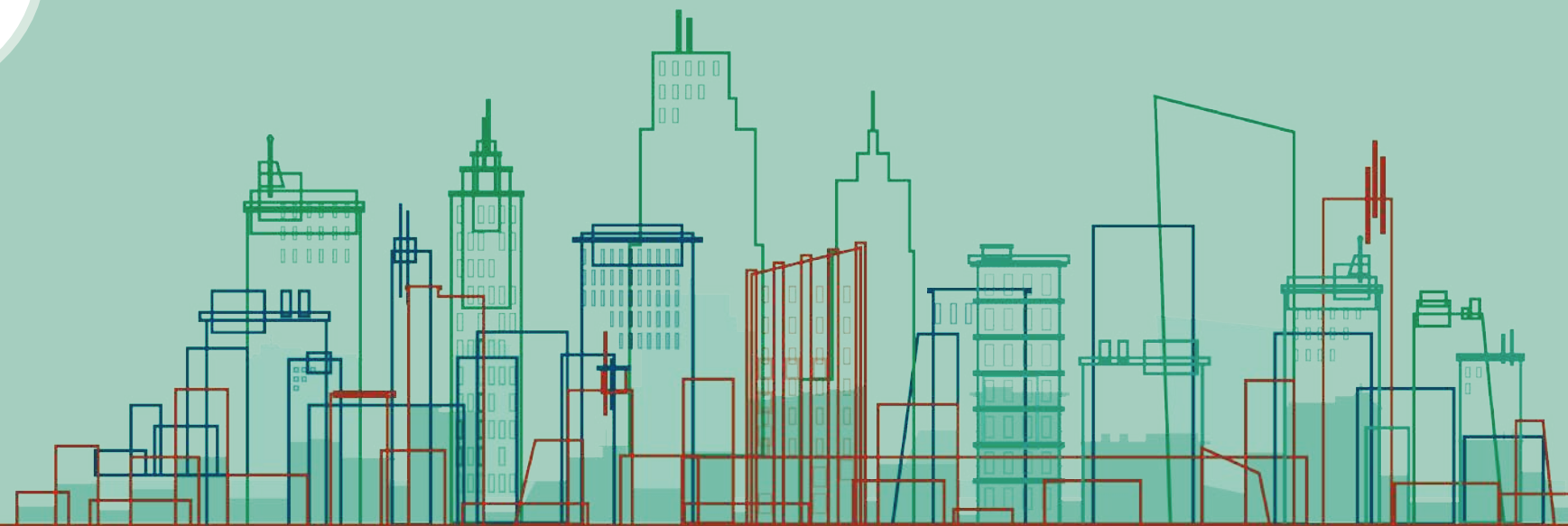
Our business model addresses the material issues which are important to our Stakeholders and the Bank. Managing the expectations of our Stakeholders is one of the priorities and strategies pursued by senior management.

IMPACT ON THE STAKEHOLDERS



CURRENT OR POTENTIAL IMPACT FOR BANESCO BANCO UNIVERSAL, C.A.





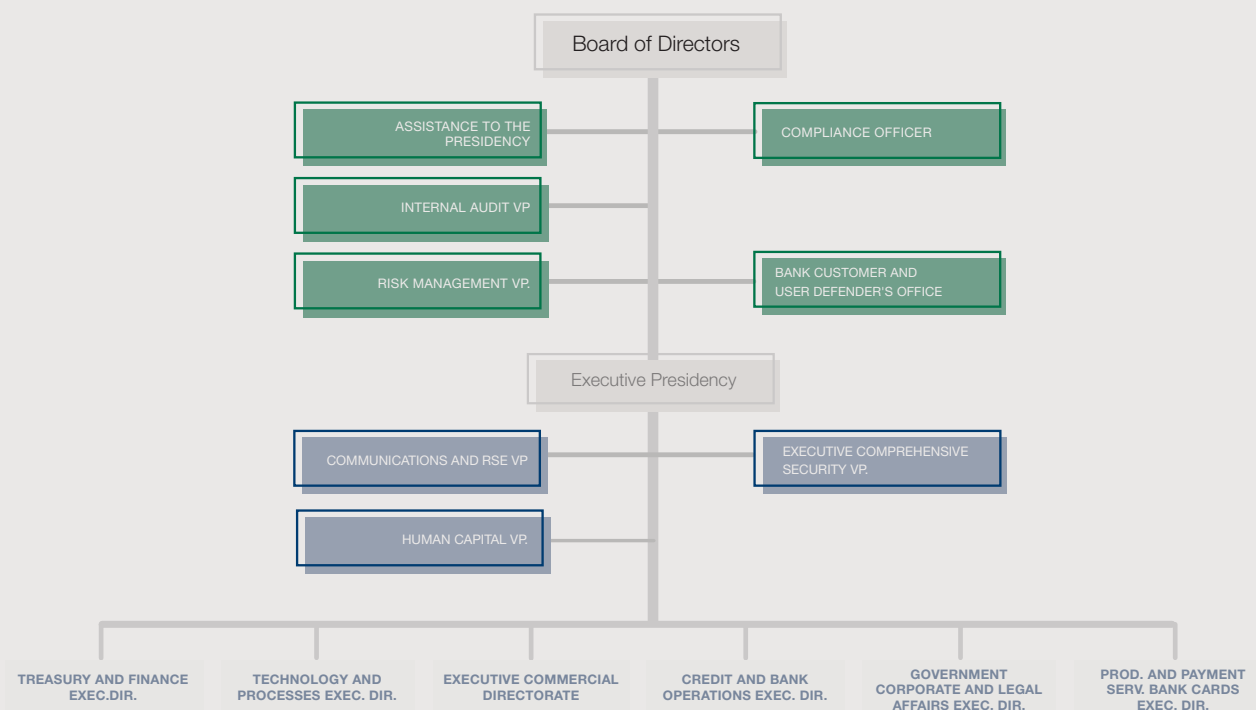
## THE INTERNAL DIMENSION OF OUR SOCIAL RESPONSIBILITY

## OUR MISSION

The Corporate Governance is the area in charge of promoting the efficient and appropriate management of the Organization's deliberation bodies. It articulates and acts jointly on rules, principles, and procedures that regulate its functioning and seek to ensure higher levels of efficiency in the decision-making process, with a focus on the profitability, transparency, and sustainability of the institution.

## ORGANIZATIONAL CHART OF BANESCO BANCO UNIVERSAL

AS OF DECEMBER 31, 2020

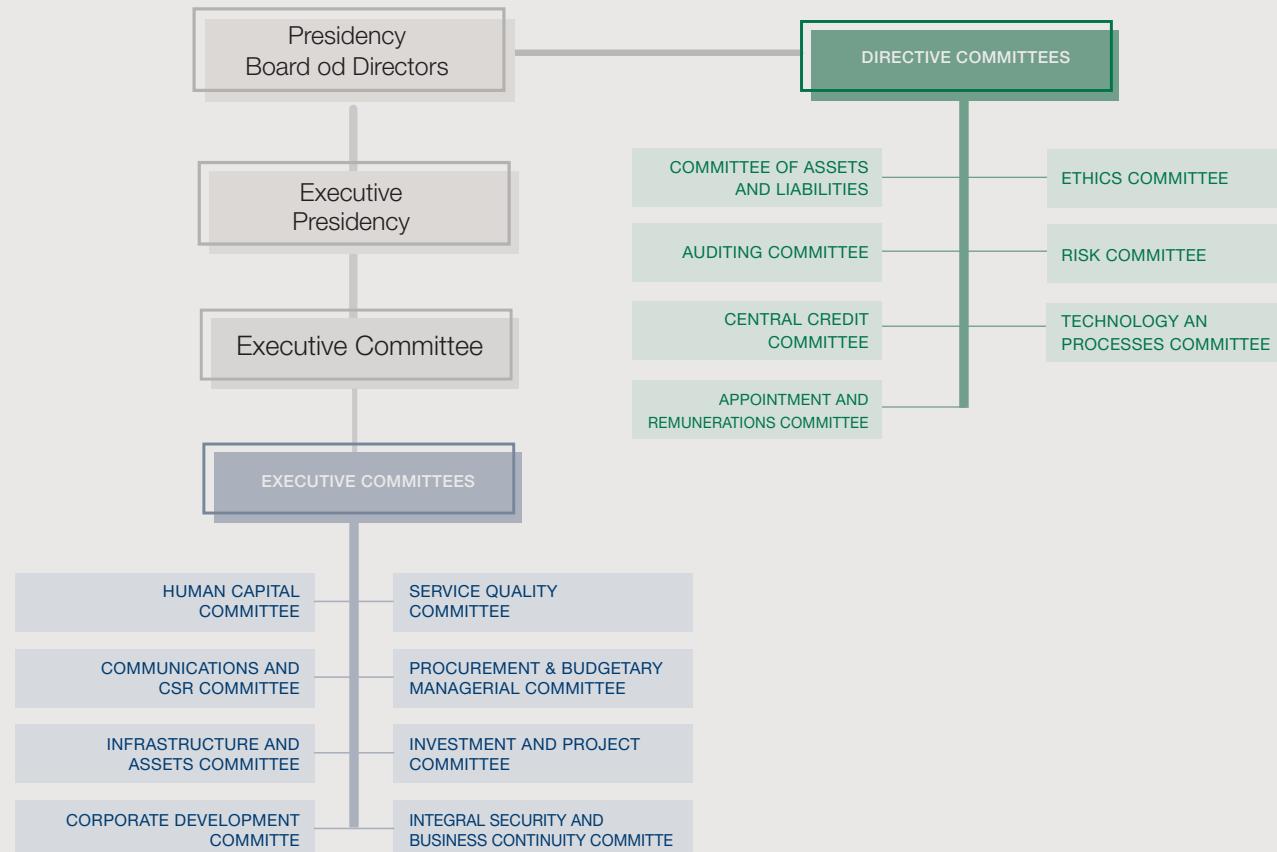


## OUR MANAGEMENT

Throughout the year 2020, Corporate Governance promoted the monitoring of the management of the Thematic Management and Executive Committees in order to maintain operational continuity throughout the Bank, despite the contingency that started in March as a result of COVID-19. Thus, the calendar was fulfilled as planned.

The unprecedented effects of the pandemic on global health and economy required a rapid, coordinated and sustained response to safeguard the business and stakeholder interests in general. In this regard, we requested the attendance in person of the members entitled to speak and vote of the governing bodies together with the secretary, promoting the participation via videoconference and teleconference of the permanent guests and hosts, encouraging social distancing and guaranteeing the established biosecurity standards.

## CORPORATE GOVERNANCE CHART FLOW OF BANESCO BANCO UNIVERSAL



### BOARD OF DIRECTORS MEMBERS

#### Main Directors:

**Juan Carlos Escotet Rodríguez**  
CHAIRMAN OF THE BOARD OF DIRECTORS

**José Grasso Vecchio**  
CHIEF EXECUTIVE OFFICER

Miguel Ángel Marcano Cartea  
Carlos Alberto Escotet Alviarez  
Emilio Durán Ceballos  
María Josefina Fernández Maroño  
Luleyma Escalante de Torrealba\*

#### Substitute Directors:

Carlos Eduardo Escotet Alviarez\*  
Juan Carlos Alviarez Hurtado  
María Clara Alviarez Hurtado  
Mario Vladimir D'Alfonso Schaffino  
Marlo Germán Ovalles Martínez  
Teresa Yabuur Ebrimain  
Vilma Angelina Rodríguez Vivas

\* Appointed at the Extraordinary Shareholders' Meeting held on 03/26/2020. Their appointment is pending approval by Sudeban..

“ By 2020, the average age of the Board representatives is 58 years old and the gender ratio is 5 men and 2 women. ”

58  
AVERAGE



## BODIES AND MECHANISMS OF THE CORPORATE GOVERNANCE SYSTEM

The Corporate Governance structure is derived from the Bylaws, the Banking Sector Institutions Law, the Code of Commerce, the regulations issued by the Superintendency of Banking Sector Institutions (SUDEBAN) and the decisions made by the Board of Directors, aligned with current trends, in order to apply the best practices.

The governance structure is composed of the Shareholders' meeting, the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer, the Thematic Committees (Management and Executive), the different Executive Divisions and VPs, as well as the Compliance Officer and the Internal Auditor.

Other Committees, as well as the Compliance Officer, present a monthly report to the Board of Directors or the Executive Committee in order to be accountable for their management.



## SHAREHOLDERS' MEETING

This body represents the universality of the shareholders and has the ultimate management of the company. It holds annual meetings within 90 days following the close of each six-month period, and special meetings whenever the Board of Directors deems it convenient for the company's interests, or when so requested by a group of shareholders accounting for at least 20% of the company's share capital. Its acts and resolutions are binding for the Bank and all its shareholders.

The Shareholders' Meeting shall have the following powers: (i) Determine the number of Directors to be part of the Board of Directors; (ii) Appoint the members of the Board of Directors and fix their remuneration; (iii) Appoint the Commissioner and the Alternate and fix their remuneration; (iv) Discuss, approve or modify

the Financial Statements submitted to it, in view of the Commissioners' report; (v) Dictate and amend the Company's Bylaws; vi) Decide on the early dissolution, extension, merger with another company, sale of corporate assets, change of corporate purpose, increase, reduction or reinstatement of share capital and amendment of the Bylaws in the aforementioned matters; vii) Decide on the distribution of dividends and the form of payment thereof, in the amount, with the frequency and at the time it deems convenient, in compliance with the Law and the Bank's Bylaws; viii) Decide on the creation of reserves or special sections submitted for its consideration by the Board of Directors; ix) As well as to hear and decide on any matter within its competence, as per the Law and the Company's Bylaws

## BOARD OF DIRECTORS

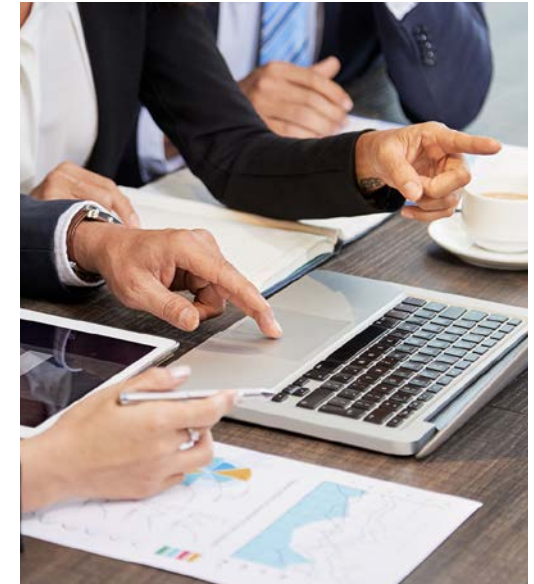
The appointment of the members of the Board of Directors of Banesco Banco Universal, C.A. is made in compliance with the Banking Sector Institutions Law (LISB), other provisions issued by the Superintendency of Banking Sector Institutions (Sudeban), and the Bank's Bylaws.

This governing body is in charge of the general administration of the business and operations, including its Corporate Social Responsibility policy. The Board of Directors is made up of qualified individuals, with broad experience in different areas of the banking business and recognized solvency and honorability.

The Board of Directors is made up of more than 1/3 Independent Directors and it is responsible for the definition and strategic direction of the Organization, approves the business principles and policies and regulates the executive decision autonomy. It also controls the operations and functional areas of the bank, evaluates and compares the business projections and the results of each fiscal year with prior periods.

## CHAIRMAN OF THE BOARD OF DIRECTORS

**The Chairman of the Board of Directors exercises the legal representation of the Organization in the broadest manner before all authorities and any other persons or public/private entities, and presides over the deliberations of the Board of Directors. Among his attributions are the powers to represent the institution, to grant in its name contracts, agreements, conventions and, in general, all kinds of documents of any nature. The Chairman and the Board of Directors exercise the broadest powers of administration and disposition of the Bank.**



This governance body is also responsible for identifying the various risks to which the Organization is subject, including economic, environmental and social risks. Accordingly, it establishes policies and processes to manage them. Some of these tasks are carried out jointly with the Risks Steering Committee, responsible for the comprehensive management of the risks to which the institution is exposed.

## CEO

He is appointed by the Board of Directors and is responsible for the management, daily operation and internal services, including the administration and comprehensive management of the business related to the banking activity. He is in charge of coordinating the activities and tasks assigned to each of the directorates and reports to the Board of Directors on their performance and management.

## COMPLIANCE OFFICER

The Compliance Officer is a high-level official dedicated exclusively to the work of Prevention and Control of Money Laundering crimes, Financing of Terrorism and Financing the Proliferation of Weapons of Mass Destruction (ML/FT/FPWMD). This officer reports directly to the Board of Directors and is in charge of the supervision and control of the ML/FT/FPWMD Prevention and Control Unit. He or she has functional authority to make decisions in the framework of the execution of his attributions, among which are the following: a) To Promote and supervise the compliance with policies, procedures, provisions and controls related to the Prevention and Control of Money Laundering and Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction approved by the Board of Directors of the Obligated Party; b) To design together with the ML/FT/FPWMD Prevention and Control Unit the Annual Operational Plan; c) To submit annual and quarterly reports to the Chairman and Board of Directors of the Bank, which, which among other aspects, contain the progress of the Annual

Operating Plan, Annual Training Program in Prevention and Control of ML/FT/FPWMD, as well as its recommendations for improving undertaken actions; d) To file to the National Financial Intelligence Unit (UNIF) the Suspicious Activity Reports deemed necessary, as well as the replies to requests for information related to the subject required by it and other competent authorities, within the deadlines established by the Law and request for information among other.

## INTERNAL AUDITOR

**In compliance with the Decree with Value and Force of Law on Banking Sector Institutions, the internal auditor is responsible for ensuring that the Bank's operations and procedures comply with the Law, prudential regulations, internal manuals of the Organization's procedures and the accounting Principles approved by the Superintendency of Banking Sector Institutions. Likewise, he is in charge of overseeing the proper functioning of the internal control systems; ensuring compliance with the resolutions of the General Meeting of Shareholders, the Board of Directors and the Superintendency of Banking Sector Institutions; signing the financial statements, together with the legal representative and the general accountant; internally coordinating the analysis of the different operations of the Institution and, working together with the Audit Committee, informing the Board of Directors about the results of the different audits carried out in order to improve processes and to be able to correct any gap that may arise.**



DIRECTIVE THEMATIC  
COMMITTEES

These are the bodies that support the exercise of the responsibilities of the Board of Directors, which aim at promoting compliance with corporate policies and the transparency of the business conducted by management. During 2020, the Bank had the following committees:

**ASSETS AND LIABILITIES COMMITTEE**

Constitutes the body that is directly responsible for the management of market and liquidity risks (price, interest and exchange rate) and for the adequacy of assets. It periodically analyzes the degree of exposure to risks and defines the financial strategies in the short and medium term against the risks assumed in accordance with the foreseeable evolution of the markets. Its main purpose is to manage assets and liabilities, from a financial, commercial and risk perspective, managing to anticipate market threats and opportunities, in order to optimize results and achieve compliance with the goals set in financial planning.

**AUDITING COMMITTEE**

The Auditing Committee is responsible for monitoring the efficiency of the Internal Control System based on the results obtained in internal and external audits, reporting and giving an opinion on the reports, audits, and inspections that are carried out, and verifying that the points raised have been addressed.

The information provided by the Audit Committee promotes the internal control culture in the Organization and contributes to the improvement of the management and efficiency of operations, as well as to the strengthening of policies, standards and procedures adjusted to the current regulatory framework.

The Audit Committee abides by the Bank's Bylaws, the Law on Banking Sector Institutions, and the Regulations issued by the Superintendency of Banking Sector Institutions (Sudeban). Its

structure complies with current regulations and best international practices, allowing for transparent management based on the highest professional and ethical principles framing the relationship with shareholders, clients, employees and other stakeholders of the Institution. This Committee has Internal Regulations for its operation aligned with good corporate governance practices, it meets once a month and is chaired by an Independent Director.

The Audit Unit has conducted the quality assurance reviews established in the Annual Operating Plan, which included regulatory audits in the risk area and in the area of Prevention and Control of Money Laundering and Financing of Terrorism, and Financing of the Proliferation of Weapons of Mass Destruction (PCLC/ FT/FPADM), which are reported to the Audit Committee, the Bank's Board of Directors, and the regulatory agency in compliance with the existing regulations.



The following is a summary table:

Conducted Audits	Reports issued during 2020		Reports issued during 2019	
	1 <sup>st</sup> Half	2 <sup>nd</sup> Half	1 <sup>st</sup> Half	2 <sup>nd</sup> Half
GENERAL BRANCHES, BRANCHES IN BORDER ZONE AND HIGH-RISK CLIENTS				
Gran Caracas	-	69	-	122
Centro Los Llanos	-	18	-	28
Carabobo	-	16	-	22
Los Andes	-	18	-	22
South-Eastern	-	16	-	28
North-Eastern	-	17	-	22
Center-Western	-	19	-	23
Southern Zulia	-	12	-	14
Zulia-Falcón	-	12	-	16
Gran Caracas Border Zone	-	-	-	-
Centro Los Llanos and Carabobo Border Zone	-	4	6	-
Los Andes Border Zone	-	14	19	-
South and North-Eastern Border Zone	-	16	26	-
Southern Zulia and Falcón Border Zone	-	23	34	-
Central Western High-risk Customers	-	-	-	-
Gran Caracas High-risk Customers	-	-	-	-
High-risk Customers and PEP	-	1	-	-
Sub-Total	-	255	85	297
<b>Total</b>	<b>255</b>		<b>382</b>	

## CENTRALIZED AREAS

Conducted Audits	1 <sup>st</sup> Half	2 <sup>nd</sup> Half	1 <sup>st</sup> Half	2 <sup>nd</sup> Half
Centralized Areas	34	26	31	19
Compreh. Risk	1	1	1	1
Compliance Office	6	6	9	3
Sub-Total	41	33	41	23
<b>Total</b>	<b>74</b>		<b>64</b>	

## ETHICS COMMITTEE

Its sole mission is to receive, analyze, evaluate and solve issues that may be damaging to compliance with the rules established in the Banesco Code of Ethics and Conduct. Similarly, it is responsible for encouraging the promotion of the Organization's values.

## CENTRAL CREDIT COMMITTEE

The purpose of this committee is to decide on the credit applications that are submitted to it, according to the autonomy levels authorized by the Board of Directors and in compliance with the regulations in force on this matter, to decide on credit applications, approval and release of credit guarantees, to decide on proposals to renegotiate any of the terms and conditions of the approved credits. The renegotiation includes, but is not limited to, modifications in the approved conditions regarding: payment terms, interest rates, credit amortization extensions, substitution, addition or release of guarantees and any other aspect related to the credits approved by this committee. Additionally, it submits to the Board of Directors a monthly report regarding credit approvals according to the levels of autonomy.



## APPOINTMENT AND REMUNERATION COMMITTEE

It is a body that supports the management carried out by the Board of Directors and its responsibilities comprise giving advice regarding the selection, appointment and remuneration of the members of the Board of Directors, in addition to the development of the approach for executive human talent strategic management in terms of compensation, development and succession.

## RISK COMMITTEE

Its main function is the administration, identification, measurement, and mitigation of the risks to which the Organization is exposed, through a system that includes objectives, policies, procedures, abilities for identification, measurement, assessment, and monitoring of risks, which support the Board of Directors in strategic planning and reasonably ensure the achievement of its goals.

## TECHNOLOGY COMMITTEE

Its main function is to ensure that technological implementations are aligned with the Organization's strategies and objectives, maintaining a global and horizontal vision of the business, using resources responsibly and identifying and managing risks. It also proposes policies under the main standards in the area of technology.



## EXECUTIVE COMMITTEE

This is the executive body responsible for ensuring compliance with the policies, strategies, standards, procedures and guidelines established and approved by the Board of Directors, since the latter has delegated this responsibility to it. It is also in charge of the execution and monitoring of the most relevant issues related to the administration, monitoring and control of the business plans, its financial results and the bank's profitability. The committee adopts the necessary actions for the effective and optimal control of the executive management in order to achieve the objectives, indicators and growth targets established in the Strategic Planning.



## HUMAN CAPITAL COMMITTEE

It is the collegiate body in charge of ensuring the proper management of the human team. Its main goal is to constantly evaluate the demands and requirements resulting from organizational and strategy changes and their interrelation with human capital, to ensure alignment between the best practices in personnel management and the real needs of the business. It is made up of Directors who are members of the Board, Executive Directors and representatives of the Human Capital area.

## COMMUNICATIONS COMMITTEE, RESPONSIBILITY AND BUSINESS SUSTAINABILITY

It is the committee in charge of designing implementing and ensuring compliance with the Corporate Strategic Communications Plan of the Organization, which ensures the alignment of the variables of the communication processes with the business strategy, facilitates the interrelation with the different audiences of interest and contributes to strengthen and improve the organizational identity and performance. Likewise, it defines and coordinates communication strategies that

## CORPORATE DEVELOPMENT COMMITTEE

**It is the body responsible for the definition, prioritization, and monitoring of the commercial strategy, which is understood as the set of initiatives that allow making the business plans operative under a philosophy that aligns segments, products and service channels, guaranteeing the customer's experience as a structural component of differentiation.**

allow the incorporation of the company's culture in the Banesco Citizen, unifying its values and promoting the organizational philosophy in order to facilitate change processes. It works to generate identification and promote the company's mission, vision, values, and philosophy through internal communications. This governance body makes it possible to manage the business with a long-term view, incorporating the evaluation and monitoring of risks in economic, social and environmental matters. It is appointed by the Bank's Board of Directors, reports to the Chief Executive Officer and is directly responsible for implementing and developing the Responsibility and Sustainability policy, with the participation of all areas of the bank.

## STRATEGIC SERVICE QUALITY COMMITTEE

Its main purpose is to promote and ensure the fulfillment of the offer of value and promise of service to customers, appropriate to their needs, by monitoring the policy, rules and standards, continuous improvement of processes, products, services and human capital. This is meant to foster a service quality culture aligned with the Organization's strategic framework and its profitability.

## PROCUREMENT & BUDGETARY MANAGERIAL COMMITTEE

Its main function is to direct and govern the budget management and procurement processes from the formulation of the budget to the contracting of goods and services, guaranteeing efficiency levels of expenditure, as well as the selection of the best option offered in the market, in order to achieve the Organization's strategic objectives.

## INFRASTRUCTURE AND ASSETS COMMITTEE

It is the body in charge of coordinating and promoting the design, development, and implementation of physical infrastructure projects in order to provide the Organization with spaces that meet its needs. It is also in charge of evaluating the destination of the institution's assets that, due to their conditions, have complied with the service for which they were acquired and are susceptible to being disposed of, as well as those assets that come from donations in payment, foreclosure sale, acquisitions and leases.

## PROJECTS AND INVESTMENT COMMITTEE

Its main objective is to ensure that the Project and Investment Portfolio, that will be recommended to the Executive Committee for its approval (annual or emerging), complies with those factors that justify the allocation of resources regarding the impact on the strategy achievement; value generated for the institution; business continuity; compliance with regulations; feasibility of the amount to be invested and the required execution capacity; ensuring the reasonability and feasibility of business cases

for each of the approved investments; and finally, ensuring the control of the Portfolio of Projects and approved projects, with the return on investment as a promise of value.

## COMPREHENSIVE SECURITY AND BUSINESS CONTINUITY COMMITTEE

It is the management support body conducted by the Comprehensive Security area for the prevention and control of financial crimes and business continuity in order to guarantee the availability of critical services of the organization. Its responsibilities also comprise advising on information security, control and prevention of losses, financial and administrative investigations, as well as preparing and executing contingency plans or measures in the event of unexpected or high-impact situations.



## MANAGERIAL REPORT ON THE COMPLIANCE OF GOOD GOVERNANCE REGULATIONS

For Banesco Banco Universal, compliance with the Principles of good Corporate Governance means carrying out its activity in accordance with the following standards:

- **Efficiency:** Aimed at producing the highest value at the lowest cost in the shortest time and achieving the goals that have been set.
- **Equity:** Strict respect for the right to equal treatment of shareholders, workers, clients and suppliers, as well as any person related to society.
- **Respect:** For the economic and political rights of shareholders and clients.
- **Transparency, Communication and Information:** Generate the greatest trust and credibility towards regulatory entities, internal bodies and our clients through the timely and truthful disclosure of information related to government bodies in order to contribute to the full knowledge of the company Banesco Banco Universal is therefore following the "one share, one vote" principle. Accordingly, it recognizes the

proportionality that must be guaranteed between the percentage of participation in the capital and the corresponding right of participation in the formation of the will of the institution, always through the informed exercise of the shareholders' political rights.

The Organization, through the Corporate Governance Direction and Legal Affairs Department, evaluates the governance mechanisms for the benefit and protection of the interests of its shareholders, clients and employees, as well as the creation of guidelines for the administration of the stimulus and managerial discipline that results in the satisfaction of our clients. In order to guarantee compliance with the world standards of good corporate governance, the performance of each of the government instances is evaluated annually, based on indicators that measure their management and with those results are evaluated. They undertake the necessary actions to optimize their operation, taking into account the criteria of efficiency and effectiveness in meeting the objectives of each committee.

It also carries out annual reviews before the Board of Directors of compliance

with the best practices and world trends and its standardization by each Committee: planning of agendas for their alignment with the objectives, control and monitoring of decisions, reporting to the higher levels of government on their activity, among others.

### REGULATION, CORPORATE AND UNIONS PARTICIPATION

Banesco Banco Universal is regulated in compliance with the Law on Banking Sector Institutions, the Law on the Central Bank Venezuela (BCV), prudential regulations issued by the Superintendency of Banking Sector Institutions (Sudeban), among others.

It is an active member of the Venezuelan Banking Association (ABV) and takes part in its various committees. It also takes part in several committees before the BCV and works with franchises and committees related to its businesses, such as: Suiche7B, Visa, MasterCard.

From the perspective of its social action, the Bank has a membership in the Venezuelan American Chamber of Commerce and Industry (Venamcham) at national level, the Voluntary Dividend for the Community, the Caracas Chamber

of Industrialists and Competitive Venezuela.

### OUR ETHICS AND HUMAN RIGHTS POLICY

We promote equality among our personnel and in the treatment with our clients without distinction as to ethnic origin, socioeconomic status, marital status, age, physical appearance, disability, political affinity, religious belief (or lack thereof), sexual orientation or any other particularity. We respect their dignity and guarantee equal opportunities. We base our business relationships on

equity, fair transactions and mutual benefit, and a non-discriminatory policy for selecting suppliers.



Banesco Banco Universal, C.A., takes

into account social and environmental issues in all its activities. We are signatories of the United Nations Global Compact. These are agreements by which organizations around the world make a voluntary commitment to establish in their strategies operations, principles related to labor standards,



environment, human rights, corruption and transparency.

BanESCO reports annually its progress in implementing the 10 Principles of the United Nations Global Compact regarding human rights, work, environment, and anti-corruption, through a the Responsibility and Sustainability Report, which is public.

BanESCO Banco Universal seeks to implement these commitments as part of its business strategy.

Therefore, it has complied with these initiatives:

- The content of the Ten Principles of the Global Compact through our internal and external media (blog).
- 56 contracts were signed with suppliers in 2020, 12 of which included Clause Number 20, Subsection J) related to the Ten Principles of the Global Compact, based on the Universal Declarations and Conventions applicable to Human Rights, Environment, Labor Standards, and Anti-corruption.

## OUR BANESCO RESPONSIBILITY AND SUSTAINABILITY POLICY

Our Responsibility and Sustainability Policy is aimed at achieving Economic, Social and Environmental Sustainability and a responsible management in all areas of the organization. We are committed to the Sustainable Development of our stakeholders and –to achieve the goal that we have established– we have established a value proposition, based on our products, services and programs that promote Economic, Social and Environmental Development in a balanced manner. Therefore, we assume our responsibility to respect and promote Human Rights; to contribute to the well-being in all its areas of operation; to interact, under ethical principles, with all its different interlocutors: workers, clients, suppliers, authorities, shareholders and society in general.

As a remarkable factor, BanESCO Banco Universal, has decided to be an active agent in the support of small businesses and micro-entrepreneurs by training entrepreneurs and developing inclusive products and services that are an opportunity for all the sectors of population.



**BanESCO Banco Universal, C.A., is committed to contributing to the sustainable Development Goals (SDGs) of United Nations. Consequently, by means of our management and business activities, as well as of all our social investment programs, we directly contribute to their compliance. Our internal and external channels of communication have been means of promotion of the knowledge of SDGs for all our stakeholders.**



## THE MAIN SDGS THAT WE COVER WITH OUR BANKING ACTIVITY AND SOCIAL MANAGEMENT ARE THE FOLLOWING:



**NO POVERTY.** We promote projects to support fostering resilience in communities and the people who are in vulnerable situations.



**ZERO HUNGER.** We offer our employees continuous support and benefits for their nutrition and their family nutrition. We provide different options that contribute to ending hunger, achieving food security and improving our collaborators' and their families' nutrition. We contribute with nutrition programs of our social partners and social allies.

We support NGOs that conduct food programs for the most disadvantaged populations.



**GOOD HEALTH AND WELL-BEING.** We cooperate with health institutions in order to improve the quality of life of people and to address their needs. We promote the health among our collaborators, we have a medical service in Caracas, a health policy for employees and their families and support in case of extreme illnesses, as well as preventive and informative talks on health and COVID issues.



**QUALITY EDUCATION.** We promote education as a mechanism to overcome poverty and contribute to the progress of the communities in which we operate. Education is one of the main pillars of our Corporate Responsibility and Sustainability policy, and to be able to act we rely on alliances with our partners and social allies in the education sector. We contribute to projects that allow them to fulfill their objective of providing education, we grant university scholarships, we have an editorial collection that is disseminated through the Banesco Virtual Library, which is totally free of charge, and we educate through the Microentrepreneurship Training Program.



**GENDER EQUALITY.** We are open to diversity, we understand and respect every human being. We have a Code of Ethics that contemplates non-discrimination, which is applicable to our Human Capital and stakeholders. Our Microentrepreneurship Training Program reports a participation of more than 60% of women.



**DECENT WORK AND ECONOMIC GROWTH.** We are competitive in the labor market with the purpose of attracting and retaining the best candidates and of making our employees feel motivated, committed and rewarded.



**REDUCED INEQUALITIES.** We conduct programs for promoting financial inclusion of communities and their training for entrepreneurship and job creation.



**SUSTAINABLE CITIES AND COMMUNITIES.** We are committed to contributing to the progress and growth of people and of companies in order to support sustainable development of communities



**RESPONSIBLE CONSUMPTION AND PRODUCTION.** We are careful and are committed to include in a proper and transparent way ethic, social and environmental criteria with the purpose of developing responsible activities.



**PEACE, JUSTICE AND STRONG INSTITUTIONS.** We are an organization that is transparent in its business action. We are committed to being accountable to all our stakeholders and with all the ethical responsibilities, risks and anti-corruption topics.



**PARTNERSHIPS FOR THE GOALS.** We build strategic partnerships with organizations and companies allowing us to contribute to sustainable development of communities. We respect the current regulatory framework which contributes to applying policies of elimination of poverty.

## MONEY LAUNDERING AND FINANCING OF TERRORISM COMPREHENSIVE RISK MANAGEMENT SYSTEM (SIAR ML/FT/FPWMD)

Banesco Banco Universal, with regard to Prevention and Control of Money Laundering, Financing of Terrorism and Financing of proliferation of weapons of mass destruction (PCML/FT/FPWMD) is governed by Resolution No. 083.18 issued by the Superintendency of Banking Sector Institutions (Sudeban), which lays down the “Rules for Management and control of risks related to Money Laundering, Financing of Terrorism and Financing of Proliferation of weapons of mass destruction applicable to Banking Sector Institutions. In addition, it is governed by the Organic Law against Organized Crime and Financing of Terrorism as well as the Organic Law on Drug.

At Banesco Banco Universal, the Comprehensive Risk Management System for Money Laundering, Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction (SIAR ML/FT/FPWMD), is adapted to the complexity of business, products and financial transactions



offered and is in compliance with the legal regulations governing the matter. Through the SIAR, potential suspicious (ML/ FT/FPWMD) activities are prevented and identified, in any of their stages, taking the following steps:

► **PREVENTION:** In order to reduce the possibility that funds coming from activities related to (ML/FT/FPWMD) enter in the Banking System, by applying policies, procedures and internal controls for the proper knowledge of the client and of the employees, complemented by a continuous communication and training of the Bank staff at all levels,

in compliance with the training policies established in said Resolution.

► **CONTROL AND DETECTION:** Of activities intended to be carried out or that have been conducted in order to give semblance of legality to transactions related to ML/ FT/FPWMD, by means of implementing proper, timely, and effective controls and monitoring tools.

► **REPORT:** Timely, efficient and effective report of the identified transactions that are pretended to be carried out or that had been conducted and that are suspected to be related to ML/FT/FPWMD.





## OUR POLICY

When it comes to managing the business, transparency and dialogue with our stakeholders is one of the most important premises for Banesco Banco Universal, C.A. We promote the confidence of our shareholders by offering profitable and sustainable growth and a plural and participative management of the business. We sustain our business management with diverse ideas and thinking that benefit us and provide high profitability and solvency.

We responsibly fulfill our obligations to our shareholders through our Shareholders' Unit and hold ordinary and extraordinary meetings to inform them, in a transparent manner, about how the business is being managed.

## OUR MANAGEMENT

During 2020, in spite of the pandemic situation we are facing, we were able to hold two Ordinary Assemblies on March 26 and September 24. Likewise, we held two Extraordinary Assemblies on March 26 and September 24. While in 2019, two Ordinary Assemblies were held on March 26 and September 26. Also, we

held 3 Extraordinary Assemblies on January 30, August 6 and September 26.

We have a solid and transparent governance framework that allows us to prudently manage risks and opportunities to protect the interests of our shareholders and society as a whole.

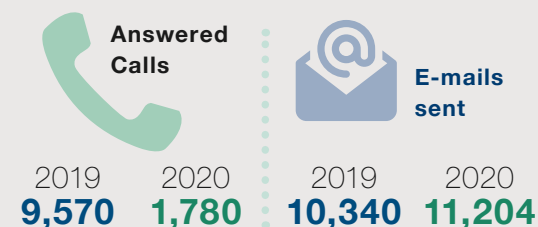
The capital remuneration policy seeks a balance between the payment of dividends and sufficient capitalization levels to meet the challenges, opportunities and difficulties that may arise. We are respectful of the rights of all shareholders with regard to the dividend payout policy.

## PREFERRED SHARES

**As of December 31, 2020, Banesco Banco Universal, C.A., had 29,584 shareholders: 23,650 owners of preferred shares and 5,935 of common shares, while at the end of 2019, the total number of shareholders was 29,584: 23,650 owners of preferred shares and 5,934 of common shares.**

## SHAREHOLDERS' UNIT

We have a specialized unit to respond to the requirements, doubts and comments of our shareholders in an expeditious and transparent manner, where they can obtain information on dividend statements (history), claims, certifications from external auditors, assignment of shares in the event of death, guarantees, delivery of reports to those who request them and, in general, everything related to their shares. This communication is personalized and can be done via telephone and e-mail. We also have an exclusive section on our web page where shareholders can obtain information of interest to them.



During 2020, inquiries from our shareholders were aimed at knowing the status of the capital increases, the shareholder position, and the amount of dividend distributions.

## Basic Features

SHARE CAPITAL (VES)	
2020	12,500.00
2019	12,500.00

SHARES		
	2020	2019
Number of shares	125,000,000	125,000,000
Circulation	122,045,467	122,045,467
Treasury	2,954,533	2,954,533

NUMBER OF SHARES		
	2020	2019
Common	5,935	5,934
Preferred	N/A	23,650
<b>Total</b>	<b>5,935</b>	<b>29,584</b>

In order to promote the strengthening of the institution's equity and growth, special shareholder's meetings were held from November 2017 to November 2018. At these meetings, it was agreed to increase the bank's share capital for VES 800.4 million through the preemptive subscription of shares, with the participation of the vast majority of our shareholders. As of this date, such increases are awaiting authorization by the Superintendency of Banking



general repurchase of the Banesco Preferred shares in its 2008-I and 2008-II, as set forth in the public offering prospectus.

## DIALOGUE WITH OUR SHAREHOLDERS

Communication and information transparency is one of the principles we have established in our policies. For this reason, we have established several communication spaces to maintain a close and direct relationship with our shareholders and different stakeholders. These include:

- Half-yearly Financial Reports.
- Annual Corporate Social Responsibility Report.
- Digital bulletin sent to our clients via email.

- Contact and direct meetings with shareholders.
- Agencies Network
- Our website [www.banesco.com](http://www.banesco.com), which provides relevant information related to financial information issued by the Bank and by the external auditors, CSR reports, and the half-yearly financial reports.
- Shareholders' Unit.
- Annual and Special Shareholders' Meetings.

Sector Institutions (SUDEBAN), subject to the binding opinion of the Higher National Financial System Body (OSFIN).

The Board of Directors in the month of November of the year 2019 conducted the

In 2020, the Shareholders Unit implemented the biosecurity measures established to prevent COVID-19 during the meetings, and in order to guarantee the safety of our shareholders and provide efficient and effective remote assistance, an e-mail address ([atencion\\_al\\_accionista@banesco.com](mailto:atencion_al_accionista@banesco.com)) and a space on the Bank's website (<https://www.banesco.com/category/somos-banesco>) were made available for timely updates on issues related to Banesco Banco Universal's shares.



## OUR POLICY

We focus on fostering an increasingly humane, healthy, and sustainable work environment focused on our corporate values. We create solid work teams committed to offering our clients a quality service that sets us apart.

We are respectful of diversity and differences. We select, develop, promote, and evaluate talents based on their results, values, and potential as a distinctive cultural trait.

## OUR MANAGEMENT

During 2020 we adapted our ways of working according to the new normality that has emerged worldwide due to COVID-19, adopting all biosafety measures in our facilities and adopting teleworking as an alternative.

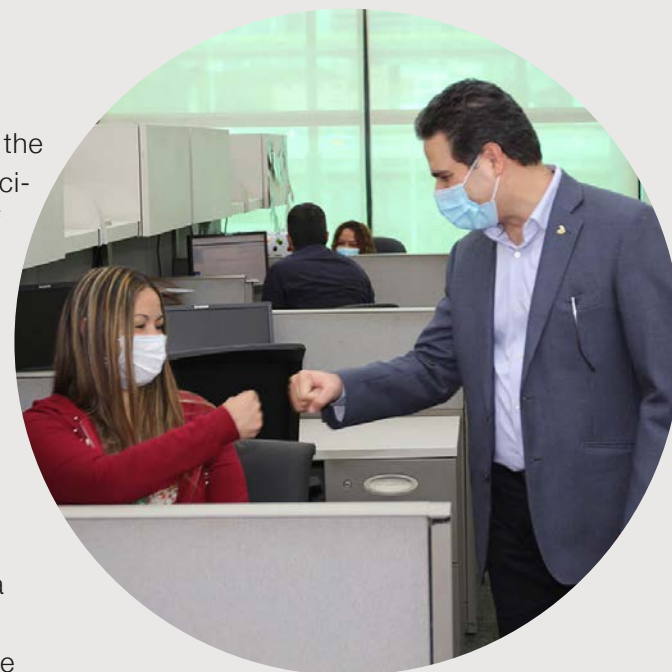
Our purpose is to generate stable sources of work without discrimination of any kind, in 2020 we guaranteed stability and security to our collaborators and covered the vacant positions with 128 new entries to close the year with 3,383 employees and 3 interns in our staff.

## BANESCO CODE OF ETHICS AND CONDUCT

The Code of Ethics and Conduct for the Banesco Citizen establishes the principles that govern the daily conduct of our collaborators. It aims at respecting human rights and at preventing and controlling money laundering. It also contributes to standardize the actions, roles and values within the Organization in order to achieve excellence in relations with all those who are part of Banesco.

Our Code of Ethics and Conduct is a public document that can be found on the Intranet Portal and the website (<https://bit.ly/31yG5yQ>) for consultation by interested parties.

We constantly reinforce the Organizational Culture and Values through communication campaigns in order to reinforce among employees the importance of complying with the established regulations. During 2020, due to the Pandemic, the actions changed to online formats, highlighting as a strategy the webinars on information security, on the proper management of conflicts of interest and the timely declaration of extraordinary income.



In this same vein, several actions were aimed at strengthening the leader's decalogue in the management and executive segment, based on the defined corporate values.

We also have the Contigo\_Capital\_Humano@banesco through which our employees can maintain constant and direct communication with the Coordination of the Human Capital Attention Center (CACH), an area that addresses Banesco Citizens' requirements that are linked to Human Capital

management and require immediate or shortterm response.

The requests received are met in coordination with the areas involved in their resolution. The employee receives a response through the channels designed for this purpose.

During 2019, Banesco Banco Universal, C.A. did not receive any complaint related to the Human Rights of employees, shareholders, customers, the community or suppliers.



#### AGE AND GENDER DISTRIBUTION

AVERAGE	2020			2019			Variation		
Age	Fem.	Male	Total	Fem.	Male	Total	Fem.	Male	Total
15-17	1	0	1	13	9	22	(92.31%)	(100.00%)	(95.45%)
18-25	196	157	353	328	264	592	(40.24%)	(40.53%)	(40.37%)
26-30	255	149	404	395	193	588	(35.44%)	(22.80%)	(31.29%)
31-35	348	161	509	456	211	667	(23.68%)	(23.70%)	(23.69%)
36-40	400	180	580	500	214	714	(20.00%)	(15.89%)	(18.77%)
41-45	332	154	486	379	190	569	(12.40%)	(18.95%)	(14.59%)
46-50	292	149	441	324	178	502	(9.88%)	(16.29%)	(12.15%)
51-55	171	136	307	186	154	340	(8.06%)	(11.69%)	(9.71%)
56-60	117	93	210	122	88	210	(4.10%)	5.68%	0.00%
61-65	36	26	62	44	25	69	(18.18%)	4.00%	(10.14%)
66-70	13	10	23	12	8	20	8.33%	25.00%	15.00%
71-75	6	3	9	6	3	9	0.00%	0.00%	0.00%
>75	1	0	1	1	0	1	0.00%	0.00%	0.00%
<b>Total</b>	<b>2,168</b>	<b>1,218</b>	<b>3,386</b>	<b>2,766</b>	<b>1,537</b>	<b>4,303</b>	<b>(21.62%)</b>	<b>(20.75%)</b>	<b>(21.31%)</b>

#### GENDER DISTRIBUTION AND POSITION: CATEGORIES

	2020			2019			Variation		
LEVEL	Fem.	Male	Total	Fem.	Male	Total	Fem.	Male	Total
Interns / Apprentices	72	49	121	86	66	152	(16.28%)	(25.76%)	(20.39%)
Base	832	329	1,161	1,093	556	1,649	(23.88%)	(40.83%)	(29.59%)
Professional / Technical	905	636	1,541	1,009	581	1,590	(10.31%)	9.47%	-3.08%
Supervision	49	53	102	62	60	122	(20.97%)	(11.67%)	(16.39%)
Managerial	288	124	412	492	249	741	(41.46%)	(50.20%)	(44.40%)
Vice-presidents	19	21	40	21	19	40	(9.52%)	10.53%	0.00%
Directors	3	5	8	3	5	8	0.00%	0.00%	0.00%
President	0	1	1	0	1	1	0%	0.00%	0.00%
<b>Total</b>	<b>2,168</b>	<b>1,218</b>	<b>3,386</b>	<b>2,766</b>	<b>1,537</b>	<b>4,303</b>	<b>(21.62%)</b>	<b>(20.75%)</b>	<b>(21.31%)</b>



## NATIONAL DISTRIBUTION

We follow the same rules and procedures that we use in the Capital Region for the selection and hiring of personnel in the different regions of the country. However, during 2020, due to the COVID-19 Pandemic, these processes were adjusted virtually, conducting interviews via telephone or Google Meet. Our Human Capital Vice-Presidency offices in the regions review and evaluate the candidates' profiles to validate that they are in compliance with the organizational requirements.

Inside the country, the Vice Presidents responsible for Sales Network are from each of these regions, which gives them a better understanding of the economic dynamics in each location and of their customers.

The recruitment of sales executives in the regions helps benefit the local communities and, at the same time, allows for a better understanding of the regional situation, which strategically strengthens decision-making based on the particularities of each area.

## AGE AND POSITION DISTRIBUTION CATEGORY

	2020						2019					
AGE GROUPS	15-17	18-30	31-40	41-50	> 50	Total	15-17	18-30	31-40	41-50	> 50	Total
Interns / Apprentices	1	120	0	0	0	121	22	130	0	0	0	152
Base	0	331	497	228	105	1,161	0	619	604	266	160	1,649
Professional / Technical	0	294	496	457	294	1,541	0	402	587	410	191	1,590
Supervision	0	6	28	38	30	102	0	14	26	50	32	122
Managerial	0	6	64	189	153	412	0	15	159	328	239	741
Vice-presidents	0	0	4	14	22	40	0	0	5	15	20	40
Directors	0	0	0	1	7	8	0	0	0	2	6	8
President	0	0	0	0	1	1	0				1	1
<b>Total</b>	<b>1</b>	<b>757</b>	<b>1,089</b>	<b>927</b>	<b>612</b>	<b>3,386</b>	<b>22</b>	<b>1,180</b>	<b>1,381</b>	<b>1,071</b>	<b>649</b>	<b>4,303</b>

## CONTRACTING AND GENDER DISTRIBUTION

	2020		2019		Variation	
LEVEL	Fem.	Male	Fem.	Male	Fem.	Male
Apprentices	70	48	79	57	(11.39%)	(15.79%)
Interns	2	1	7	9	(71.43%)	(88.89%)
Contracted	6	11	131	92	(95.42%)	(88.04%)
Fixed	2,090	1,158	2,549	1,379	(18.01%)	(16.03%)
<b>Total</b>	<b>2,168</b>	<b>1,218</b>	<b>2,766</b>	<b>1,537</b>	<b>(21.62%)</b>	<b>(20.75%)</b>
<b>Total</b>	<b>3,386</b>		<b>4,303</b>		<b>(21.31%)</b>	

Our territorial division corresponds to our business strategy and therefore represents an important source of employment in the different regions of the country. Our workforce is made up of 96% permanent employees.

#### TOTAL OF EMPLOYEES

YEAR	TOTAL EMPLOYEES
2020	3,386
2019	4,303
Variation %	(21%)

#### GENDER DISTRIBUTION

YEAR	FEMALE	MALE
2020	2,168	1,218
2019	2,766	1,537
Variation %	(22%)	(21%)

#### SENIORITY AVERAGE

YEAR	SENIORITY AVERAGE
2020	10.4
2019	9.24
Variation %	13%

#### NATIONAL DISTRIBUTION

	2020		2019		Variation	
REGION	Employees	Total in %	Employees	Total in %	Employees	Total in %
Capital	2,258	66.69%	2,807	65.23%	(549)	59.86%
Center	319	9.42%	461	10.71%	(142)	15.48%
Western-Andean	284	8.39%	383	8.90%	(99)	10.79%
Eastern South	299	8.83%	365	8.48%	(66)	7.19%
North-Western	226	6.67%	287	6.66%	(61)	6.65%
<b>Total</b>	<b>3,386</b>	<b>100%</b>	<b>4,303</b>	<b>100.00%</b>	<b>(917)</b>	<b>100%</b>

#### VICE-PRESIDENTS OF THE NET

	2020		2019	
REGION	Quantity	% from local community Quantity	Quantity	% from local community
Capital	2	100.00%	2	100.00%
Center	1	0.00%	1	0.00
Western-Andean	1	0.00%	1	0.00%
Eastern South	1	100.00%	1	100.00%
Zulia-Falcón	1	100.00%	1	100.00%
<b>Total</b>	<b>6</b>	<b>66%</b>	<b>6</b>	<b>66%</b>





## INCOME AND EXPENDITURE VARIATION

The employee turnover rate at Banesco Banco Universal is obtained from the percentage index between the number of income and expenditure, and the relationship with the number of employees in the area in a given period.

Between 2019 and 2020 this rate decreased from 27.41% to 17.35%. However, the variation is constant and dynamic, since the Collective Labor Agreement of Banesco Banco Universal, C.A., in compliance with the Organic Law on Labor and Workers (LOTTT), does not require the minimum notice period. Consequently, Human Capital variations occur within the current Labor Law framework, aiming at the best labor relations and excellent organizational climate pursuant to the provisions of the Organic Law on Prevention, Conditions and Working Environment (LOTTT), Working Conditions and Environment (LOPCYMAT).

In income, we did not consider the number of permanent employees and contract renewals. The turnover rate is calculated by means of the formula  $\left[\frac{((\text{Income} + \text{expenditure})/2)}{\text{population at the end of the year}} \times 100\right]$ .

## TURNOVER RATE

ITEM	2020	2019
Income	128	717
Expenditure	1,047	1,633
Population	3,386	4,303
<b>Total</b>	<b>17.35%</b>	<b>27.31%</b>



- Transfers to fixed assets and contract renewals were not considered in income. The turnover rate is calculated using the formula  $\left[\frac{((\text{Income} + \text{expenditure})/2)}{\text{population at the end of the year}} \times 100\right]$

## TURNOVER RATE BY REGION

REGIÓN	2020			2019		
	Population	Income + Expenditure	Turnover rate	Population	Income + Expenditure	Turnover rate
Metropolitan Region	2,258	764	16.92%	2,807	1,551	27.63%
Los Llanos Center Region	319	143	22.41%	461	221	23.97%
Western-Andean Region	284	136	23.94%	383	281	36.68%
North-Western Region	226	64	14.16%	365	136	18.63%
South-Eastern Region	299	68	11.37%	287	161	28.05%
<b>Total</b>	<b>3,386</b>	<b>1,175</b>	<b>17.35%</b>	<b>4,303</b>	<b>2,350</b>	<b>27.31%</b>

## TURNOVER RATE BY REGION, AGE AND GENDER

BANESCO BANCO UNIVERSAL	2020									
	<18		18-30		31-40		41-50		>50	
	Fem.	Male	Fem.	Male	Fem.	Male	Fem.	Male	Fem.	Male
Metropolitan Region	28.57%	22.22%	22.88%	22.19%	13.02%	13.69%	8.66%	9.66%	10.45%	7.97%
Los Llanos Center Region	—	—	20.59%	38.71%	16.80%	20.27%	14.20%	10.00%	12.31%	7.89%
Western-Andean Region	—	—	36.46%	54.55%	13.15%	22.58%	10.91%	17.14%	4.76%	2.17%
North-Western Region	—	—	13.73%	10.71%	11.94%	13.64%	6.73%	23.33%	9.72%	5.00%
South-Eastern Region	—	—	14.29%	18.18%	10.56%	9.80%	10.75%	18.18%	6.82%	28.57%

### TURNOVER RATE BY REGION AND GENDER

BANESCO BANCO UNIVERSAL	2020						2019					
	Population		Income / Expenditure		Turnover Rate		Population		Income / Expenditure		Turnover Rate	
	Fem.	Male	Fem.	Male	Fem.	Male	Fem.	Male	Fem.	Male.	Fem.	Male
Metropolitan Region	1,343	915	464	300	17.27%	16.39%	1,696	1,111	900	651	26.53%	29.30%
Los Llanos Center Region	247	72	105	38	21.26%	26.39%	351	110	166	55	23.65%	25.00%
Western-Andean Region	193	91	76	60	19.69%	32.97%	247	136	172	109	34.82%	40.07%
North-Western Region	159	67	41	23	12.89%	17.16%	202	85	88	48	21.78%	28.24%
South-Eastern Region	226	73	46	22	10.18%	15.07%	270	95	106	55	19.63%	28.95%
<b>Total</b>	<b>2,168</b>	<b>1,218</b>	<b>732</b>	<b>443</b>	<b>16.88%</b>	<b>18.19%</b>	<b>2,766</b>	<b>1,537</b>	<b>1,432</b>	<b>918</b>	<b>25.89%</b>	<b>29.86%</b>

### PERFORMANCE ASSESSMENT

Under the methodology of measuring quantitative objectives, we carry out performance evaluations for the entire population of the bank; In this year 2020 we align compliance results with 2 attributes (Quality of Results and Contribution to Management) that would allow us to rate the individual performance results of the population at a general level, additionally considering the results of the Bank and the related Executive Unit.

Likewise, we maintained the diagnosis of key competencies according to the role occupied by each collaborator, in order to deepen the development action plans to close role gaps and critical talents in 2021. The total number of Citizens with a performance evaluation in 2020 was 3,054 employees (89 of those evaluated belong to the Executive segment).

With respect to the target population to be evaluated for Banesco Banco employees (without executives), 99.53% was effectively achieved; the remaining percentage corresponds to inactive personnel or those who were not evaluated by their supervisors within the established timeframe (14 employees) at the time of the performance assessment in 2020. Considering the final number of employees, 90.19% of the employees were evaluated under this performance measurement.

#### PERFORMANCE ASSESSMENT

EMPLOYEES	2020	2019	Variation %
Total Employees	3,386	4,303	(21.31%)
No. of assessed employees	3,054	3,878	(21.25%)
<b>% of assessed employees</b>	<b>90.19%</b>	<b>90.12%</b>	<b>0.0007%</b>



## PERFORMANCE ASSESSMENT BASED ON POSITIONS

REGIÓN	2020				2019			
	Male		Female		Male		Female	
	Assessment	%	Assessment	%	Assessment	%	Assessment	%
Base	135	12.56	213	10.76	201	14.91%	336	13.29%
Professional/Technician	744	69.21	1,419	71.70	853	63.28%	1,667	65.97%
Supervision	50	4.65	48	2.43	39	2.89%	51	2.02%
Managerial	102	9.49	254	12.83	213	15.80%	427	16.89%
Vice-presidents	40	3.72	43	2.17	40	2.89%	44	1.74%
Directors	4	0.37	2	0.10	4	0.22%	3	0.12%
Gender total	1,075	100	1,979	100	1,350	100.00%	2,528	100.00%
<b>Total</b>	<b>3,054</b>				<b>3,878</b>			

## POSITION PROMOTIONS

We believe in the talent of our collaborators. For this reason, we offer the possibility of growing internally towards positions of greater responsibility through our policy of internal promotion. We promoted 715 collaborators in 2020 as a primary source for filling vacancies and as career development opportunities within the Organization.

## POSITION PROMOTIONS

DIRECTORATE	2020	2019	Variation %
Board of Directors	12	31	(61.29%)
Executive Presidency	20	27	(25.93%)
Commercial Exec. Dir.	573	269	113.01%
Credit and Logistics Exec. Dir.	55	76	(27.63%)
Prod. Exec. Dir. and Pay. Methods Services	5	25	(80.00%)
Technology and Processes Exec. Dir.	29	64	(54.69%)
Treasury and Finances Exec. Dir.	16	39	(58.97%)
Exec. Dir. Corp. Gov. and Legal Affairs	5	—	—
<b>Total</b>	<b>715</b>	<b>531</b>	<b>34.65%</b>

## REMUNERATION POLICIES

We are committed to improve the life quality of our collaborators and their families. For this reason, in 2020, we increased the Minimum Wage 3 times, in compliance with the issued and current regulations. Furthermore, through our salary policy, we increased wages 01 more time, ending the year with an overall increase of 288%. In addition, improvements were made to the food voucher benefit in accordance with current regulations.

### REMUNERATION POLICIES FOR THE HIGH GOVERNMENT BODY AND THE TOP MANAGEMENT

We continuously evaluate our employees' needs, and we attempt to provide them with better working conditions. In 2020, a general average increase of 46% was made to all Banesco Citizens at 4 different times; granting 6% in January, 78% in February, 7% in May, and 92% in November, in accordance with current regulations, having an overall yearly increase of 288%.

## PROCESSES TO CALCULATE REMUNERATION

Banesco Banco Universal, C.A. establishes its payments by analyzing the relative weights of its units, taking into consideration the decrees on this matter by the Executive branch, the budget defined for this purpose, macroeconomics indicators, and any other relevant variables that allow for the appropriate allocation to be established for each case. The yearly remuneration of a collaborator includes Basic Monthly Income, Vacation Bonus, Profits and a Company Contribution to Savings Bank of 11%.

### RELATION BETWEEN YEARLY REMUNERATION OF THE HIGHEST-PAID PERSON COMPARED TO YEARLY AVERAGE SALARY OF OTHERS IN THE ORGANIZATION

During this period, we have reduced the gap between the average yearly remuneration of the highest-paid person compared to others in the organization.

PAYMENT	2020	2019
Average payment for remaining population	2,715,718	248,978
Total Yearly Payment Relation	1.29	2.13

- The average salary of the remaining population is calculated at the end of the reported year, and it does not include the highest-paid person in the organization.
- The estimate includes full-time, part-time and contract workers.
- Given the local context where the activities of Banesco Banco Universal, C. A. are developed, information is kept confidential to safeguard the personal safety of our collaborators and the Institution's senior management.

### PERCENTAGE INCREASE OF YEARLY PAYMENT REGARDING THE HIGHEST-PAID PERSON IN COMPARISON TO THE PERCENTAGE INCREASE OF YEARLY PAYMENT FOR THE REST OF THE BANK

PAYMENT	2020	2019
Highest-Paid Position	331%	7,453%
Average Salary	580%	1,979%
<b>% of Annual Increase</b>	<b>288%</b>	<b>1,245%</b>

- Given the local context where the activities of Banesco Banco Universal, C. A. are developed, information is kept confidential to safeguard the personal safety of our collaborators and the Institution's senior management.

## DISABLED EMPLOYEES

In Banesco Banco Universal, C.A., we promote integration training for people with disabilities in the organization.

We develop inclusion strategies for people with special needs, following international and national guidelines for the management of this kind of situation.

This development has allowed, undoubtedly, for our employees with disabilities to feel and be productive in society, making their efforts and perseverance an example both inside and outside the bank.

### DISABILITY BY REGION

REGION	2020	2019	Var. %
Metropolitan	12	12	0.00%
Los Llanos Center	0	0	0.00%
<b>Total</b>	<b>12</b>	<b>12</b>	<b>0.00%</b>

### TYPE OF DISABILITY BY GENDER

TYPE	2020				2019			
	Female		Male		Female		Male	
Visual. Musculoskeletal	1	0	1	0	201	14.91%	336	13.29%
Visual. Intellectual. Mental	1	2	1	2	853	63.28%	1,667	65.97%
Visual	2	0	2	0	39	2.89%	51	2.02%
Musculoskeletal	0	1	0	1	213	15.80%	427	16.89%
Intellectual. Mental. Musculoskeletal	0	1	0	1	40	2.89%	44	1.74%
Intellectual. Mental	1	2	1	2	4	0.22%	3	0.12%
Musculoskeletal disability and others	1	0	1	0	1.350	100.00%	2,528	100.00%
Total General by Gender	6		6		6		6	
Total General by Gender	12				12			





## TRAINING

During 2020, we planned and delivered learning experiences in person, remotely, online, and virtually, aimed at providing technical and professional improvement to Banesco Citizens in order for them to efficiently perform their functions and produce high quality results.

### TRAINING BY POSITION LEVELS

LEVEL	Participation			Man Hours			Average Hours		
	2020	2019	Variation %	2020	2019	Variation %	2020	2019	Variation %
Base	2,094	7,466	(71.95%)	21,153	51,452	(58.89%)	10,10	7	144.31%
Professional/Technician	24,861	31,127	(20.13%)	202,619	231,216	(12.37%)	8,15	7	116.43%
Supervision	1,446	1,533	(5.68%)	11,330	11,601	(2.34%)	7,84	8	97.94%
Managerial	5,764	8,741	(34.06%)	33,248	62,323	(46.65%)	5,77	7	82.40%
Vice-presidents	562	497	13.08%	562	3,653	(84.62%)	1,00	7	14.29%
Directors	11	4	175.00%	11	14	(21.43%)	1,00	4	25.00%
President	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>34,738</b>	<b>49,368</b>	<b>(29.63%)</b>	<b>268,922</b>	<b>360,258</b>	<b>(25.35%)</b>	<b>7,74</b>	<b>7</b>	<b>110.54%</b>

### TRAINING BY GENDER

LEVEL	2020				2019			
	Female	%	Male	%	Female	%	Male	%
Base	1,229	5.38%	865	7.27%	4,785	14.77%	2,681	15.81%
Professional/Technician	16,363	71.62%	8,498	71.46%	20,586	63.52%	10,541	62.15%
Supervision	807	3.53%	639	5.37%	823	2.54%	710	4.18%
Managerial	4,339	18.99%	1,425	11.98%	5,941	18.33%	2,800	16.51%
Vice-presidents	104	0.46%	458	3.85%	269	0.83%	228	1.34%
Directors	4	0.02%	7	0.06%	3	0.01%	1	0.01%
President	-	-	-	-	-	-	-	-
<b>Total</b>	<b>22,846</b>	<b>100%</b>	<b>11,892</b>	<b>100%</b>	<b>32,407</b>	<b>100%</b>	<b>16,961</b>	<b>100%</b>



## OPERATIONAL RISK WORKSHOPS

In 2020, we paid special attention to the specific training for Comprehensive Risk Delegates, which was driven by the multiplier effect of the risk area in the rest of the organization, through advice, support, and the passing on of knowledge for risk management through a Theoretical and Practical Fundamental Program. This program was carried out by means of a webinar. Since it was an Internal Training program, it did not require an extraordinary economic investment.

In this regard, the deployment of Banesco's Risk Culture Plan through the joint work and participation of those responsible for the processes within the organization was a key initiative to reinforce and leverage the continuity of communication, assessment, and training activities for Banesco citizens regarding Comprehensive Risk Management and the methodology for its implementation.

These workshops were carried out by the team of Human Capital and Risk facilitators, which provided in-depth training and analysis using practical cases related to the reality of this Organization.

## TRAINING BY FIELD OF KNOWLEDGE

AREA OF KNOWLEDGE	Training Hours		
	2020	2019	Variation %
Banking or Regulations Knowledge	242,342.5	281,052	(13.77%)
Technical Knowledge	15,884	66,888	(76.25%)
Skill Development	11,567	12,318	(6.10%)
Total Training Hours	269,793.50	360,258	(25.11%)
Total Employees	3,086	4,303	(28.28%)
Average Training hours	87	84	3.57%
Total Employees Trained	3,059	4,256	(28.13%)
% Employees Trained	99.12%	98.91%	0.21%

## OPERATIONAL RISK WORKSHOPS AND TRAINING

NAME OF THE ACTIVITY	2020		2019	
	Participants	Certified / Approved	Participants	Certified / Approved
Specialized talks on AIR, Managerial Methodology of Risk, and Operational Risk Tools / 2020: For Comprehensive risk delegates	255	255	177	177
Talks on Comprehensive Management of Risk to New Employees / Virtual Updating Course	1,488	1,488	326	326
Training Program for Young Talented People	-	-	15	15
<b>Total General</b>	<b>1,743</b>	<b>1,743</b>	<b>518</b>	<b>518</b>

## TRAINING IN PREVENTION AND CONTROL OF MONEY LAUNDERING AND OF TERRORISM FINANCING

Banesco Banco Universal, C.A. is a responsible Venezuelan organization that complies with the provisions of the legal regulations in force regarding prevention, control, and audit of the operations that may be carried out through our Financial Institution. Among these operations, there are Money laundering, Financing of terrorism and Financing of weapons of mass destruction, coming from illegal activities in general. We carry out an Annual Training Program in Prevention and Control of Money Laundering, Financing of terrorism and Financing of proliferation of weapons of mass destruction in order to do good, responsible and safe business, as a way to survive organized crime attacks and the possibility of a judicial error affecting innocent third parties. This program has been approved by the Board of Directors and it involves all employees.

Furthermore, innovative training strategies, such as work tables using real cases, updating e-courses, and sending micro-learning material and tutorials every month were included in our collaborators' training.

## TRAINING IN PREVENTION AND CONTROL OF MONEY LAUNDERING AND OF TERRORISM FINANCING

LEVEL	Amount of workers			Amount in VES.		
	2020	2019	Variation %	2020	2019	Variation %
New Recruits	128	710	(81.97%)	—	—	—
Active Personnel	4,746	5,839	(18.72%)	3,254,960,670.80	147,775,587.22	2,102.64%
<b>Total</b>	<b>4,874</b>	<b>6,549</b>	<b>(25.56%)</b>	<b>3,254,960,670.80</b>	<b>147,775,587.22</b>	<b>2,102.64%</b>



During this year, particularly, we complied with the provisions of the Yearly Program, using technology, through webinars that allowed for a much more practical and experiential promotion and leveraging for the key aspects regarding PCML/FT/FPWMD.

## SKILL DEVELOPMENT

In 2020, through our SAP Successfactor Portal, and relying on tools for online sessions, we kept Banesco Virtual Learning Positioning (AVB) working, complying with the training strategy and the latest trends in organizational learning. We managed 85% of the sessions through e-training and only 2% delivered on-site, with a total of 34,738 participations and 269,793.5 training hours.

During this year, we have developed innovating learning experiences aimed at providing technical and professional improvement to Banesco Citizens in order for them to perform their duties in an efficient way and provide for high quality results, in the framework of our most important initiatives regarding key points like Sales, Debt collection and Recoveries, Business Processes, and

Financial Logistics, as well as the strengthening of the Skills related to Digital Transformation, Leadership, Innovation, and Service Orientation.

Both our e-learning platform and the use of collaboration tools allows us to provide each Banesco Citizen in the entire nation with important resources for personal and professional development, enabling a boost in their self-development.

### INTERNSHIP PROGRAM

In active compliance with art. 32 of the INCES Law, we trained 118 INCES apprentices, out of which 25 are in the theoretical phase in our Sede de Sucursal del Este, which is acknowledged by INCES as the Banesco Corporate Learning and Development Center (DAE). There, they acquire technical knowledge and develop skills that will help them join the banking area.

### INTERNSHIPS

INTERNS	2020	2019	Var. %
External *	3	78	(96.15%)
Internal **	4	23	(82.61%)
<b>Total</b>	<b>7</b>	<b>98</b>	<b>(92.86)</b>

\* External interns: These are high school and advanced technical students. In 2020, 3 university interns were granted this program.

\*\* Internal Interns: Employees who currently study and wish to pursue internships in the organization. In 2020, 4 employees were granted this program.

This year, our apprentices in the Practical Phase have been protected by security measures, waiting for the guidelines the INCES would issue to restart their practical training.

Furthermore, we have fostered 7 interns, three of whom were university students and 4 of whom were Banesco employees that requested our workspace to fulfill this educational phase, which is a requirement for them to obtain their university degree.



### OCCUPATIONAL HEALTH AND SAFETY

Given the sector in which we operate, our commercial activity does not pose major health risks to the personnel. Nonetheless, since we are concerned about the integral wellbeing of our collaborators, Banesco Banco Universal C.A. has an Occupational Health and Safety Service Management that controls the aspects related to the epidemiological surveillance of our employees. This management also aims at integrating all preventive policy actions, which are complemented by the prevention of occupational hazards.

We ensure a safe and healthy working environment by guaranteeing our employees the right to the protection of their health and integrity, beyond the working environment and involving their family group.

Based on the guidelines of international bodies such as the World Health Organization and the European Network for Safety and Health at Work, the healthy company model focuses on people and covers the physical and

mental aspects at work, in accordance with the country's policies adopted by Banesco Banco Universal, C.A.

During 2020 and 2021, 1,066 and 3,110 consultations were carried out in our Medical Service in Caracas, respectively. Nevertheless, due to the COVID-19 Pandemic, consultations during 2020 were performed through our Telemedicine service. Likewise, there were 506 and 1,683 return-to-work medical examinations after ending prolonged sick leaves (rests) nationwide, which generated 3,785 and 9,366 lost days, accounting for 0.49% and 0.76% of medical absenteeism. In conclusion, almost 100% of the population is healthy. It is worth mentioning that consultations or rests include the assistance of a collaborator for several pathologies through telemedicine.

Privacy and confidentiality protection of workers' personal health data is handled by the Occupational Health and Safety Service Management (Medical Service), which has a system for recording employee morbidity, which enable us to monitor, control and maintain the confidentiality of all Banesco Banco Universal's employees' health data.

The Occupational Health and Safety Service Management monitors and controls sick leave, especially long-term leaves. Given the declaration of the Covid-19 pandemic by the WHO, we adjusted our proceedings and management plans, and we implemented the following programs:

- ▮ Primary Healthcare Program.
- ▮ COVID-19 Biosecurity Program
- ▮ Program for the Prevention of Common and Workplace Accidents
- ▮ Program for the Prevention of Common and Occupational Diseases.
- ▮ Applying Standards of both the Regulatory Body (IVSS) And the Management
- ▮ We encourage employees to be their own health and safety manager at work

In addition, there is a group of specialists analyzing special situations of employees with serious health conditions. Periodically, the following activities were held:

- ▮ **ACTIVITIES: COVID-19 screenings,** where 170 employees were regularly checked throughout 2020, so as to control the spreading of the disease. We continue fumigating (thermo-nebulization) in all offices of the Metropolitan area and nationwide, cleaning ducts and air conditioning grilles. In agencies where the majority of cases were detected, we increased prevention measures regarding clean-ups, Garbage collection, and water storage and handling.
- ▮ **INFORMATION CAMPAIGNS:** To promote biosecurity measures, such as the use of face masks, washing hands, and social distancing.
- ▮ **TRAINING:** We hold annual training sessions on occupational health and safety issues in order to keep our employees up to date on the risks in the workplace and how to act in each situation.

## % ABSENTEEISM

$$\frac{\text{Total missed days for medical reasons}}{\text{Total workers x Total days in the period}} \times 100 =$$



**ABSENTEEISM BY DISEASE / ACCIDENT**

DISEASE / ACCIDENT	2020			2019		
	Leaves	Missed Days	% Medical Absenteeism	Leaves	Missed Days	% Medical Absenteeism
Common disease	438	3,184	0.20	1,514	8,152	0.46
Work Incidents	3	15	0.00	2	21	0
Common Accidents	65	586	0.04	167	1,193	0.07
<b>Total absenteeism due to Disease / Accidents</b>	<b>506</b>	<b>3,785</b>	<b>0.24%</b>	<b>1,683</b>	<b>9,366</b>	<b>0.53</b>

**ABSENTEEISM DUE TO WORK INCIDENTS – AMOUNT OF LEAVES**

REGION	2020			2019		
	Male	Female	Total	Male	Female	Total
Los Llanos Center	0	0	0	0	0	0
Metropolitan	2	1	3	0	2	2
Western-Andean	0	0	0	0	0	0
South-Eastern	0	0	0	0	0	0
Zulia-Falcon	0	0	0	0	0	0
<b>Total Absenteeism due to WorkIncidents</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>0</b>	<b>2</b>	<b>2</b>

**ABSENTEEISM DUE TO WORK INCIDENTS REPORTED TO INPSASEL – AMOUNT OF DAYS**

WORK INCIDENTS (LEAVE DAYS)	2020			2019		
REGION	Male	Female	Total	Male	Female	Total
Los Llanos Center	0	0	0	0	0	0
Metropolitan	0	0	0	10	66	76
Western-Andean	0	0	0	0	3	3
South-Eastern	0	0	0	0	0	0
Zulia-Falcon	0	0	0	15	17	32
<b>Total Work Incidents</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>86</b>	<b>111</b>



#### ABSENTEEISM DUE TO COMMON ACCIDENTS – AMOUNT OF LEAVES

REGION	2020			2019		
	Male	Female	Total	Male	Female	Total
Los Llanos Center	1	2	3	0	5	5
Metropolitan	24	35	59	51	98	149
Western-Andean	0	0	0	2	4	6
South-Eastern	0	2	2	1	2	3
Zulia-Falcon	0	1	1	0	4	4
<b>Total Absenteeism due to Common Accidents</b>	<b>25</b>	<b>40</b>	<b>65</b>	<b>54</b>	<b>113</b>	<b>167</b>

#### ABSENTEEISM DUE TO COMMON ACCIDENTS – AMOUNT OF DAYS

REGION	2020			2019		
	Male	Female	Total	Male	Female	Total
Los Llanos Center	3	15	18	0	41	41
Metropolitan	214	313	527	361	677	1,038
Western-Andean	0	0	0	26	20	46
South-Eastern	0	24	24	17	15	32
Zulia-Falcon	0	17	17	0	36	36
<b>Total Absenteeism due to Common Accidents</b>	<b>217</b>	<b>369</b>	<b>586</b>	<b>404</b>	<b>789</b>	<b>1,193</b>

#### TOTAL ABSENTEEISM – AMOUNT OF DAYS

GENERAL ABSENTEEISM	2020			2019		
	Male	Female	Total	Male	Female	Total
<b>Total</b>	<b>146</b>	<b>360</b>	<b>506</b>	<b>479</b>	<b>1,204</b>	<b>1,683</b>

The data by type of illness/accidents in 2019 and 2020 are presented at a general level and detailed by region, sex, and amount of missed days.

### ABSENTEEISM DUE TO COMMON DISEASES – AMOUNT OF DAYS

REGION	2020			2019		
	Male	Female	Total	Male	Female	Total
Los Llanos Center	38	414	452	70	1,200	1,270
Metropolitan	16	198	214	130	687	817
Western-Andean	544	1,345	1,889	1,492	3,853	5,345
South-Eastern	134	269	403	141	336	477
Zulia-Falcon	37	189	226	38	205	243
<b>Total Absenteeism by Common Diseases</b>	<b>769</b>	<b>2,415</b>	<b>3,184</b>	<b>1,871</b>	<b>6,281</b>	<b>8,152</b>

### ABSENTEEISM DUE TO COMMON DISEASES – AMOUNT OF LEAVES

REGION	2020			2019		
	Male	Female	Total	Male	Female	Total
Los Llanos Center	5	37	42	12	120	132
Metropolitan	4	19	23	12	72	84
Western-Andean	96	225	321	377	838	1,215
South-Eastern	10	22	32	15	35	50
Zulia-Falcon	04	16	20	9	24	33
<b>Total Absenteeism by Common Diseases</b>	<b>119</b>	<b>319</b>	<b>438</b>	<b>425</b>	<b>1,089</b>	<b>1,514</b>

The total number of days missed due to common illnesses in 2020 and 2019 were 3,184 and 8,152, which corresponds to 438 and 1,514 leaves respectively. The most frequent pathologies during 2020 and 2019 are detailed within the frequent diseases chart presented below:

### MOST FREQUENT PATHOLOGIES CAUSING LEAVES

YEAR	MUSCULO-SKELETAL AND ARTICULAR	RESPIRATORY	GASTRO-INTESTINAL	GINECOLOGIC	DERMATOLOGIC	VIRAL DISEASES
2020	124	106	27	30	23	73
2019	405	304	189	138	104	248

Regarding commuting accidents, Banesco Banco Universal, C.A. has emphasized the education of employees to avoid unsafe acts or conditions.

#### ABSENTEEISM DUE TO COMMUTING ACCIDENTS

COMMUTING ACCIDENTS (AMOUNT)	2020			2019		
	Male	Female	Total	Male	Female	Total
Los Llanos Center	0	0	0	0	0	0
Metropolitan	0	0	0	7	30	37
Western-Andean	0	0	0	0	1	1
South-Eastern	0	0	0	0	0	0
Zulia-Falcon	0	0	0	1	3	4
<b>Total Commuting Accidents</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>34</b>	<b>42</b>

The Occupational Safety and Health Management, through the Occupational Area reported zero commuting accidents in 2020.

#### OCCUPATIONAL HEALTH INDICATORS

##### ABSENTEEISM RATE \*

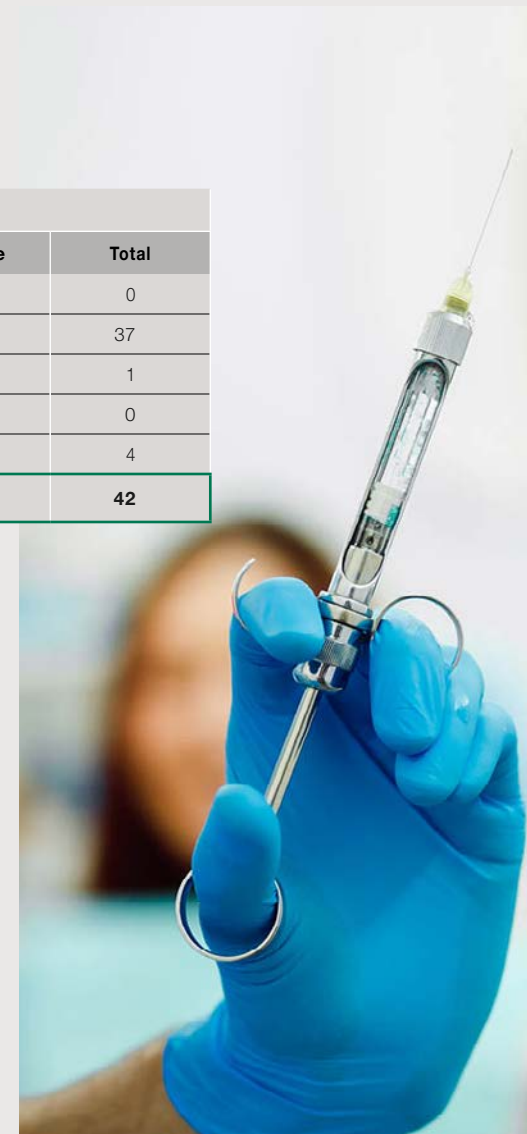
YEAR	%
2020	0.49%
2019	0.76%

\* This does not include prenatal and postnatal leave.

##### TOTAL LEAVE DAYS \*\*

YEAR	DAYS
2020	3,785
2019	9,366
<b>Variation</b>	<b>-60%</b>

\*\* Leave days include common diseases, as well as common and commuting accidents.



It is important to note that the following figures were obtained according to the following criteria:

- 1) Age for employees entitled to parental leave: 45 years of age, this is by virtue of the fact that the Insurance Policy keeps the coverage active until the age of 45.
- 2) The principle of uniformity over the age of 45 was established for the right to parental leave for both ladies and gentlemen.
- 3) It was taken for granted that 100% of the workforce who were granted a parental leave returned to the organization. Any subsequent decision is a cause for reentry.

### INSURANCE POLICY

As part of the Collective Agreement and of the socioeconomic benefits offered by the Organization to its employees, a basic health policy has been contracted for all of them. This policy covers hospitalization, surgery and maternity (HSM). In addition, an extreme contingency policy has been contracted, which covers 8 types of specific pathologies.

### EMPLOYEES WITH PARENTAL LEAVE RIGHTS

	2020		2019	
	Male	Female	Male	Female
Amount of Employees with Parental Leave rights	805	1,532	1,531	2,762
Amount of Employees who tool their Parental Leave	07	79	24	126
Amount of employees who came back to work after their parental leave	07	77	24	92
Return-to-work rate after parental leave	100%	97.47%	100.00%	73.02%
Amount of employees who are still in the Organization after a year of their parental leave	5	59	21	102
<b>Employee Retention Rate</b>	<b>71.43%</b>	<b>74.68%</b>	<b>87.50%</b>	<b>80.95%</b>

These are managed policies, completely free of charge for workers. Coverage is frequently reviewed and updated.

Also, employees are offered an excess policy, which allows them to complement their coverage with low-cost premiums.

During 2020, the Organization carried forward a SARS-CoV2 prevention campaign, since this is the virus that causes Covid-19. Our Medical Service, through Telemedicine, gave primary healthcare, medical counseling, emotional counseling, and economic aid for medicines to our collaborators who experienced symptoms related to this virus.

### WORKPLACE SAFETY

We are aware of the importance of protecting our workers against possible occupational hazards and COVID-19 infection. That is why we promote safe working conditions in a suitable working environment for our collaborators' good performance, beyond compliance with current labor legislation.

Our efforts are aimed at achieving the quality and reliability of the services provided by the organization. We focus our efforts on minimizing fraud, service interruption time, occupational accidents and diseases, maximizing the availability of our services, and

maintaining effectiveness in all our activities. For safety purposes, we executed all the appropriate biosecurity measures.

As Banesco Banco Universal, C.A. is part of the financial sector, the activities carried out by the personnel working in this organization are considered to be of minimum and low risk, because most of them do office work. Taking this into account, we can affirm that the employees who work in the different warehouses of the organization are faced with the greatest risk for musculoskeletal pathologies. Moreover, cashiers and operational administrators, followed by agency managers, are faced with psychosocial and physical risk. Prevention measures were developed for carrying out remote working.

In order to keep our Banesco Citizens up to date with state-of-the-art practices adapted to the context in which we carry out our activities, as well as key content, we perform yearly updates, thus reinforcing our employees' technical knowledge regarding workplace health and safety. In this regard, this

year we offered quarterly courses through our SAP Cloud Platform.

In 2020, we offered:

#### WORKING CENTER WITH PROGRAMS FOR WORKPLACE SECURITY AND HEALTH

REGION	2020	2019
	CSSL	CSSL
Los Llanos Center	46	46
Metropolitan	19	19
Western-Andean	44	44
South-Eastern	10	10
Zulia-Falcon	30	30
<b>Total</b>	<b>149</b>	<b>149</b>



At the end of 2020, Banesco Banco Universal, C.A. had 299 collaborators who represented both the workers and employers in the Occupational Safety and Health Committee (CSSL), among agencies and headquarters. These are distributed as follows:

The CSSLs have worked in conformity with the guidelines of the Occupational Health and Safety Service Management in order to help control and advise on the Occupational Health and Safety Programs required by the LOPCYMAT.

In 2020, in the Metropolitan and Eastern Region, Inpsasel suspended these activities due to the COVID-19 Pandemic. In 2020, we have:

#### DISTRIBUTION OF THE OCCUPATIONAL SAFETY AND HEALTH COMMITTEES

REGION	2020		2019	
	CSSL	Employees	CSSL	Employees
Los Llanos Center	89	120	46	70
Metropolitan	19	19	19	19
Western-Andean	43	114	44	61
South-Eastern	10	10	10	10
Zulia-Falcon	29	88	30	47
<b>Total</b>	<b>190</b>	<b>351</b>	<b>149</b>	<b>207</b>



## TRAINING ACTIVITIES PERFORMED

In order to keep our Banesco Citizens up to date with state-of-the-art practices adapted to the context in which we carry out our activities, as well as key content, we perform yearly updates, thus reinforcing our employees' technical knowledge regarding workplace health and safety. In this regard, this year we offered quarterly courses through our SAP Cloud Platform.

Furthermore, we carried out different training activities on Workplace health and safety, using the learning modalities allowed by the quarantine measures established by the executive branch. Using these technological resources, we developed the following training sessions:

NAME OF THE VIRTUAL COURSE	FEMALE		MALE		TOTAL AMOUNT	
	Participation	Total Hours	Participation	Total Hours	Participation	Total Hours
T1 - Prevention of Commuting Accidents	933	14,928	550	8,800	1,483	23,728
T2 - INFLUENZA_2020	1,198	19,168	675	10,800	1,873	29,968
T3 - ERGONOMY_2020	658	10,528	379	6,064	1,037	16,592
T4 - COVID19_2020	736	11,776	402	6,432	1,138	18,208
<b>TOTAL</b>	<b>3,525</b>	<b>56,400</b>	<b>2,006</b>	<b>32,096</b>	<b>5,531</b>	<b>88,496</b>

MODALITY	Content / Name of the Event	Participation	Hours
On-site	Workplace Health, Safety, and Hygiene - New Recruits	11	22
Online	Online Training Program for the New Banesco Emergency Brigade	27	216
Online	Webinar: Experts Talk About Covid 19	164	164
Online	Webinar: Wellbeing at the palm of your hand!	132	132
Online	Webinar: Workplace Ergonomics	139	139
Online	Webinar: Your happiness depends on you	118	118
Online	Webinar: Active Pauses for remote work	124	124
Virtual	Workplace Health and Safety Certificate	30	3,600
Microlearning	Do not let your guard down! Our Health is at Risk.	321	321
Microlearning	Do not let your guard down! Look after your health and your family	310	310
Microlearning	Do you know how effective face masks are?	390	390
Microlearning	Ergonomic recommendations for remote work	259	259
Microlearning	Hand-washing technique	384	384
<b>Total Activities</b>		<b>2,409</b>	<b>6,179</b>

## WORKING RELATIONS

The Collective Labor Agreement of Banesco Banco Universal, C.A. was approved by the Directorate of National Inspection and other Collective Labor Affairs of the Private Sector on October 10, 2013, and it is still in force at the end of 2020.

According to its third clause, it covers all employees hired for an undetermined period of time and at a determined time, who provide services in any part of the country, with the exception of the Presidents of the Board of Directors, Presidents, Executives, Directors, Vice-Presidents, Interns, and INCES Apprentices In this regard, 69.76% of our workers are covered by the current agreement. The Collective Labor Agreement consists of preliminary, general, economic, and socioeconomic clauses, as well as union clauses and final clauses.

This policy provides competitive socioeconomic benefits in the market. It is focused on improving quality of life for workers and their families since, in addition to economic benefits, it offers

## VIRTUAL TRAINING

TRAINING ACTIVITIES	2020		2019		Variation %	Variation % Hours
	Participation	Total Hours	Participation	Total Hours		
Dengue, Pathology and Prevention	0	0	2,736	43,776	(100%)	
Disability concerns us all	0	0	2,334	37,344	(100%)	
Best practices for maintaining a healthy lifestyle	0	0	2,127	34,032	(100%)	
Learning to understand My emotions	0	0	1,191	19,056	(100%)	
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>8,388</b>	<b>134,208</b>	<b>(100%)</b>	

benefits such as a hospitalization, surgery and maternity policy, which covers workers and their families (spouses and children), as well as scholarships for workers, toys for their children, and help with school supplies, among others. The result of applying the Principle of Social Responsibility to our main asset, talent, generates well-being, improvements in working conditions and the quality of life of our employees.



## WORKERS COVERED BY THE COLLECTIVE AGREEMENT

	2020	2019	Var. %
Total Employees	3,386	4,303	-21%
Employees covered by the Collective Agreement	2,362	2,322	2%
% Employees covered by the Collective Agreement	69.76%	53.96%	29%

## FREEDOM OF ASSEMBLY

At Banesco Banco Universal, C.A., each and every right enshrined in the National Constitution, the Organic Law on Labor, Workers and their Regulations, and other labor laws are guaranteed, especially the right of assembly for lawful purposes and the right to unionize. It is also guaranteed that these rights are effectively exercised by the employees, without any restrictions other than those established by the same laws.

At the end of December 2020, 2,362 workers remained affiliated with the National Workers' Union of Banesco Banco Universal, C.A. (SITRABANESCO), which accounts for 69.76% of the Bank's total personnel.

In addition, as a further expression of the freedom of assembly: the right to carry out collective bargaining and to conclude Collective Labor Agreements is guaranteed. The twelve principal members of the Executive Committee of the trade union are recognized as having no right to be removed from their posts, and a contribution from the organization to the trade union is envisaged. All of these are effective ways of recognizing the trade union organization.

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

Banesco maintains a Comprehensive Risk Management System to tackle Money Laundering, Financing of Terrorism and of the Proliferation of Mass Destruction Weapons (ML/FT/FPMDW). Its scope, design, structure, and obligations have been implemented in accordance with the regulations in force; for this reason, the banking institution adopts appropriate, effective, and sufficient practices aimed at identifying, evaluating, and applying measures to reduce the possibility of being used as a mechanism for concealing illicit capital or for diverting funds intended to finance terrorist groups or activities.

In this context, Banesco Banco Universal, C.A. prepares and executes an Annual Operational Plan (AOP), which is approved by the Board of Directors and contains, among other components, the Annual Training Program (ATP), developed based on the training needs and adjusted to the

Bank's operational profile, according to the specific functions of each area. The execution of this plan allowed for the active participation of the organization's employees through on-site and on-line learning, with different focuses and contents related to the basic aspects of the ML/FT/FPMDW, applicable regulations, the Know Your Employee Policy, the Know Your Customer Policy, as well as specialized training for the employees responsible for compliance.

Likewise, the Bank fosters Communications Strategies aimed at Customers and Employees in the area of ML/FT/FPMDW Prevention and Control. Intranet has served as an information tool on this subject and it's intended to provide all the Institution's employees with information that helps to prevent, control, and detect attempts to do Money Laundering or Finance Terrorism. Our employees are also encouraged to support the actions of the Unit of Prevention and Control of Money Laundering and Financing of Terrorism and of Proliferation of Weapons of Mass Destruction. We have direct lines of communication with the Ethics and Conduct Committee (see chapter on Corporate

Governance), as well as a mailbox: “Banescó Unit for the Prevention of Money Laundering”, in which notifications of unusual or suspicious activities, which may be detected in customers or employees, can be made.

The main tool for reducing these risks is to maintain standards, policies, and procedures in accordance with current PML/FT/FPWMD provisions, including control mechanisms for the customer knowledge (“Know Your Customer” policy in the Sales Network). The objective is to avoid relationships with customers that pose a risk for our Financial Institution, which they may use as a means for them to carry out illicit activities, such as fraud, money laundering, swindles, or any act of corruption.

In this regard, to ensure transparency and the application of the “Know Your Employee” policy, the institution’s personnel are required to notify the origin of any funds they may receive in their accounts, other than payroll payments.

## EQUALITY AND NO DISCRIMINATION

At Banescó Banco Universal, C.A. we treat each other equally without distinction of age, race, color, creed, political or sexual preferences, or for any other reason; we give the same opportunities to all our workers. We defend equality of opportunity and respect for Human Rights, fostering non-discriminatory treatment.

We encourage our employees to strengthen their capacities, skills, and competences. To date, no incidents involving worker discrimination have been reported.

Internally, we also have rules that prevent discriminatory practices such as the Collective Agreement (Clause 2 of the General Declaration of Principles) and the Banescó Code of Ethics and Conduct, which was updated on July 08, 2019.

Our activities are carried out in areas where there are no indigenous rights issues.

## RATIO OF BASE SALARY OF MEN IN COMPARISON TO WOMEN, ACCORDING TO THEIR PROFESSIONAL CATEGORY

In the Venezuelan labor market, there is more supply of men than women for certain areas and positions. At Banescó Banco Universal, C.A. we offer equal opportunities by gender, as evidenced by the fact that, at the end of 2020, 64% of our collaborators are women and 36% are men.

### RATIO OF SALARY OF MEN IN COMPARISON TO WOMEN

POSITION CATEGORY	2020	2019
Base	1	1.50
Professional/Technician	1.01	1.61
Supervision	1	1.92
Managerial	1.06	1.49
Vice-presidency	1	1.88
Director	1	1.01



## CHILD EXPLOITATION

All the workers in the Banesco Banco Universal, C.A. personnel are of legal age, except for those working as apprentices, whose work is focused on learning administrative and accounting functions, which are regulated and supervised by INCES. Thus, no risks of incidents concerning child exploitation have been identified.

## FORCED LABOR

As a leading and socially responsible financial institution we have guaranteed, at all times, that the current legal framework in this area is met, in addition to all the international treaties signed by our country. Therefore, no cases involving forced or non-consensual labor have been recorded

It is important to highlight that the regulations in force in Venezuela set forth norms for the contracting and performance of work, and prohibit the exploitation of children and forced labor. These regulations also promote the establishment of measures of a mandatory nature for the protection of workers and they are supervised by the Venezuelan state institutions.



## BENEFITS RECEIVED BY OUR WORKERS

Improving the personnel's life quality in the great family of Banesco Banco Universal, C.A. has been one of our main objectives. Our constant challenge is to remain a leader in providing benefits and the best working conditions.

Efforts are made year after year to evaluate the socioeconomic conditions of our country to offer our talent competitive benefits and the best conditions to improve their quality of life. Our benefits

program is aimed at all our personnel regardless of their work status, since it includes those who work part-time and on a fixed-term basis. This keeps us at the forefront of the country's financial sector, mainly in the areas related to food, health, and housing.

Some of the main benefits include those covering fundamental aspects of well-being, especially those aimed at promoting preventive health, sport and recreation, and positive use of free time.



## CONTRACTUAL BENEFITS

BENEFIT	Investment (VES)			No. of Beneficiaries		
	2020	2019	Variation %	2020	2019	Variation %
Contributions to savings fund	4,446,435,833.51	744,902,897.94	496.91	4,023	5,237	(23.18)
Aid to families due to worker's Death	15,150,000.00	2,826,850.48	435.93	4	5	(20.00)
Aid for school supplies	8,373,000,000.00	2,027,700,000.00	312.93	1933	2,372	(18.51)
Scholarships	5,084,390,000.00	239,300,000.00	2,024.69	308	226	36.28
Contribution to Cashiers and Promoters	473,457,200.00	37,850,453.75	1,150.86	522	651	(19.82)
Contribution due to death of immediate relative	33.80	15.6	116.27	52	24	116.67
Contribution due to Mother's Day	5,370,000,000.00	341,920,000.00	1,470.54	1,790	2,137	(16.24)
Contribution due to marriage	4.50	7.5	-40.00	6	10	(40.00)
Contribution due to birth of children	36.40	44.8	-18.75	52	63	(17.46)
Christmas toys	34,771,200,000.00	2,506,000,000.00*	1,287.52	1,359	1,868	(27.25)
Award Policies – Recognition due to Seniority	249.37	264.81	-5.83	530	491	7.94
HSM Collective Insurance Policy	262,199,815,303.19	14,218,542,920.17	1,744.07	9,919	11,327 *	(12.43)
Family subsidy	2,229.90	2,641.35	-15.58	1,131	1,363	(17.02)
Uniforms and Equipment	2,482,107,070.27	535,308,511.55	363.68%	435	1,312	(63%)
Vacations and Bonus	699,761,524.12	576,200,978.67	21.44	837	3,286	(74.53)
<b>Total</b>	<b>323,915,319,485.06</b>	<b>21,230,555,586.62</b>	<b>1,425.70</b>	<b>22,945</b>	<b>30,579</b>	<b>-24.96</b>

\* Updated figures

## NON-CONTRACTUAL BENEFITS

It should be noted that permanent and temporary personnel enjoy the contractual benefits, and in the case of non-contractual benefits, they are granted under the same conditions. In addition, both enjoy the benefits established by current legislation.

### NON-CONTRACTUAL BENEFITS

BENEFIT	Investment (VES)			Number of Beneficiaries		
	2020	2019	Variation %	2020	2019	Variation %
Parking Subsidy	1,287,043,594.7	32,418,096.59	3,870.14	6,960	7,083	(1.73)
Dining Subsidy	123,081,704,991.13	13,287,792,521.62	826.28	2,419	3,448	(29.84)
Medical Service	7,986,486,208.69	230,338,223.51	3,367.29	1,196	2,381	(49.77)
Medical Aid for Severe diseases	936,639,873.65	282,226,366.08	231.88	12	20	(40.00)
<b>Total General</b>	<b>323,915,319,485.06</b>	<b>13,832,775,207.80</b>	<b>863.59</b>	<b>10,587</b>	<b>12,932</b>	<b>(18.10)</b>

### LEGAL OBLIGATIONS TABLE

BENEFIT	Investment (VES)			Number of Beneficiaries		
	2020	2019	Variation %	2020	2019	Variation %
Nursery School	55,371,400.00	113,357,915.39	(51.15)	81	293	(72.35)
INCES	1,041,170,013.15	146,977,933.74	608.39	4,380	5,831	(24.71)
Law on Worker's Food	21,657,038,715.26	2,667,704,241.50	711.83	4,206	5,831	(27.72)
Employment Law	860,939,732.96	144,695,365.52	495.00	4,390	5,831	(24.71)
FAOV (Housing and Habitat Law)	3,310,172,342.06	516,043,663.46	541.45	4,402	5,831	(24.51)
Mandatory Social Security	4,119,978,735.87	679,115,224.82	506.67	4,390	5,831	(24.71)
Money Laundry Prevention Training	3,254,960,670.80	147,775,587.22	2,102.63	4,874	6,549	(25.58)
<b>Total</b>	<b>34,299,631,610.10</b>	<b>4,415,669,931.65</b>	<b>676.77</b>	<b>26,723</b>	<b>35,997</b>	<b>(25.76)</b>

## BASIC-NEED ITEMS DISTRIBUTION DAY

During 2020, we supported our employees in the acquisition of food staples following the COVID-19 biosecurity measures, through food distribution activities for contributing to the life quality of our employees. In 2019, we held 25 distribution days with a total of 37,650 participating collaborators. Nevertheless, in 2020, due to the biosecurity measures, we held 8 distribution days with a total of 1,093 participating collaborators. This constitutes a decrease of 68% compared to the previous year in the number of distribution days, and 97.10% decrease in the total participation of collaborators.



## YOUR HOUSE WITH BANESCO PROGRAM

BENEFIT	Investment (VES)		Number of Beneficiaries	
	2020	2019	2020	2019
Mortgage Purchase Loan (Faov + Own funds)	319,654,243,794.57	14,527,443,062.56	19	15
Mortgage Renovation + Extension Loan (Faov + Own Funds)	52,712,915,552.90	3,240,680,000.00	6	10
<b>Total</b>	<b>372,367,159,347.47</b>	<b>17,768,123,062.56</b>	<b>25</b>	<b>25</b>

## OTHER BENEFITS GRANTED TO WORKERS

BENEFIT	Investment (VES)			Number of Beneficiaries		
	2020	2019	Var. %	2020	2019	Var. %
Banesco Banco Universal Automobile Loan	103,180,001,771.32	6,704,380,000.00	1,439.00	16	46	(65.21)
Vacation plan for worker's children	0.00	13,287,792,521.62	826.28	2,419	3,448	(29.84)
Sports, Recreation, and Cultural Activities	8,176,371,200.48	243,867,862.72	3,252.78	1,612	4,947	(67.41)
Teaching and Training Programs	10,373,178,913.96	1,030,690,123.73	906.43	3,059	4,456	(31.35)
<b>Total</b>	<b>121,729,551,885.76</b>	<b>8,623,437,986.45</b>	<b>1,311.61</b>	<b>4,687</b>	<b>11,387</b>	<b>(58.84)</b>

## ENGAGEMENT ASSESSMENT AND ORGANIZATIONAL CULTURE

During 2020, Banesco Banco Universal, C.A. focused on fostering a high-performance culture, based on our corporate and civil values, such as responsibility and reliability in the Pandemic context, so as to raise awareness regarding responsibility, self-care, and caring for colleagues, family, etc. Our biggest challenge was the implementation of new technology to convey this message and promote healthy practices in accordance with the values of the bank in remote working. In this regard, we kept fostering compliance with the Code of Ethics and Prevention, through online activities regarding different concepts and strategies.

As of 2020, we continued the Culture and Engagement measurement. The former is carried out yearly and the latter one on a quarterly basis. For the 2020 closing assessment, 83% of Banesco Citizens participated in the survey. In the Culture assessment, the following dimensions were taken into account: Adaptability and Flexibility, Anticipation of Difficulties, Development

## EMPLOYEE SATISFACTION INDEX

PROGRAM	2020	2019	Var. %
Dining service	8,77	8,35	5.03
Satisfaction Index	8,77	8,35	5.03
Basic need Items Distribution Activities	9,97	9,46	5.39



and Self-Development, Customer Focus, Continuous Improvement, Corporate Identity, and Innovation. The overall result for the entire organization was 84%, with a minimal variation compared to the 2019 result (85%). This result constitutes a strong point and it shows that keeping a high-performance culture has a positive impact, considering the fact that our dimensions greatly outnumber our annual goal.

As for Engagement assessment, we monitor regularly and periodically the commitment and the bond between our collaborators and the organization. All the dimensions that correlate positively with Engagement were considered, such as: Compliance with our Strategy, Communication, Welfare and Quality of life, Leadership, Rewarding, Stability, and Teamwork. Our global results reached 87%. This allows us to affirm that our collaborators are committed to the institution. This bond has an effect on the way our employees perform their duties and the effort they make to reach high-quality results.

2020 was a year filled with innovation, as we had to design the best strategies to reach our collaborators in a pandemic and remote work context. We succeeded due to our team work and cross-field work, as well as innovation. The complex context caused a useful creative tension to break the barriers of distance and remote work.

## ACTIONS AMIDST THE COVID-19 PANDEMIC

During 2020, due to the fast changes that the need for social distancing and quarantine brought about, the Organization focused its actions on educating, accompanying, guiding, and motivating our workers amidst this new situation. We carried out activities to keep operating while also preserving our workers physical and mental health. In this regard, we conducted the following measures:

1. We guaranteed all the necessary biosecurity measures, following the basic guidelines, such as the mandatory use of face masks in all our facilities, temperature checks for people entering our facilities, disinfection checkpoints with hand sanitizer, setting up signs in elevators and common areas, reinforcing social distancing.
2. We designed 15 infographics for our 800 workers in headquarters, branch offices, and remote work regarding the respect of the biosecurity rules.
3. We did two remote work surveys, to understand and tackle the needs of our collaborators who are performing

remote work. 700 collaborators participated in each survey.

4. Webinars for Leaders and Collaborators regarding change management to face the new work modality and lockdowns. During this year 7 webinars and 2 conferences were given for the issuance of recommendations for the well-being, motivation, and emotional management as a way to support them during the quarantine period. The subjects that we tackled were: Wellbeing at the palm of your hand! Together we can build great things, Me and my circumstances, Your happiness depends on you, Relationship management, Smiling more, Why being a voluntary, and Family in a prolonged lockdown. These webinars reached 613 employees.
5. Design and distribution of 12 podcasts regarding emotional management. These podcasts were aimed at workers in our headquarters, branches, and remote working, and it reached 1000 workers approximately.
6. Design of a Communication Guide for managers, supervisors, and executives, as a way to instruct them on how to handle the pandemic and biosecurity measures.
7. Virtual walkthroughs in all the regions of the country, in which an average of 195 workers participated, were performed.
8. Emotional Assistance and support for employees with high anxiety levels (15 employees).
9. Digitalization of the Contract Renewal and Assumption as Permanent Employee Process: Effective digital management of contract renewal made the formalization of the Permanent Employee Status, while also avoiding any risk due to the pandemic and the limitation of transportation.
10. Activities in the framework of our traditions "You have the best Christmas gift". Through this activity, we invite all our collaborators to take part in an alternative to our traditional setup of the Christmas tree. We requested our staff to send a picture when they set up their Christmas tree at home or at the office, and



they sent it with a form. These pics were posted throughout December and everyone was able to share in such a special moment.

#### 11. Recognition Ceremony for Seniority:

We presented an animated virtual world from the Ciudad Banesco facilities, along with our leaders and directors and the main offices of all the regions. It was an experience that allowed us to connect with each other despite the geographic distance with all our workers, to celebrate this great moment, in which we acknowledged the commitment of our people, who have many years of experience. 500 workers took part in this activity in December.

#### 12. Signs in elevators, cafeteria, and dining room to keep social distancing in these spaces.

### ACTIONS TO IMPROVE DIGITAL TRANSFORMATION

During 2020, we have chased our goal to make steps forward in Digital Transformation, and the COVID-19 Pandemic made our need to move forward in this regard greater.

In this context, we decided to carry forward activities that would allow us to reach employees virtually. For this purpose, we performed the following actions:

- ▶ We carried out the “BBU 2020 Cultural and Digital Transformation,” which consisted in 9 training webinars with a total of 684 attendees. The subjects were: Aid for Digital Talent - 1st class; Scrum Master-PSF Course; PSPO I Course; PSD- Team Development Group; Aid for Digital Talent - 2nd class; Digital Transformation, Microlearning, and the Path Towards Digital Transformation; Agile Banesco; Change Management in Digital Transformation.
- ▶ Digitalization of 90% of our Talent Acquisition management, carrying out most of the process through digital tools, which further the experience of the new talent and the internal client during the pandemic.
- ▶ The payroll and personnel service management focused on making access to products and services easier for our workers, with the help of technology, and the redesign and digitalization of processes, such as: record update, management of requests such as vacations, etc.
- ▶ Regarding working relations, we Were able to digitalize the social services payment; as well as the Process for Contract renewal or the assumption as permanent employee, and the notification of COVID-19 Measures.
- ▶ We implemented actions to strengthen the remote working experience of our collaborators and leaders, making our organizational culture stronger even in a digital context.
- ▶ Access to the self-management site from external email accounts, which allows collaborators to self-manage the services offered through the site, thus ensuring an adequate response to their needs.
- ▶ In the same strengthening effort for our digital culture and transformation, we carried out a contest called “Agile Ideas: Get Moving at Home,” which gathered 72 project ideas developed by employee teams in areas like: Improving the Customer’s Experience; Ensuring the Sustainability of the Business; Deepening our Social Responsibility; Improving the Employee’s Experience.



## THE EXTERNAL DIMENSION OF OUR SOCIAL RESPONSIBILITY



## OUR POLICY

Banesco Banco Universal, C.A. doesn't only offer financial products and services for its clients, but it's also committed to achieve the sustainable goal in our communities. For this purpose, we foster inclusive growth through our initiatives and programs to increase access to education, social entrepreneurship, and the well-being for the communities that we belong to. Part of our social investment is strategic for our business, and we execute it with social organization with nationwide scope. We have created social alliances with them, and we call them "Social Partners." Our relations with them are based on dialogue and transparent and ethical bonds with the community and the development of local economy.



We are focused and direct our social investment in social value programs, especially in education, financial inclusion, and healthcare, as the needs of the communities with whom we have a close and systematic dialogue dictate.

## OUR MANAGEMENT

Despite the circumstances we experienced in 2020 due to the COVID-19 pandemic, our focus remains being the support of social causes related to our interest groups and the interests of the Organization, so as to improve the access to new and better development opportunities.

During this period, our social investment was VES 404 billion 357.85 million, of which VES 340 billion 648.05 million



(84.24%) corresponded to social benefits for our workers, whereas 63 billion 709.80 million (15.76%) were invested in social projects for education, financial inclusion, and healthcare.

The Vice-Presidency of Communications and Corporate Social Responsibility is the area responsible for developing and executing Banesco's sustainability strategy. It includes the Communications, Responsibility and Corporate Sustainability Committee, which designs, presents and approves the sustainability strategy and the annual budget to be executed.

The following indicates the support we have given over the years to the institutions that are part of our Corporate Social Responsibility Program.

## Our Social Partners

Body / Institution	2020				2019			
	Project	Amount	Beneficiaries		Project	Amount	Beneficiaries	
			Direct	Indirect			Direct	Indirect
Micro Entrepreneurs Training Program	Micro Entrepreneurs Training Program	2,077,567,650.00	5,292	26,460	Micro Entrepreneurs Training Program	163,024,088.01	4,431	17,724
Fe y Alegría	Equipment of the Dining Room Of Instituto Universitario San Francisco	3,750,000,000.00	825	365	Refurbishment of the IUJO Guanarito Overnight Stay Area	7,778,500.00	50	200
A.C. Red de Casas Don Bosco	ARIS Project – Bosco Bus Mobile Unit	3,392,658,727.02	135	540	ARIS Project – Bosco Bus Mobile Unit	50,000,000.00	60	240
Fundana	Nutrifamilia Food Program	8,946,968,383.94	2,000	Not Provided	Nutrifamilia Food Program	83,943,421.70	400	1,600
UCAB	Caracas and Guayana UCAB Scholarship Program	14,634,345,453.26	54	162	Caracas and Guayana UCAB Scholarship Program	478,210,370.30	3,136	162
	Sponsorship for the UCAB Western Campus Fair	658,546,319.04	Indefinite	Indefinite	Sponsorship for the UCAB Western Campus Fair	4,873,948.80	230 children and 3,136 adults	
AVEC	Installation of grills and CCTV Cameras for the Headquarters	700,000,000.00	95	475	Funding of EFAVEC-2019 Training Plan	6,182,948.00	577	23,080
Venezuelan Foundation Against Pediatric Paralysis	Surgical Procedures	2,000,000,000.00	6	24	Financing of Surgical Procedures	6,000,000.00	1	4
A.C. Apoye	Strengthening of the Theatrical Training of People with Down's Syndrome	292,500,000.00	55	130	Annual Contribution	2,210,500.00	66	214
Salesian Sisters Civil Association	Special Furniture for Preschool Children	250,000,000.00	15	292	School Supplies for U.E. Mamá Margarita at Dolorita, Petare, Caracas	5,008,022.01	750	700 Families
Simon Bolivar Music Foundation	Donations for Technological Equipment	1,231,231,727.82	500,000	General Population	Contribution for the Purchase of Materials	15,916,000.00	250	1,000
<b>Total VES</b>		<b>37,933,818,261.08</b>	<b>508,877</b>	<b>28,231</b>		<b>823,147,798.82</b>	<b>10,005</b>	<b>44,924</b>



## BANESCO PARTICIPATORY BUDGET

In Banesco Banco Universal, C.A. we are aware of the fact that we are part of the communities where we operate, and which have received us as their neighbors. Therefore, we put into practice and foster the Good Neighbor policy, through which we establish a direct dialogue with the communities, so as to help solve the problems affecting them and to make a positive impact in our communities.

The Participatory Budget initiative started in 2008 in Bello Monte, which is the community where our headquarters are located. There, we gathered the leaders of the communities and social organizations that operate there, to listen to and help with their requests.

The way it works is: We gather the participants, which must comply with the requirements of the program as posted on our corporate website. The participants must present their project to our participant institutions, who will vote to choose the most viable projects, which will be financed by Banesco Banco Universal, C.A.



We extended this practice to the main cities in the country, and the five municipalities of Gran Caracas. To this date, we have carried out this initiative in 9 regions of the country, benefitting 111 projects and 61 different social organizations.

In 2020, this initiative was carried out with a total of 39 different institutions in 9 Different locations in the country, in spite of the difficulties that the COVID-19 pandemic has caused. We reinvented ourselves and we used technological tools to offer our participants the opportunity to carry out their projects.

Despite being behind the screens, each participatory budget had the same enjoyment and excitement that we always have during this activity. Not only did the participating institutions have the opportunity to contest for economic resources, but they were able to meet each other and create alliances to benefit many more people. This is one of the goals of this initiative

Some of the most recognized winning projects in this season had the

REGION	2020	2019
Zulia	150,000,000.00	5,000,000.00
Nueva Esparta	150,000,000.00	5,000,000.00
Mérida	150,000,000.00	5,000,000.00
Gran Caracas (Libertador, Chacao, Baruta, El Hatillo y Sucre)	300,000,000.00	10,000,000.00
Anzoátegui	150,000,000.00	5,000,000.00
Carabobo	150,000,000.00	5,000,000.00
Lara	150,000,000.00	5,000,000.00
Táchira	150,000,000.00	5,000,000.00
<b>Total</b>	<b>1,350,000,000.00</b>	<b>45,000,000.00</b>

improvement of the students and teacher's conditions to offer on-line education, in areas that have been greatly affected by the COVID-19 pandemic. The Salesian Sisters in Anzoátegui, Comunica NGO in Zulia, and Fundamad in the Municipalities of Libertador and Sucre, in Caracas, were awarded with 150 million each to fulfill this goal. As for AVEC's Colegio Inmaculada Concepción, in Mérida, they were the winners of 150 million to improve their infrastructure and give the students adequate spaces for their education.



Regarding health, cancer was one of the diseases that the foundations chose to tackle in the 2020 Participatory Budget. In the State of Nueva Esparta, SenosAyuda was the winner of 150 million to perform tests on low-income women to effectively prevent breast cancer; in the State of Tachira, the Celiac Foundation of Venezuela performed tests for Celiac Disease in patients recommended by healthcare professionals in San Cristobal, and they will have another set of tests in the State of Lara, for which they won 150 million.

### UNIVERSITY SCHOLARSHIPS

At Banesco Banco Universal, C.A., we are adamant that education is the basis for a fair society and a strong economy. Therefore, we have set up agreements with different universities in the country to develop a Scholarship Program for high-school graduates who do not have the necessary resources to complete their university education. The beneficiaries are chosen by the universities according to the socio-educational indicators they have established.

### BANESCO PUBLISHING FUND

The Banesco Publishing Fund is one of our Social Responsibility Program's most important initiatives. Its goal is to promote and support Venezuelan education, as well as the publishing activity in the country.

At Banesco Banco Universal, C.A., we sponsor books by Venezuelan authors and we publish books whose content contributes to the comprehensive education in citizenship. Banesco supports diversity and the different points of view that can explain Venezuelans what their identity traits are, the different nature of their

expressions, and their appreciation for peace and coexistence.

During 2020, we added two volumes to the Publishing Fund: *Nuevo País del Teatro*, from the *Rostros del Futuro* collection and the *5th Joven Rafael Cardenas National Poetry*

Contest from the Patrimonio Collection. Therefore, our Publishing Fund reached a total of 37 books. These and the rest of the texts in our Publishing Fund can be downloaded free of charge from our Virtual Library, which can be found on our website, [www.banesco.com](http://www.banesco.com)



### INVESTMENT IN SCHOLARSHIPS

INSTITUTION	2020		2019		Variation	
	Beneficiaries	Amount VES	Beneficiaries	Amount VES	Beneficiaries	Amount VES
UNIMAR	30	2,343,820,000.00	30	77,866,924.00	0%	2,910%
Banesco Scholarship Program - UCAB	54	14,634,345,453.26	98	478,210,370.30	(44.90%)	2,960.23%
Universidad Monteávila	10	5,500,000,000.00	20	55,084,050.00	(50.00%)	9,884.74%
IESA	6	3,250,000,000.00	N/A	N/A	N/A	N/A
<b>Total</b>	<b>100</b>	<b>25,728,165,453.26</b>	<b>148</b>	<b>611,161,344.30</b>	<b>(32.43%)</b>	<b>4,109.71%</b>

## Our Commitment to the Community Based on Attention Area

### Care for Children at Risk, Senior Citizens, and Disabled People



2020

292,830,600.00

Variation  
2,069.12%

2019

13,500,000.00

Investment VES

### Healthcare



8,296,250,000.00

Variation  
10,597.34%

77,554,320.00

### Education



9,624,245,000.00

Variation  
5,898.25%

160,450,974.00

### Unions



0,00

Variation  
(100.00%)

14,769,758.00

### Culture



2020

686,575,578.98

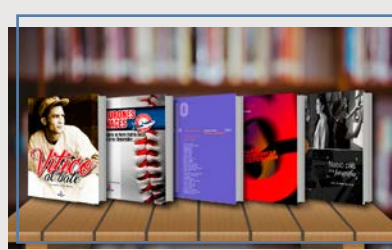
Variation  
13,413.14%

2019

5,080,800.00

Investment VES

### Publishing Projects



2,565,518,439.66

Variation  
2,669.24%

92,643,400.00

### Community Events



3,004,000.00

Variation  
(98.97%)

292,066,406.46

### Total Investment VES

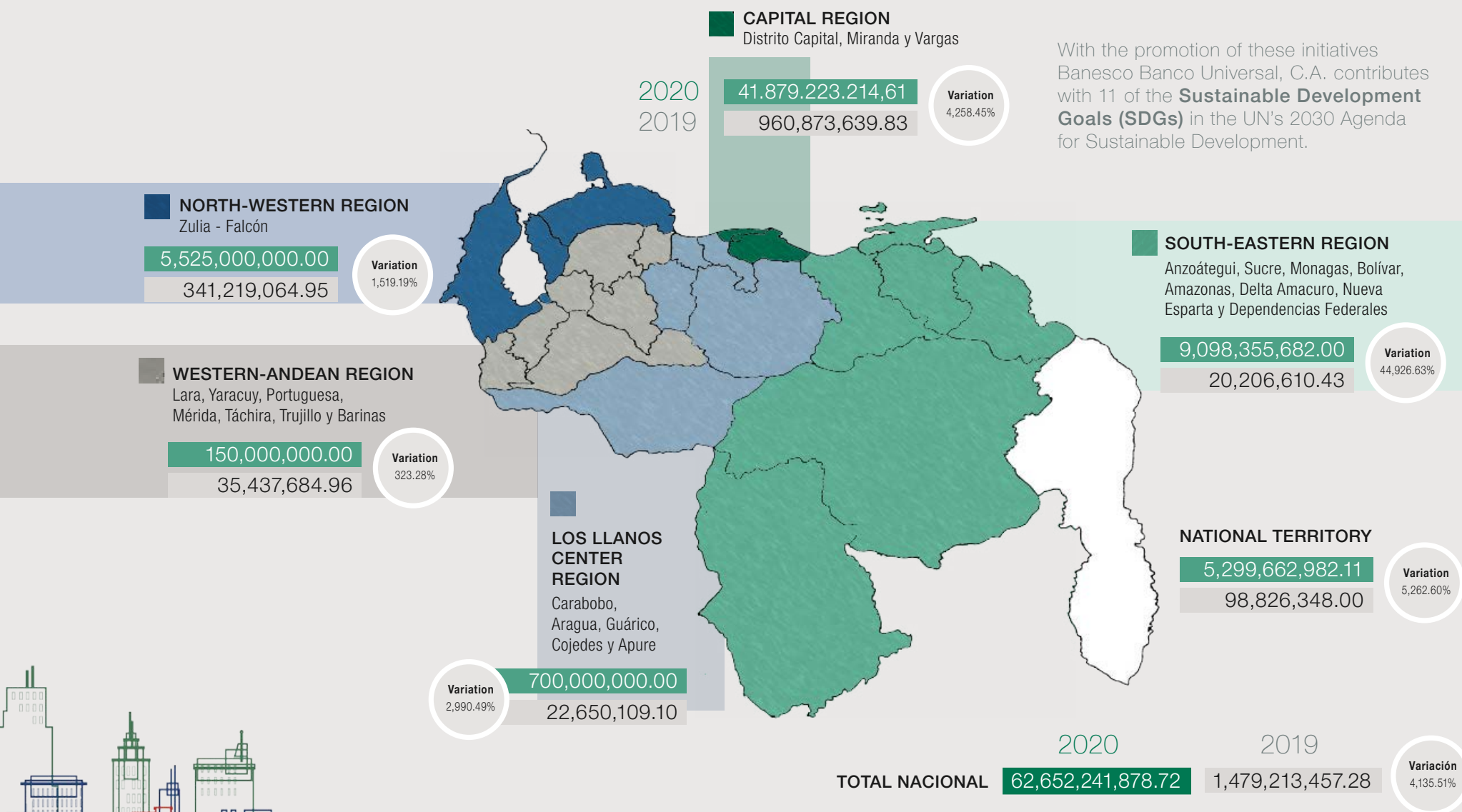
21,468,423,618.64 2020

656,065,658.46 2019

Variation  
3,172.30%

“ During 2020, there was no negative impact on the community due to our operations ”

## Banesco Social Action by Regions in the Country



## ACCOUNTABILITY

In order to promote transparency in the use of the funds granted for the execution of social projects, we annually send all of our beneficiaries an Accountability form to monitor the evolution of the ongoing projects and the agreed use of funds. We also carry out visits and request invoices, photographs, and attachments that are relevant to the institution.

This is how we can follow up on the different initiatives, as well as the investment and advice we provide to conclude them successfully. At the same time, we correct possible deviations and create indicators that allow measuring the impact of the programs in question.



We also send a Satisfaction Survey to our Social Partners to assess our management and improve in the areas in which, according to them, there are some failures.

### INDICATORS OF SATISFACTION REGARDING OUR SOCIAL PARTNERS

INDICATOR	2020	2019	Variation
Banesco's response to request for support	93.4%	98%	(4.69%)
Guidance and support from CSR area regarding the conditions under which a project is approved or not	98.74%	96%	2.8%
Information and channels to manage a project	98.74%	98%	0.75%
Outcome of the Project in terms of the donation received	90.42%	84%	7.64%
<b>Satisfaction Index</b>	<b>95.1%</b>	<b>94.8%</b>	<b>0.31%</b>

## MICRO-ENTREPRENEURSHIP TRAINING PROGRAM

Banesco Banco Universal, whose Corporate Social Responsibility and Sustainability policy has the support for education, healthcare, and financial inclusion as a main value, trained 5,292 Venezuelans in 2020, through its Micro-Entrepreneurship Training Program. With these figures, the CSR initiative reaches 65,685 certificates in 12 years.

In Venezuela, we cannot deny the fact that the Crisis, which was deepened by COVID-19, brought about a wave of new entrepreneur ventures aimed at meeting the new needs and challenges that the pandemic caused. In this context, the Micro-Entrepreneurship Training Program started a virtual version in three kinds: 30-Day Non-supervised program by any possible University; 21-Day Partially-supervised program by IUTG, and 3-Day Intensive supervised program by FundAcción Social. Furthermore, the Asociación Venezolana de Educación Católica (AVEC) and the Asociación de Promoción de la Educación Popular (APEP) provided their students with remote training throughout the year.



During 2020, through the Micro Entrepreneurship Training Program, knowledge and useful expertise were efficiently imparted in the areas of management, administration and the use of new technologies. This had a positive impact on 3,281 women and 2,011 men aged between 18 and 65 years, mostly University, technical high school, and high school students, owners of businesses in operation for less than a year (2,480) and more than one year (1,901). Out of the total number of micro-entrepreneurs we trained, 2,113 ended the Technological Module to get the necessary tools to digitize and commercialize their products and services through social networks.

This year, thanks to our allies, Instituto Universitario de Gerencia y Tecnología (IUGT), FundAcción Social, Asociación Venezolana de Escuelas Católicas (AVEC), and Asociación de Promoción de la Educación Popular (APEP), we were able to teach the content of the Training Program in all the states in the country, and for our fellow Venezuelans who reside in Argentina, Chile, Colombia, Ecuador, Spain, Mexico, etc.



## INNOVATION

As every year, the contents of the administrative and technological modules were revised and updated to adapt them to the new conditions in the country. New content regarding Successful Business management in an ever-changing environment, Inventory Management and restocking costs, possibilities of risk coverage for business, adversity management in business management, the need for networking to succeed, social network marketing, storytelling, productive applications, leadership, resilience, reinvention, innovation and productivity as key factors for managerial-level success, personal development, Strategic negotiation,

marketing and sales plan, human resources and costs plan, accounting books, operational plan, and finances.

Next year, our program will carry on with its virtual visits to all the regions of the country. This is how Banesco is still committed to contributing to the sustainable development in Venezuela by training more and more micro-entrepreneurs.



*Emprendedores*  
**Banesco**  
Elearning





## OUR POLICY

As a part of our social commitment to the communities where we operate, Banesco Banco Universal, C.A. fosters the teamwork and solidarity spirit through our Corporate Volunteering. Therefore, we carry out social activities with our Social Partners or we create partnerships with private institutions that share our solidarity and commitment values.

Our Corporate Volunteering, in line with our Social Responsibility and Sustainability Policy, establishes that employees can dedicate several work hours each month or year to activities organized by the Life Quality Management, which is the office that manages and coordinates Corporate Volunteering

As our main focus, Banesco Corporate Volunteering carries out activities, along with its social partners, in education, healthcare, environmental, and cultural programs.

## OUR MANAGEMENT

Our solidarity work with the communities, as well as our collaboration and commitment to our Social Partner did not stop during the COVID-19 Pandemic.

As an organizational strategy, we involved our volunteers from throughout the nation in activities to promote a more inclusive society and to raise awareness regarding healthcare and biosecurity regulations, so as to look after the well-being of our families and community.

Tackling the needs of our community, our regular programs for volunteering kept working in a controlled way to protect our participants' health.

We also promoted support initiatives for senior citizens, as well as gathering food for the most vulnerable communities, and upkeeping common areas. Commitment and solidarity were key elements to keep ourselves active and adapt to this new reality.

Training and awareness for our Corporate Volunteering is key for strengthening the social projects we carry forward. During 2020, we dedicated 250 hours to training our Corporate Volunteers through the workshop "Banesco Citizens in Social Action: Corporate Volunteering Management".



## Investment in Banesco Volunteering

2020	2019	Variation %
<b>Bs. 600,527,827.36</b>	<b>Bs. 10,236,151.80</b>	5,766.73%



## Distribution of Banesco Corporate Volunteering

### By Type of Action / Man Hours Dedicated

PARTICIPATION MODEL	2020	2019
Specific Social Action Events	243	508
Group Projects	0	89
Environmental Volunteering	150	60
Volunteer Training	250	112,5
<b>Total Hours</b>	<b>643</b>	<b>769.5</b>

### By Position / Man Hours Dedicated

POSITION CATEGORY	2020		2019	
	Volunteers	% of Total	Volunteers	% of Total
Apprentices / Interns Dissertation Students	0	0%	0	0.00%
Base	39	16.60%	46	15.86%
Professionals and Technicians	63	26.81%	107	36.89%
Supervision and Managerial	84	35.74%	109	37.59%
Vice-Presidents	49	20.85%	28	9.66%
Total Volunteers	235	100%	290	100.00%
Total Man Hours	643	100%	769.5	
<b>Annual Average Hours by Volunteer</b>	<b>2.73 hours</b>		<b>2.6 hours</b>	

## SOCIAL VOLUNTEERING

During 2020, our most important activity was one we carried out with “FUNDANA,” our Social Partner. It was a beautiful campaign called “Help us to Help,” where we collected clothes in good conditions for adults and kids, as well as books, movies, school supplies, personal hygiene products, etc. This campaign allowed us to look after many children and adults in vulnerable conditions.



## Activities Held With Our Social Partners

SOCIAL PARTNER	Activity	Hours Volunteering
Fundana	Help us to Help Campaign	20
Other Events	Tree Day Celebration	150
	World Autism Awareness Day Celebration Care recommendations in Pandemic Times for People with Autism Spectrum Disorder.	10
	Happiness Day Celebration Our Volunteers, through a beautiful phrase, gave the Great Banesco Family Reasons to smile and bring joy to their hearts.	18
	Banesco in Social Action Volunteering Our Corporate Volunteering, with the goal to prevent COVID-19, carried forward actions to meet, in some way, the needs of the People from their community.	180
	Day Against Breast Cancer Hopeful messages to support the brave fighting women, who give meaning to their life with perseverance and a positive attitude even in their conditions.	15





## OUR POLICY

For Banesco Banco Universal, C.A., is of paramount importance to establish enduring bonds with our clients. For this reason, we make an effort to develop strategies to warrant a continuous improvement of our products and services, as well as the diversification of channels, the creation of new ones using Artificial Intelligence, and the improvement of those that allow for self-management of requirements and information research. Our emphasis is the reduction of the gap between our internal and external customer's expectations and their experience, as well as the Organization itself. The new tendencies in digital banking have brought about a business strategy based on innovating technological solutions and, in this context, we provide our clients with new services and adaptation to the already-existing channels.

## OUR MANAGEMENT

During 2020, we developed even more our digital transformation process in all the possible areas. This process, which started in previous years, opened a path of no return in the provision of financial services and the nature of our business.

The biggest Institutional effort, besides prevention, has been made towards the innovative aspects of digital transformation for all the Banking processes and the client's experience.

Our performance and role in the Venezuelan financial system during 2020 show that we are still leaders in the Venezuelan private banking. We are the first institution in the Venezuelan financial system in funding to productive activities, concluding the period with a gross portfolio of VES 70,870 billion, representing 22.36% of the market. In 2020, we also granted 1,560 loans, which once again reaffirm Banesco's focus on credit intermediation, maintaining excellent portfolio management indicators, adequately provisioned and of high quality, with a default rate of 0.0002%.

Our gross portfolio registered the highest growth in overall terms in the financial system, reaching VES 70,9087 billion, the first place in the market. Besides, a balance of VES 143,580 billion was recorded in the public collection account. Managed Portfolios settled a total of VES 8,657 billion 937 million, including Agricultural Loans for VES 8,069 billion 462 million.

DETRÁS DE NUESTRO  
PROGRAMA TICKET PREMIADO  
HAY HISTORIAS INCREÍBLES  
¡ASÍ FUE EL CASO DE JOSÉ!



Giving our clients quality service and offering a safe and complete digital platform during the pandemic led us to speeding up our improvement, evolution, and updating plans for our website. Therefore, we carry on with the updating and extension of the "Mis Solicitudes Banesco" website and we added the automatic filling of the ID number and Fiscal Registration Number, thus simplifying the steps and avoiding mistakes while entering the information. Furthermore, we started the account pre-opening project through Mis Solicitudes website for Natural Persons.

Our Virtual Assistant Barti was implemented using the Artificial Intelligence Technology, which allows us to meet the information needs for our clients in a natural language with the ability to answer questions regarding requirement management, Mobile Payment information, availability of offices, and request for products. This service allows us to reply to our clients 365 days a year, 24 hours a day.

We also improved our digital banking, focusing on offering safe platforms and fast transactions.

Our customers have Digital Electronic Channels and an extensive network of agencies at their disposal to carry out all their financial transactions: 229 points of service throughout the country, 479 ATMs, 132,703 points of sale. During 2020, more than 2,856 million transactions were performed on all our digital platforms, which accounts for a decrease of 32.29% in relation to 2019.



## ATMs

REGION	2020	2019	Variation
Capital	188	291	(35%)
Los Llanos Center	86	107	(20%)
Western - Andean	75	87	(14%)
South-Eastern	69	83	(17%)
Zulia Falcón	61	74	(18%)
<b>Total</b>	<b>479</b>	<b>642</b>	<b>(25%)</b>

## TOTAL LIQUIDATED CREDITS

BANK	2020	2019	Variation
Natural Person + Legal Entities (SMEs)	356	2.054	(82.67%)
Specialized Banking Natural Persons	254	5.431	(95.32%)
Specialized Banking Legal Entities	950	6.181	(84.63%)
<b>Total</b>	<b>1,560</b>	<b>13,666</b>	<b>(88.58%)</b>

## TOTAL CREDIT CARDS

NUMBER OF CARDS	2020	2019	Variation
Amount of Credit Cards	1,976.217	1.921.849	(3%)

## CONTACT CENTERS

REGION	2020	2019	Variation
Capital	88	134	(34%)
Los Llanos Center	36	52	(31%)
Western - Andean	39	49	(20%)
South-Eastern	39	55	(29%)
Zulia Falcón	27	35	(23%)
<b>Total</b>	<b>229</b>	<b>325</b>	<b>(30%)</b>



## PRODUCTS AND SERVICES

### MAIN LIABILITY PRODUCTS

- ▮ Checking Account with interests
- ▮ Checking Account with no interests
- ▮ Electronic Account
- ▮ Savings Account
- ▮ Electronic Savings Account
- ▮ Investments: Time Deposits.

### MAIN CREDIT PRODUCTS

- ▮ UVCC Commercial Credits
- ▮ Microcredits
- ▮ Manufacturing Sector Credits
- ▮ Agricultural Credits
- ▮ Mortgage Credits

As a responsible organization, we have carried out our financial activity in a responsible way with respect to all our stakeholders' human rights. We have applied the principle of observance in 100% of its products and provided services. Likewise, committed to giving equal opportunities to favor the socioeconomic integration of people with special needs, we continuously review the adaptation of ATMs and multifunctional equipment to allow access and use by every customer, including those who have mobility limitations or require the use of wheelchairs

## DIGITAL TRANSFORMATION

Our Digital Transformation, is based on several pillars such as: Digital onboarding of products and services; digital contests for all of our employees; processes, proceedings, products, and services designed and improved with a digital mindset; Data driven approach, advanced data analysis, and development of permanent client knowledge through new technology; client experience in each interaction with the Organization.



There are currently 21 initiatives defined in the Digital Transformation Plan, out of which 18 (86%) are currently being executed and the rest (3) are being planned and defined. These are the Artificial Intelligence use to support the assistance processes (Barti, the Virtual Assistant), the use of onboarding on the Mis Solicitudes website, and the new products designed with a digital mindset like green accounts, permanent improvements in Digital Applications, such as online banking on web and mobile apps and new payment services.

## ELECTRONIC, TELEPHONE, VIRTUAL, AND MOBILE CHANNELS

We have an extensive network of physical and electronic distribution channels, through which we offer a wide range of products and services nationwide:

- ▶ 229 Points of service (Agencies, Business Centers, and Tellers)
- ▶ 132,703 Points of Sale (Physical and Virtual)
- ▶ 479 ATMs

## AMOUNT OF TRANSACTIONS

CHANNEL	Amount of Transactions		
	2020	2019	Variation (%)
E-Banking	1,506,432,771	2,444,533,231	(38.37%)
Mobile Banking	59,042,858	267,070,082	(77.89%)
ATM (BE)	14,684,612	37,309,335	(60.64%)
Points of Sale	1,041,453,864	1,266,732,839	(17.78%)
Telephone Banking (IVR-CAT-Online Chat- Telemarketing)	22,179,947	29,703,649	(25.33%)
E-Payment (EDI)	15,849,752	21,172,713	(25.14%)
Agencies Network	2,582,833	15,115,955	(82.91%)
Mobile Payment (P2P)	194,267,313	152,449,669	27.43%
Total	<b>2,856,493,950</b>	<b>4,218,971,518</b>	<b>(32.29%)</b>

**Banesco Móvil**  
AGREGA NUEVAS FUNCIONES PARA SER TU HERRAMIENTA MÁS PODEROSA

**AHORA TIENES**

- ✓ Reconocimiento facial y dactilar
- ✓ Ingreso con perfil de invitado en otros dispositivos

**ACTUALIZA TU APP**

**BanescoOnline**  
recarga tu línea Movistar en minutos desde tu casa y participa en tus clases online

“ In 2020, our clients performed over 2.856 billion transactions, using all of our channels. The most used electronic platforms they used E-Banking Mobile Banking, and Mobile Payment ”

## DEBIT AND CREDIT CARDS

## CREDIT CARD ISSUING BUSINESS

The Banesco credit card portfolio had an increase in sales of 316.65% compared to 2019, which contributed to an increase of the portfolio balance of 412.58% at the end of 2020.

The extra credit product increased its sales by 3,230% in relation to 2019.

Initiatives were implemented to maintain cards in different sectors in order to meet our customers' needs, according to their payment capacity.



¡EVITA  
LOS SUSTOS!

## DEBIT CARD ISSUING BUSINESS

The Banesco Debit Cards registered a growth in sales of 1,423.64% at the end of 2020 in comparison to 2019, reaching a share of 97% of transactions during the year. Points of Sale were the most used channel by customers, with a year-on-year growth of 1,426.87%.

Likewise, the daily limits at the Banesco Points of Sales were improved and reached VES 500,000,000 at the end of December to facilitate our customers' transactions.

In addition, thanks to the granting of Banesco Debit Cards to pensioners, 428,170 (83%) of them currently enjoy the option of making use of their pensions through Points of Sale, and use digital channels to make wire transfers, consulting their balance and pay for services.

CLIENT AND USER'S  
REQUIREMENTS AND  
CLAIM MANAGEMENT

In order to manage in a timely manner and offer an effective and efficient response to our customers in line with the legal framework in force, Banesco Banco Universal, C.A. uses the Integrated Requirements System, (SIR). It helps us manage customers and users' requirements and claims received through different service channels such as BanescOnline, Our National Branch Offices Network, Call Centers and Administrative Headquarters.

During 2020, we managed 491 cases out of 558 cases reported through our Integrated Requirements System, (SIR). From the number of cases that were managed, 272 were settled.

The distribution of claims and requirements by financial instrument in 2020 was as follows:

YEAR	Credit Card (CC)		Debit Card (DC)		Savings Book		Checks		Customer Service		Total Claims	Total
	Number of Claims	Amount of Claims (VES)	Number of Claims	Amount of Claims (VES)	Number of Claims	Amount of Claims (VES)	Number of Claims	Amount of Claims (VES)	Number of Claims	Amount of Claims (VES)		
2019	35	46,960,587	519	7,931,904,763	2	1,200,000	0	0	2	0	558	7,980,065,350
2020	238	7,890,379	2819	965,740,666	0	0	9	1,520,104	12	0	3078	975,151,149

## CLIENT AND BANK USER'S DEFENDER

At the end of 2020, the Client and Bank User's Defender answered 2,051 cases. From these figures, 462 requests were admitted, amounting to Bs. 19,572,355,258.

Non-admitted cases (1,589) were duly responded to, explaining the non-admission of the application, and were referred to the Client Service Unit, which is in charge of the follow-up until the cases are closed.

The main requirements that were met:

- ▶ Rejected Operation for a not Concluded Negotiation.
- ▶ Inconveniences with Mobile Payment / Payments made.
- ▶ Erroneous transfer.
- ▶ Failed or Duplicate Purchases Point-of-Sale purchases with Banesco MasterCard.
- ▶ Unrecognized debits / alleged fraud with Banesco Master Debit Card.

In accordance with our value of responsibility with our clients and groups of interest, Banesco Banco Universal, C.A. offers through its web page a section dedicated to the Banesco Client and Bank User's Defender. In this section, the interested parties will find all necessary information to carry out procedures before this instance.

## INFORMATION TECHNOLOGY, PROCESSES FOR BUSINESS AND OPERATIONS

In Information Technology, Processes, Operations and Project Office, our goal is to offer solutions, new information technologies and optimized processes that conform to the need of the business and that support its development goals, strengthening digital transformation and ensuring service continuity and stability.



## PROCESSES

In 2020, we were centered in the analysis of operational and business capacities, in processes that leverage the organization's strategic goals in relation to profitability and productivity. We also focused on the implementation of expeditious processes in the organization that guarantee their efficiency cost.

The Capacity Studies methodology was adapted in accordance with the new working needs to be met in the transition from an on-site modality to a virtual one (Telecommuting), changing fieldwork, done with on-site measurements to the organization of templates (formats) that the areas could fill with the information required in capacities analysis.

The update of all the documents in the Bank's Virtual Library was completed. This process took several months and the participation of the majority of the Bank's employees. In so doing, we ensure a virtual Library with updated information.

Fundamental processes were optimized, achieving cost reduction and control. For some of them, improvement



on management and control of areas was achieved with the use of Google Suite tools, optimizing the time for service delivery. Furthermore, audit findings were closed, which allowed to mitigate operational risks and to increase efficiency in execution and management.

Moreover, automation of repetitive tasks were made, improving significantly in the execution time of processes and leading to a significant reduction in manual mistakes. This time allows the areas to dedicate to activities that are more productive.

### DEVELOPMENT AND MAINTENANCE OF APPLICATIONS

In the area of Application Development and Maintenance, we work on implementing technological solutions that support corporate strategies under the new tendencies directed to digital banking. Such a banking that allow us to maintain, enhance and improve our clients' experience in digital channels. In this regard, we implemented in our new online channel Banca en línea a new "banner" to facilitate the recovery of TDD password, thus reducing the amount of queries in social networks and call centers.



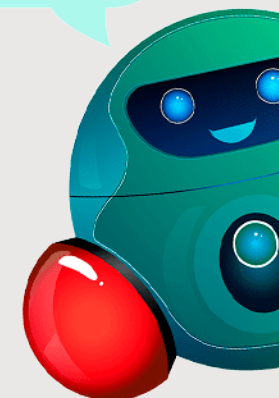
The new Mobile Banking application was launched with a renewed appearance and easy navigation, with new functionalities aimed at improving and enhancing the experience of our clients, highlighting the authentication through bio metrics (fingerprint and face recognition) and the guest profile login from other devices.

Improving the quality of the Mobile Payment service and strengthening the stability of the channel, a double-click validation was implemented in the application at the time of payment, sending an informative message to the client, so that the previous transaction can be verified as not deducted from his/her balance.



Te acompañaré  
las 24 horas

Los siete días de  
la semana





## TECHNOLOGY OPERATIONS

In the Vice-Presidency of Technology Operations, we guarantee the required availability of the bank's services, products and channels, ensuring the implementation of the best strategies in the operation under conditions of security and reliability, providing a reliable experience to our clients, ensuring stability and accompanying the Bank's growth under criteria of quality and profitability.

Through preventive and corrective actions implemented through continuous process improvement plans (preventive and corrective actions) and the systems' functionality, improving the indicators at a satisfactory level. The Technology Operations area managed to guarantee the capacities and redundancy schemes, as well as the optimal levels required by the infrastructure, adjusting to the established work schemes (teleworking and eventual office attendance) for living during the COVID-19 global situation, with the objective of maintaining the bank's operational continuity (services, products, and channels) 100% stable.



We executed migrations and removals to mitigate obsolescence in the main critical services of the Distributed and Centralized Platforms, of the technological infrastructure of Networks, storage and monitoring tools of the bank. We performed optimization and data cleaning actions in the IT platforms, reducing the percentage of disk space use, recovering storage space in them, and additionally freeing up physical space in the Data Center.

We reuse capacities (storage, processing and connectivity) in the private cloud and technological equipment in the connection of remote users, to make

better use of the existing technology in the bank. We implemented and optimized monitors and licenses in different services to facilitate timely attention to incidents, avoiding the degradation or unavailability of such services; we optimized the SQL Server database licensing and additionally implemented the control panel for timely monitoring of all the main links, minimizing response times in the necessary escalations for incident management. Savings were achieved with the efficient use of the Bank's technological infrastructure, through the reuse of private cloud capacities.

We provided support in the infrastructure implementation and configuration activities (processing, storage, connectivity, and security) of technological platforms for regulatory projects and new products and services.

## SECURITY CERTIFICATES

Our portal Banesco.com and BanescOnline have the international security certification granted by the renowned companies McAfee and Norton to sites with the highest levels of security against Internet attacks.

## SPECIALIZED SEGMENTS

### NATURAL PERSONS SEGMENTS

In view of the COVID-19 pandemic situation and the quarantine measures taken by the National Government since mid-March, we focused our efforts on business continuity by adjusting our management to the 7+7 scheme, applying the “Know Your Client” policy, ensuring that each contact we make allows us to obtain updated information about our clients. At the end of 2020, an update of clients’ data was achieved for more than 56,000 high-risk clients and more than 65,500 files were updated. The greatest concentration is in clients from the mass segment.

Despite the limited availability to open agencies, in 2020 we managed to open more than 49,000 new accounts, which meant a growth in new clients, from the natural persons segment and who preferred to choose us as their main bank.

We held continued promotion of the use of Digital Banking for handling transactions electronically and a refreshment of adequate transactional limits to meet client needs.

### LEGAL SEGMENTS

We remain committed to the support and growth of the country’s productive sectors. We therefore continue to grant loans to our clients so that they can cover working capital needs, equipment, infrastructure expansions and productive development activities with priority to primary, food and health sectors. By the end of 2020, we reached a loan portfolio of Bs. 70,087,335 MM with a growth of 3,564%, which meant the settlement of 57,856 credit operations to our clientele.

Among these sectors, the support to the Single Productive Portfolio, aimed at the Agricultural Sector, stands out, which increased by Bs. 7,726,666 MM, obtaining a variation of 1,088% with respect to 2019, closing with a balance of Bs. 8,436.647 MM.

### COLLECTION AND PAYMENT SERVICES

Collection and Payment services recorded more than 290 million transactions, driven by the growth of electronic transactions in Mobile Payment, Online Collection and Multi-payments.

REFORZAMOS NUESTROS  
SISTEMAS DE PREVENCIÓN  
PARA PROTEGER LOS PRODUCTOS  
FINANCIEROS



## QUALITY MANAGEMENT

The generation of satisfactory and memorable experiences becomes a fundamental strategy to be competitive in the financial market.

The financial sector in 2020 faced a challenging moment. Banking not only had to respond to technological changes with the optimization of digital banking, but also had to go through a process of understanding the new consumer habits of its clients. Today, the relationship with banks takes place -mostly- through the Internet, through services offered by the website and applications. A good user experience is

the key to retaining or gaining a client, but a bad one will be decisive for losing one. This means that banking has a special task: that of building favorable experiences within its digital channels, as one of the main differentiators.

Following this trend, at Banesco Banco Universal, C.A., we have focused on designing and executing strategies to enrich our clients' experience, offering a range of cutting-edge products and services, based on digital transformation and technological advances. In keeping with this challenge, in the Competitive Intelligence Vice-Presidency we continue with the Net Promoter Score measurements, both from the Benchmarking and Relational perspectives. We seek to understand the needs and expectations of our clients based on their interaction with the service channels, evaluating -additionally- their experiences with the main competitors in the sector. This follow-up has allowed us to identify valuable information that has served as a reference for decision making, to identify gaps and to execute timely actions, with the objective of consolidating a satisfactory relationship with our clients that will last over time.



In addition, we direct efforts to support the Human Capital team. Our employees are the great ambassadors of our identity and therefore of our brand. The influential capacity of the people who work with us can make the experience of our clients definitive for our Institution. In this regard, we continue to apply the Promoter Score Employee measurements, which monitors the level of recommendation of Banesco as a place to work.

During the first half of 2020, we made progress with the bank's Digital Transformation by promoting the "Mis Solicitudes Banesco" portal, thus reinforcing the established goal of updating data and files.

During the second half of the year, we started the project of pre-opening accounts for natural clients through the portal. We incorporated the digitalized signature and fingerprint into the client's file and implemented the automatic capture of identification card and RIF data, reducing the procedural steps and avoiding errors in the transcription of data.

Likewise, expanding the client service channels, we implemented the Virtual Assistant Barti, working with artificial intelligence technology, which allows us to respond to the clients' information requests in a natural language format with the ability to answer questions about requirements management, information on Mobile Payment, agency availability and product requests. This service provides answers to clients 365 days a year, 24 hours a day. We also worked on promoting improvements in digital banking, focusing on offering secure and fast transaction platforms. We are always committed to the continuous improvement of our services.

We are aware that digital banking is imposing itself as a way of life to interact in the different relationships in the banking sector, for this reason, at

Banesco Banco Universal, C.A., we are increasingly striving to close the gap between the experiences and expectations of our clients.

In view of the development and evolution of the Customer Intelligence, we delve into the analysis of complex networks to identify potential clients to be developed with their entire value chain with a business view. We made the first approach to know the advantages of the new CRM, a project that will officially start in 2021 and that implies a great change for teams such as the Sales Network, analytical and management areas. Additionally, we delved into the analysis of affinity algorithms and complex networks to boost segmentation processes and identify potential clients to be developed with their entire value chain with a business view.

## MESSAGES

We guarantee that the messages we transmit to our client/end consumer are in the most understandable and close way, aligned with the realities of the offer or service, respecting the fulfillment of what we offer.



We are also respectful of the existing regulatory framework in the country, from which we can cite the following as being of great importance for Banking:

- Law on Banking Sector Institutions, issued in Official Gazette N° 40.557, dated December 8th 2014.
- Resolution N° 339.08, dated December 18th 2008, Standards regulating the Administrative Processes in relation to the issuance and the use of Credit, Debit, Prepaid Cards and other Financing or Electronic Payment Cards, whose articles 23, 24 and 25 (Chapter I, Obligations of Issuers) refer to cases of prize offers and promotions.

103-1, 103-2, 103-3, 416-1, 416-2, 417-1, 417-2, 417-3, 418-1, 419-1, FS15

- Resolution N° 291.09 dated June 26th 2009, Regulations on Advertising and Propaganda carried out by Banks, Savings and Loans Institutions and other Financial Institutions on Financial Products and Services.
- Resolution N° 063.15 dated June 12th 2015, Regulations related to the Protection of Financial Services Users.

In accordance to what is set forth in the Circular SIB- DSB-CJ-OD-00240, date January 14th 2021, products and services, as well as their modifications, will require prior authorization from the Superintendence of Banking Sector Institutions (SUDEBAN), which may make observations or suspend the products if necessary to protect bank users and customers.

It is important to highlight that all advertising of the Bank's promotions contain the indication that they have been previously approved by SUDEBAN; likewise, in the case of the products or services to which they are applicable, it is stated that they are covered by the Deposit Guarantee and Banking Protection Fund (FOGADE). The Central Bank of Venezuela (BCV) is the competent body to authorize and set commissions and fees.



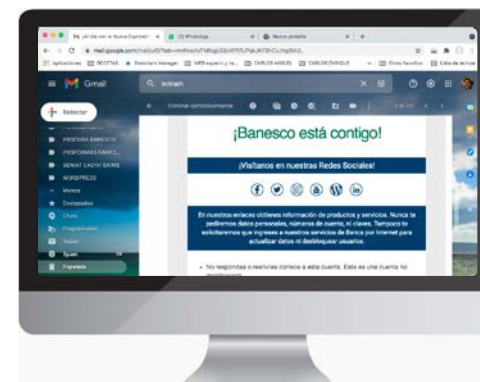
## RELATIONAL MARKETING

To win over a client, the Organization needs to create a bond, a relationship over time. This is where relational marketing arises, a set of strategies used to create a long-term relationship with the client, in order to build client loyalty, offer added value, generate trust, and where the personalization of our communications about products and services is a key factor.

The accompaniment of Outbound Marketing was fundamental and we have taken it very seriously. We faithfully believe in this process as a strategy to create and maintain close and lasting

relationships with our clients, allowing both the Organization and the internal and external client to obtain the best benefits. Within the framework of this strategy, we were able to execute product cross-selling and relationship actions, supporting a good percentage of all the campaigns deployed by the Marketing team.

During 2020, through the use of email marketing, we reached a significant number of clients through the mass mailing of personalized emails and obtained significant opening rates, which surpassed today's international standards for the business segment.



This is how we aim at the loyalty of relationships with our clients, using personalization in our communications about products and services.

## STAKEHOLDERS GROUP

NATURAL PERSONS	2020		2019		Segments
	Quantity	Participants	Quantity	Participants	
Client Experience Survey	12	45,360	12	98,844	Legal and Natural Persons
Brand Survey	0	0	1	800	Natural Persons
Satisfaction Survey / Quality Service	0	0	1	369	Natural Persons
Internal Client Service / Banesco employees	16	4,909	12	7,575	Banesco employees

## AWARDS AND RECOGNITIONS GRANTED IN 2020

Award	Granting Institution
As part of FIPAN's International Volunteer Day event, Banesco Banco Universal, C.A., was recognized in the Solidarity and Commitment categories, nominated by the Venezuelan Anticancer Society and the Venezuelan Association for Down Syndrome (AVESID), respectively.	Federation of Private Institutions for Children, the Youth and Family Care (FIPAN)



## BUSINESS PARTNERSHIPS AND PROMOTIONS

The main objective of the promotions and commercial alliances is to offer added value to our clients, strengthening their loyalty and stimulating the use of our products. We offer them exclusive benefits based on their tastes and preferences, generating a residual effect after the end of the campaigns. Likewise, we are able to increase sales of Banesco Credit Cards and contribute to the increase of the active portfolio.

The main objective of the promotions and commercial alliances is to offer added value to our clients, strengthening their loyalty and stimulating the use of our products. We offer them exclusive benefits based on their tastes and preferences, generating a residual effect after the end of the campaigns. Likewise, we are able to increase Card sales and contribute to the increase of the active portfolio.

## CAMPAIGNS

With respect to the marketing campaigns, we highlighted those associated with the Covid-19 situation. In view

of the pandemic and the current circumstances, we executed a total of 4 different communications on this important topic. We held the boost of the “Keep distance” campaign to inform our clients and users of the importance of taking precautionary measures in the pandemic. During 2020, we reinforced messages related to biosecurity and prevention mechanisms to be taken in times of confinement in the face of COVID-19. To this end, we posted several publications in our social networks that invite clients, users and followers to stay at home and only leave the house if it is really necessary. Among the preventive tips, we posted: maintaining a distance of at least 2 meters between each person, the use of masks, the use of antibacterial gel while being on the street, and the constant and correct washing of hands, among others. With this campaign, we also promoted the use of our Banesco Digital Banking and invited our clients to use it from home to avoid contagions.

We now present in detail each one of the campaigns carried out in 2020:



**WE STAYED CLOSE TO OUR CLIENTS  
AND WE INVITED THEM TO TAKE CARE  
AND TAKE THE NECESSARY PREVENTIVE  
MEASURES AGAINST COVID-19**

Several institutional campaigns were carried out in relation to care and biosecurity measures during the pandemic. These campaigns were deployed through different media such as social networks, the bank's website, radio, videos, email. They remain active to date.

## WE CONDUCTED A DIGITAL ROLLOUT TO ENCOURAGE DIRECTV PAYMENT

In March, we carried out the digital rollout of the DirecTV campaign, where we promoted the payment of the service through the BanescOnline Multi-Payment option. The communication highlighted the payment schedule of this service and the ease provided by the Banesco digital banking.

For this rollout, a refreshing of the graphics was coordinated with the agency, making it a little more dynamic, which resulted in good comments from clients.

In May, the campaign had to be stopped because DirecTV closed operations in Venezuela.

## WE PROMOTED TAX COLLECTION THROUGH THE ISLR CAMPAIGN

In March we published the ISLR Campaign through a digital display (Banesc.com and social networks), where we informed the clients of the advantages of paying their ISLR through BanescOnline.

This campaign lasted 4 weeks and ended on March 31st 2020.



## WE PROMOTED DATA UPDATE THROUGH THE MIS SOLICITUDES BANESCO PORTAL

During the month of January and until June, we reinforced in social networks the importance of keeping data updated, emphasizing the importance of doing it from home in a comfortable and easy way.

During this time, the campaign was done digitally (social networks, Banesco.com).

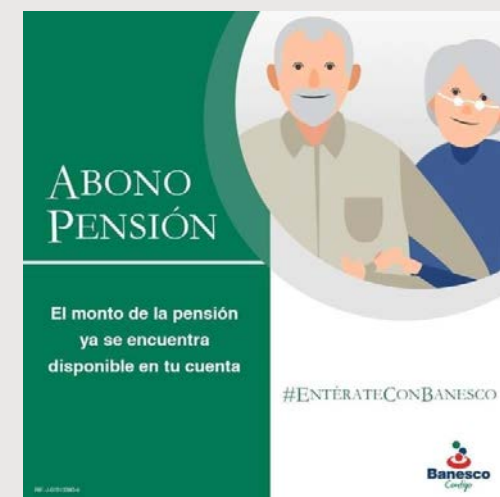
We also promoted on our YouTube channel the video "Follow These Tips", with which we supported our clients by providing detailed information of interest for the correct updating of their data, which continues to be very well received.

## WE KEPT IN PERMANENT TOUCH WITH OUR PENSIONERS

We continued to communicate permanently with our pensioned clients in order to educate them on the use of Digital Banking and inform them in a timely manner of their pension payment dates.

During the first half of the year, a monthly campaign was carried out through Banesco.com and social networks, through which information was provided about pension payments and also the use of Digital Banking was promoted.

Thanks to this campaign, to this date 93% of our active pensioners use our digital channels.



#### NEW VERSION OF BANESCOMÓVIL

In March, the new version of the BanescoMóvil application was launched, with a digital campaign that included Banesco.com (Banner and Landing page) and social networks.

Initially, the main functionality was the inclusion of beneficiaries when performing a transaction. Then in May, two more functionalities were added: biometric login and guest user.

As part of the strategy, 3 video infographics were also uploaded to YouTube to guide clients in affiliation, device registration, inclusion of beneficiaries and biometric authentication.

#### SECURITY CAMPAIGN

Since January, several publications on security topics were posted in social networks: identity theft, card change and cyber fraud.

Our clients are reminded, through tips, to protect their personal data and perform security validations when making purchases.



#### SCAMS THROUGH SOCIAL NETWORKS

Scams through social networks have become the focus of the most frequent cybercrimes in our country, which is why during the first half of the year the campaign “Don’t fall into their networks!” was promoted.

#### IDENTITY THEFT

During the first half of the year, we have promoted the Identity Theft Campaign, which is currently the most common crime of fraud.



#### CARD CHANGE

For T1, the Card Change Campaign was promoted in order to remind our clients that they should not lose sight of their card at any time during their transactions at the point of sale, always with their well-being in mind.

#### WE REFRESHED THE CAMPAIGN FOR THE REQUESTS AND CLAIMS ROUTING

For the second half of the year, we refreshed the pieces of this campaign in order to reinforce the regular client service channels. This communication was focused on informing clients that they can manage their requests or



or claims through Telephone Banking or BanescOnline, quickly, easily and securely. The bell It was promoted through an organic deployment, contemplating the spaces of Facebook, Twitter and Instagram.

#### WE KEPT PERMANENT COMMUNICATION ON HOW TO AVOID MONEY LAUNDERING

During this period, we continued with the monthly and regulatory publications through the social networks, Banesco.com and e-mailings on the topic related to the Prevention and Control of Money Laundering, Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction.

This campaign includes messages inviting our clients and users to avoid lending their financial products to third parties, reminding them that these products are for personal use and therefore non-transferable, to protect their personal data and to avoid associating or connecting with people who may be involved in suspicious activities.

#### WE PROMOTED THE PERMANENT BANESCO AWARDED TICKET PROGRAM THROUGH THE "AVOID FRIGHTS" CAMPAIGN.

For the second half of 2020, we disseminated through our social networks –Facebook, Twitter, Instagram, LinkedIn

and Youtube– the campaign “Avoid the Frights! with the “Awarded Ticket” whose main intention is that cardholders ask affiliated businesses to swipe their debit or credit cards at Banesco points of sale, because they are reliable, safe and come without surprises, and with the advantage that the purchases they make might be free thanks to such program.

For this occasion, Paid Media’s investment was made for one month, making use of the Facebook, Instagram and Google Display platforms, whose overall impressions were 93.12% and overall views were 86.27%. In general terms,





## OUR CLIENTS

the platform that had the highest number of impressions was Google Display with 44.3%, while Facebook closed with 24.8% and Instagram with 23.7%.

In addition, this campaign included a 20-second radio spot and a 30-second live mention throughout the month of December 2020.

### WE INNOVATED WHEN LAUNCHING OUR VIRTUAL ASSISTANT "BARTI" IN BANESCO.COM

In October, we carried out the launch of a new campaign, whose purpose was to publicize our new virtual assistant "Barti", located in the home page of Banesco.com. Barti is an artificial intelligence bot, trained through the addition of knowledge that allows him to daily interact and answer different questions to our clients and users.

Among the assistance provided by Barti are areas such as: management of Digital Banking passwords, management of requests associated with incidents with the Bank's main products and service. Likewise, Barti provides information about Mobile Payment or product requests; it is also able to redirect clients and users to a Virtual Client Service Executive if it detects that the client or user requires specialized advice.

This campaign was promoted on all our social networks (Facebook, twitter, Instagram, LinkedIn and YouTube), and an investment in Paid Media under the platforms of Google Display, Facebook and Instagram was made. It included a recorded radio spot and a live mention.

### WE PROMOTED THE USE OF OUR BANESCO POINTS OF SALE THROUGH THE CAMPAIGN "BANESCO DOES RING IN!"

During the second half of 2020, we gave continuity to posts related to the use of Banesco Points of Sale, under the premise that they are reliable, secure and come without surprises. The communications were carried out under two campaigns: Avoid the Frights! and the new concept worked under the campaign "With Banesco Points of Sale, Cards do ring in! The purpose of both communications is to invite our clients and users to use Banesco points of sale because they provide greater security and reliability when making purchases.

For both communications, advertising pieces were created for organic social networks such as Paid Media.





WE PROVIDED INFORMATION ABOUT THE POINT-OF-SALE SALES DAY BY OUR BUSINESS PARTNER NATIVA

We promoted posts related to the sale of POS made on a monthly basis throughout the national territory by our business partner Nativa. Communications were based on the execution of posts published in our social networks, with the invitation to all our affiliated businesses to contact their Sales Executive to carry out the process of acquiring equipment that fit the needs of the business, establishment or shop.



WE INFORMED ABOUT THE ACTIVATION OF SIMPLETV THROUGH BANESCONLINE

In December, we informed our clients through our organic social networks such as Facebook, Twitter, LinkedIn and Instagram, that they can quickly and easily recharge their SimpleTV service through the Multi-Payments portal located in BanescOnline and thus avoid having the cable service canceled.



WE TRANSMITTED A MESSAGE OF UNITY AND TIME SPENDING IN FAMILY

To close the year, we promoted our Christmas campaign whose purpose was focused on bringing a message of union, closeness, companionship and spending time with the family, together with our loved ones. With this communication, we invited our followers to remain firm in the face of the adversities experienced in a year that, although it was not easy, brought with it lessons that guide us to be better every day.

## SOCIAL NETWORKS

At the end of December 2020, our social networks amounted to a community of more than 1,530,000 followers on our official Twitter, Facebook, Instagram, YouTube and LinkedIn accounts, which is equivalent to an increase of 4.33% compared to the figures for December 2019. For us it represents an important channel to communicate with our clients and with the general public, not only to convey our messages, but also to listen to their proposals almost in real time.

During 2020, more than 28 thousand cases or requests were handled through social networks. Of the cases handled, 21.99% corresponded to requests from Banesco clients, whereas 78.01% were inquiries regarding products and services.

As for our presence in social networks, Twitter –through the @Banesco account– remains the preferred social network by users, reaching 733,487 followers as of December 2020. In addition to serving as a link for queries and requests, it offers content of interest about personal finance

SOCIAL NETWORKS		2020	2019	Var
TWITTER	@Banesco	733,487	725,579	1.08%
	@Baneskin	203,039	199,327	1.86%
FACEBOOK	Banesco Banco Universal	263,619	264,175	(0.21%)
YOUTUBE	Views	6,342,643	5,374,935	18.00%
	Subscriptions	14,894	12,522	18.94%
LINKEDIN	Followers	98,189	73,091	34.33%
INSTAGRAM	Followers	216,800	187,851	15.41%
BLOG BANESCO	Views	8,686,625	8,349,527	4.03%

entrepreneurship, technology, events, history, sports, business, energy and news about the Bank's products, services or promotions.

Relatedly, Banesco's Facebook page reached 263,619 followers, while on Instagram it had more than 216,000 followers. The videos posted on the YouTube channel "Banesco en Imágenes" (Banesco in Images) have

registered more than 6.3 million views, in addition to 14,894 subscribers.

At the end of December 2020, the Banesco Blog surpassed the 8,686,625 million visits. On this site, in addition to corporate information on products and its Corporate Social Responsibility policy, the institution has exclusive content prepared by journalists with a renowned career.



## OUR ENVIRONMENTAL POLICY

In Banesco Banco Universal, C.A., we are aware that the protection and preservation of the environment is a necessity for the benefit of this and future generations. Therefore, we are responsible with our consumption for a better use of the resources we use, through various initiatives that allow us to improve our operations and care for our environment.

We are constantly carrying out evaluations, diagnostics, establishing indicators and real goals to improve the use of natural resources, energy saving and recycling of waste and materials so that our activity does not impact the environment.

## OUR MANAGEMENT

During 2020, we maintained the process of rationalization and spatial reorganization in the Administrative Headquarters of the Metropolitan Area of Caracas and the Regions, in order to optimize the occupied square meters according to the processes of the Organization, with the minimum intervention of the existing physical

infrastructure to achieve a more rational use of space and its services.

In 2020, new method SDG, materials and equipment were incorporated in different work areas in Ciudad Banesco, in order to comply with the best practices and regulations worldwide to reduce the environmental impact. Among these initiatives, we have:

### ► Waterproofing System with Polyurethane Mesh and Ceramicoating:

This waterproofing system allows lightening the surface of the roof slab since its components are a thin polyurethane fabric applied with Ceramicoating asphalt paint, which forms an extremely light elastomeric membrane with refractory properties that improve the temperature of the slab, unlike the asphalt mantle that has a greater weight. This improves the quality of the temperature in the roof slab and therefore reduces energy consumption in the use of air conditioning equipment in the building.

► **Clean water pipes replacement with new Termo Fusion technology was started:** We replaced the main iron piping system at Ciudad Banesco with



Termo Fusion, which has allowed us to reduce the pressure in the hydro-pneumatic system and reduce its use, thus improving energy consumption and reducing costs and expenses including wear and tear on the electric pump system.

► **Reactivation of deep water well:** As a result of the deterioration of the water supply service in Venezuela

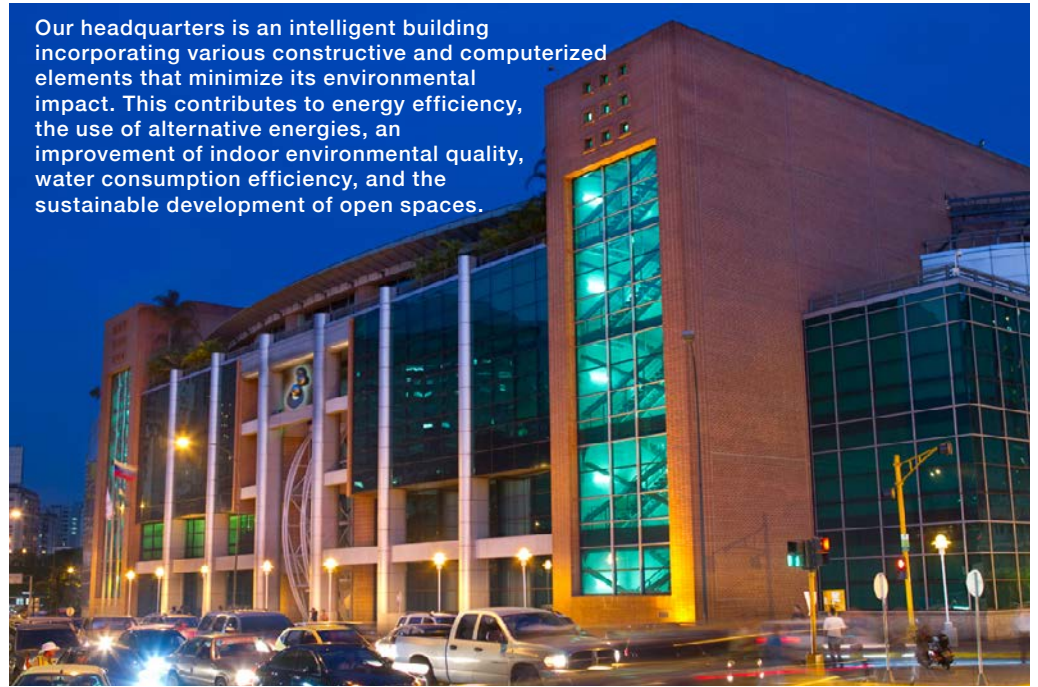


and specifically in the Capital Region, during 2020 we reactivated the deep water well in Ciudad Banesco which is in the open and easily accessible for installation and repair of the necessary equipment and accessories. The international standards of the World Health Organization establish optimum values for the physical, chemical, biological and bacteriological characteristics of water for human consumption, depending on the conditions in which the water is found in nature. Satisfactorily, the water samples from the deep well of Ciudad Banesco were submitted to physical, chemical and bacteriological analysis by qualified companies in this field, giving results that are suitable for human consumption and do not present any inconvenience, being within the range of potability. However, all water, even when it meets all the requirements of the analysis, must go through a disinfection process, through the controlled application of an agent capable of destroying germs and bacteria. Thus, a chlorination must be performed, using an automatic dosing equipment of a chlorine solution (calcium hypochlorite) as it is required by health standards.

#### ► Replacement of Sodium Vapor lighting fixtures with LED technology in the Ciudad Banesco parking lot:

As part of the energy saving improvements that have been implemented throughout our main headquarters, in 2020 we began the replacement of the traditional Sodium Vapor lighting fixtures at the parking lot level with LED technology. Among the improvements for using this type of luminaire there is a significant reduction in energy saving, since a single Sodium Vapor luminaire consumes 150W while an equivalent LED luminaire consumes 20W. This translates into savings of more than 80%, which in turn led to a total of nearly 500 luminaires with LED technology in all parking levels, resulting in significant savings in terms of consumption.

Our headquarters is an intelligent building incorporating various constructive and computerized elements that minimize its environmental impact. This contributes to energy efficiency, the use of alternative energies, an improvement of indoor environmental quality, water consumption efficiency, and the sustainable development of open spaces.



## RECYCLING PROGRAM

By the end of 2020, our recycling program showed satisfactory results with the recycling of 88,670 kg. of paper and card-board, which represents Bs. 443,350,000.00; resources that have been destined to support projects executed by our Social Partners.

On the other hand, we maintained our Banesco Efficiency Culture and reinforced the awareness campaign for the responsible use of the equipment we have available to do our work (multifunctional printing equipment) with a special program for saving paper.

With this program, we were able to save the amount of 7,833,211 printed pages, which represent Bs. 442,205,559.26.

Due to the nature of our activities, no ozone depleting substances are emitted, nor are NO, SO.

## E-MANAGEMENT FOR DOCUMENTS

Area	Number of Transactions			Number of Pages		
	2020	2019	Var%	2020	2019	Var%
Commercial Credit	4,405	18,214	(313.48%)	49,000	371,567	(658.30%)
CC (Request/Service)	1,400	4,920	(251.43%)	3,000	18,679	(5.67%)

## PAPER CONSUMPTION

TAXES	2020	2019	Variación %
Number of paper pages saved	7,833.211	4,630,516	69%
<b>Bs. Saved</b>	<b>442,205,559.26</b>	<b>484,861,330.00</b>	<b>(8.8%)</b>

## TOTAL PRINTING

YEAR	%
2020	5,028,488
2019	12,817,385
Variation %	(61%)



## ENERGY CONSUMPTION

In Banesco Banco Universal, C.A. we have incorporated the use of advanced technologies in equipment and lighting, together with awareness campaigns about the efficient use of electrical power in order to improve every year this indicator.

We permanently maintain the reduction of office lighting by implementing schedules per work block according to productivity; reduction of air-conditioning operating hours in offices and restricted hours for the use of escalators.

The main source of energy used in our organization, Banesco Banco Universal, C.A., is produced by hydroelectric

plants, distributed through the national electricity grid.

Our power consumption from the national grid during this period was 160,300 GJ, which represents a decrease of 22.90% with respect to the previous year.

In parallel with the national power grid, we have, for emergency situations, six (6) diesel generators at our main headquarters, Ciudad Banesco, and two (2) diesel generators at our headquarters in El Rosal and other administrative offices, backing up between 80% and 100% of the services. Currently, these generators are activated in the event of a power failure in the commercial network.

During 2020, we generated 5,364 GJ, an increase of 11% over the previous year, mainly due to power failures in the commercial network. Consequently, there was a 9.71% increase in CO<sub>2</sub> emissions from the diesel generators.

By the year 2020, with a total of 229 points of attention, we obtain a consumption of 160,300 gigajoules.

On the other hand, we obtain a consumption per employee of 47.33 Gigajoules for a headcount of 3,387 people.

## ENVIRONMENTAL INDICATORS

CONSUMPTION	Total Consumption			Consumption per Person		
	2020	2019	Var. (%)	2020	2019	Var. (%)
Water (m <sup>3</sup> ) <sup>(1)</sup>	161,241	230,234	(29.96)	47.62	53.51	(11.00)
Electricity Gigajoule (National Electric System) <sup>(1)</sup>	160,300	207,900	(22.90)	47.33	48.32	(2.05)
Electricity Gigajoule / Own Generation <sup>(2)</sup>	5,364	4,836	(10.89)	3.54	2.73	29.67
Paper (Kg) <sup>(1)</sup>	7,807	13,891	(43.79)	2.30	3.23	(28.79)
Paper (Kg) / Clients <sup>(5)</sup>	14,317	24,560	(41.71)	0.0	0.01	(0.01)
WASTE	Total Consumption			Consumption per Person		
	2020	2019	Var. (%)	2020	2019	Var. (%)
Recycled Paper (Kg) <sup>(1)</sup>	88,670	42,780	107.27	26.16	9.94	163.18
Toner and/or Cartridges <sup>(3)</sup>	0	395	(100)	0	0.09	(100.00)
Electrical and Electronic Waste (Kg) <sup>(1)</sup>	20,580	91,233	(77.44)	6.01	21.20	(71.65)
GREENHOUSE GAS EMISSIONS	Total Consumption			Consumption per Person		
	2020	2019	Var. (%)	2020	2019	Var. (%)
CO <sub>2</sub> Emissions Diesel Generators (Ciudad Banesco only) <sup>(4)</sup>	1,518,295	1,383,885	9.71	1,001.51	781.41	28.16
CO <sub>2</sub> Emissions Employees' cars <sup>(2)</sup>	425,173	769,146	(44.72)	280.46	434.30	(35.42)
Total CO <sub>2</sub> Emissions <sup>(2)</sup>	1,943,469	2,153,031	(9.73)	1,281.97	1,215.72	5.45

1. National totals. Based on 3,387 employees in 2020 and 4,287 employees in 2019. The national electricity consumption figures for 2020 and 2019 are estimated.

2. Ciudad Banesco and Torres de El Rosal 1,516 employees in 2020 and 1,771 employees in 2019.

3. Donated to FUNDANA: No donations were made in 2020.

4. Own generation in Ciudad Banesco and El Rosal. 1,516 employees in 2020 and 1,771 employees in 2019 are taken as a basis.

5. 3,935,751 clients in 2020 and 4,072,128 clients in 2019 are taken into account.

## WATER CONSUMPTION

The water used in all our head-quarters and agencies is obtained through the water network fed by the different reservoirs in the country.

The activities carried out by the bank do not produce spills of chemical substances, oils and/or fuels that have negative effects on health, the environment, soil, water, and air, nor do they impact protected natural spaces or areas of high biodiversity that are not protected.

For the year 2020, the average water consumption per point of care is maintained at 775.2 m<sup>3</sup>, which gave us a total consumption value at the national level of 161,241 m<sup>3</sup> considering 208 points of care for this year.

Under this same concept and with an amount of 3,387 people per head-count for this year, we obtained 47.6 m<sup>3</sup> of consumption per person.

Our water consumption during this period was 161,241.00 m<sup>3</sup>, which represents a decrease of 30% with respect to the previous year.

Due to the nature of the financial activity, the Organization has no significant spills and transportation of hazardous waste.

## BANESCO OPERATIONS THAT COULD PRODUCE ENVIRONMENTAL IMPACT

► **Products and services:** For the granting of loans to builders, we carry out feasibility studies to guarantee not only the success of the project but also the least possible environmental impact in the area where the project will be carried out. We ensure that financed projects have the habitability certificates before starting the sales process.

► **Transportation of products:** Banesco Banco Universal, C.A., has no measurable environmental impacts from this activity, since the products that are transported to our network of agencies throughout the national territory are office supplies, printed documents, as well as technology equipment and their consumables. Likewise, the bank does not export or import waste. Hazardous waste (toners, batteries, monitors) is transported locally, taking into account all the necessary safety measures.

► **Personnel transportation:** A Employees are provided with transportation service from Ciudad Banesco to the nearest station of the Caracas Metro system in the morning for their arrival to

103-1, 103-2, 103-3, 303-1, 301-3, 303-1, 303-2, 303-3, 303-4, 303-5, 304-3, 304-4, 306-3, 306-4, 306-5, 307-1, FS8, FS9, FS10, FS11



the headquarters and in the afternoon to facilitate transportation to their homes, as well as for personnel who work at night, on weekends and holidays.

In the case of events taking place outside of the main offices, transportation units are hired to transport employees. The Organization assumes the cost of the service.

During 2020, no fines or lawsuits were received for non-compliance with national or local environmental regulations.

The medical service for employees located in Ciudad Banesco does not generate biological sanitary waste because it only provides primary care and uses disposable material. Emergencies are referred to health centers near the main office.





## DONATION OF FURNITURE AND DISINCORPORATED COMPUTER EQUIPMENTS

### DONATION OF DISINCORPORATED COMPUTER EQUIPMENTS

	2020	2019	Var. (%)
Number of Donated Equipment	316	905	(65.08)
Total Kg.	876.90	6,917.64	(87.32)

### DONATION OF DISINCORPORATED FURNITURE

	2020	2019	Var. (%)
Number of Donated Furniture	480	294	63.27
Total Kg.	21,182	18,680	13.40

## CORPORATE VOLUNTEERING

Among the social action activities carried out by our Corporate Volunteering, there are the environmental care initiatives and incentives to care for natural resources. 150 man-hours were invested in environmental activities in 2020. Volunteers committed to the environment were invited to celebrate Arbor Day at home, planting sprouts and maintaining the green areas around their homes. This small action helped the whole community to reinforce the many environmental benefits of keeping plants around us, such as mitigating climate change, refreshing spaces, harboring life, beautifying with flowers and colors, among others.

As a preventive measure and in compliance with Biosafety standards to prevent the spread of Covid-19 in our office areas during 2020, weekly disinfection and environmental sanitation campaigns were initiated at Ciudad Banesco and El Rosal headquarters in highly transited and general areas using the product NISUS DSV (disinfectant, sanitizer and virucide) published in the list of products that eliminate Covid-19, as issued by the WHO (the World Health

Organization) and the EPA (the US Environmental Protection Agency).

Likewise, environmental disinfection and sanitation was carried out at the agency level throughout the country.

In addition, a teleworking system was implemented, with weekly rotation of critical platform personnel, while always maintaining supervision of critical services.





## OUR SUPPLIERS

In Banesco Banco Universal, C.A. we manage the relation with our suppliers from the Vice-presidency of Procurement and Management, based on a relationship of trust, in a transparent and timely manner, guaranteeing the needs of the business and promoting the development of the entire value chain.

We engage with responsible suppliers who respect ethical, social and sustainability standards, just as we do, because we understand their impact on society.

## OUR MANAGEMENT

Our contracting policy sets forth that all suppliers interested in providing

services to the Organization must undergo a review process in the Legal, Technical-Commercial and Financial aspects, and must therefore provide documentation that supports their legality and financial transparency. Additionally, criteria such as price and quality of service, human rights and sustainability are included.

During 2020 we applied this contracting policy to 893 local suppliers (98.78%) and 11 non-local suppliers (1.22%), with whom we maintained a relationship and transacted a purchase volume of Bs.13,453,834,218,072.90 (Thirteen trillion, four hundred and fifty-three thousand, eight hundred and thirty-four million, two hundred and eighteen thousand, seventy-two, and ninety cents), which represents a 97.30% local suppliers, i.e. companies operating in the

same geographical area where the purchase, service and invoicing is performed; while 2.70% corresponds to non-local suppliers.

Of this number and as part of our commitment to the United Nations Global Compact, 56 service contracts were signed with suppliers, of which 12 included Clause number 20 subparagraph J) related to the Ten Principles of the Global Compact based on the Universal Declarations and Conventions applied in the areas of Human Rights, Environment, Labor Standards and Anti-Corruption.

The rest of the signed contracts are under the supplier's model, financial confidentiality agreements or signed agreements that do not include the clause identified above.

## DISTRIBUTION OF SUPPLIERS BY NUMBER AND BY AMOUNT PAID

TYPE	Amount of Suppliers		% of the total of Suppliers		Amount Paid (VES)		% Over the Amount Paid	
	2020	2019	2020	2019	2020	2019	2020	2019
Local Suppliers	893	1,032	98.78	97.91	13,090,856,079,185.70	1,237,209,308,722.29	97.30	94.8
Non-Local Suppliers	11	22	1.22	2.09	362,978,138,887.18	67,885,379,768.34	2.70	5.2
Total	904	1,054	100	100	13,453,834,218,072.90	1,305,094,688,490.64	100	100

## Suppliers and Most Significant Items by Region

We keep an inventory of our main suppliers of goods and services by geography.

### CAPITAL REGION

SERVICE	Supplier	Supplier	Amount (VES)	Amount (VES)	% of the total		
	2020	2019	2020	2019	Variation %	2020	2019
Hardware, Software and Technology	69	75	7,156,657,266,034.48	415,473,266,309.92	(8.00%)	65.41%	63.45%
Services	91	123	1,821,130,458,568.53	119,271,060,679.89	(26.02%)	16.64%	18.21%
Maintenance and Constructions	51	65	482,046,319,427.35	79,601,878,640.79	(21.54%)	4.41%	12.16%
Condominium and Leasings	127	143	1,153,867,079,728.19	21,779,206,804.34	(11.19%)	10.55%	3.33%
Fees and Consultancies	81	93	327,570,240,364.14	18,673,047,455.37	(12.90%)	2.99%	2.85%
<b>Total</b>	<b>419</b>	<b>499</b>	<b>10,941,271,364,122.70</b>	<b>654,798,459,890.31</b>	<b>(16.03%)</b>	<b>100.00</b>	<b>100.00</b>

### EASTERN – SOUTHERN REGION

SERVICE	Supplier	Supplier	Amount (VES)	Amount (VES)	% of the total		
	2020	2019	2020	2019	Variation %	2020	2019
Maintenance and Constructions	2	4	74,938,585,808.08	11,881,455,697.39	(50.00%)	44.87%	69.03%
Services	11	25	2,592,929,402.73	2,724,307,279.31	(56.00%)	1.55%	15.83%
Condominium and Leasings	40	39	89,463,027,883.08	2,607,468,295.58	2.56%	53.57%	15.15%
<b>Total</b>	<b>53</b>	<b>68</b>	<b>166,994,543,093.89</b>	<b>17,213,231,272.28</b>	<b>(22.06%)</b>	<b>100.00%</b>	<b>100.00</b>

## Suppliers and Most Significant Items by Region

### LOS LLANOS CENTER REGION

SERVICE	Supplier	Supplier	Amount (VES)	Amount (VES)	% of the total		
	2020	2019	2020	2019	Variación %	2020	2019
Office Equipment, Articles and Furniture	1	0	4,533,390.84	0.00	0%	0.00%	0.00%
Maintenance and Constructions	6	8	91,181,980,294.65	28,002,159,637.47	(25%)	45.38%	82.93%
Condominium and Leasings	56	53	78,819,436,898.73	4,096,167,921.96	6%	39.22%	12.13%
Services	29	50	30,943,251,297.38	1,667,308,229.41	(42%)	15.40%	4.94%
<b>Total</b>	<b>92</b>	<b>111</b>	<b>200,949,201,881.60</b>	<b>33,765,635,788.84</b>	<b>(17%)</b>	<b>100.00%</b>	<b>100.00</b>

### WESTERN – NORTHERN REGION

SERVICE	Supplier	Supplier	Amount (VES)	Amount (VES)	% of the total		
	2020	2019	2020	2019	Variación %	2020	2019
Fees and Consultancies	2	2	3,666,569,663.70	7,626,149.50	0%	4.37%	0.04%
Maintenance and Constructions	3	5	32,857,375,579.33	17,968,369,937.31	(40%)	39.19%	84.26%
Services	13	16	2,730,956,488.61	1,735,953,560.73	(19%)	3.26%	8.14%
Condominium and Leasings	23	27	44,587,530,393.23	1,613,078,189.11	(15%)	53.18%	7.56%
<b>Total</b>	<b>41</b>	<b>50</b>	<b>83,842,432,124.87</b>	<b>21,325,027,836.65</b>	<b>(18%)</b>	<b>100.00</b>	<b>100.00</b>

We promote an open and constant dialogue through different communication channels. On our website, [www.banesco.com](http://www.banesco.com), our suppliers and interested parties can find information on the procurement process and the necessary documentation to be submitted. We have an exclusive e-mail address for our suppliers, [registro\\_proveedores\\_ve@banesco.com](mailto:registro_proveedores_ve@banesco.com), through which they can write about commercial queries and through which we promote knowledge of our Code of Ethics and Conduct and of awareness initiatives on social, environmental and anti-corruption aspects.







## OUR POLICY

In Banesco Banco Universal, C.A., we live our organizational values on a daily basis. That is why we are responsible and transparent with all our stakeholders. We have quality information systems, in sufficient and secure terms, which allow us to share quality information in a timely manner and with the required frequency.

Compliance with our obligations, as well as communication and transparency, are key to ensuring that we continue to be a robust, secure and sustainable bank that contributes to the progress of people and businesses.

## OUR MANAGEMENT

We are responsible in the design of our products and services, adjusting them to the legal norms and regulations in force. Likewise, our contracts and general conditions contain a clause that limits the Bank's liability for non-compliance in the provision of the product or service derived from regulatory changes.

Our products and services are adjusted to the requirements of the regulatory body and risk analysis studies are conducted and submitted to the bank's depositors and investors on any new financial instrument or product, which, although it does not prevent the occurrence of eventual inconveniences, the Bank is constantly adjusting its risk mitigation mechanisms.

The Bank's Legal Advisory Vice-Presidency constantly analyzes any new legal instrument issued by regulatory agencies, or modifications to existing regulations, in order to determine any aspect that could affect the Bank, its stakeholders and the financial sector.

## TAXES

We have a tax policy aligned with the organizational values. We therefore respect and adhere to the strict and faithful compliance with the current tax law in an efficient and timely manner, based on the information reflected in the financial statements.

The Executive Management of Taxes and Compliance with Tax Obligations, attached to the Executive Direction of

Treasury and Finances, is the area in charge of establishing the necessary controls and guaranteeing faithful and timely compliance with tax obligations, through the execution of the legal provisions of the tax regulations and the approved and published Manuals of Processes.

On a monthly basis, the required and mandatory activities are planned to allow the compliance of its tax obligations in a timely manner with the national, state and municipality's bodies.

The accrual and payment of such obligations are reflected in the bank's financial statements in accordance with local accounting standards. On the other hand, tax regulations are analyzed to ensure that the Organization's decisions comply with their content and are in accordance with the general principles of tax law.

Regarding the Tax Transparency regime, specifically in the area of Transfer Pricing, we must point out that the Organization complies with the principle of free competition or principle of independence, informing the tax administration of its economic operations with



related parties, as established by the regulatory framework where it is evident that Banesco Banco Universal, C.A., assumes its tax burden, without transferring its benefits to low tax jurisdictions.

We are aware of the importance of our contributions in fiscal matters, so that the Public Power, at its different levels, can carry out the execution of its economic policies, that is why we fully comply with the payment of all its tax obligations, contributing directly and indirectly to the sustainable development of all its stakeholders.

The Executive Management of Taxes and Compliance with Tax Obligations seeks to raise awareness among the different areas of the business on the importance of complying with tax obligations and the risks to which the Organization may be exposed, either through meetings, e-mails and/or newsletters. In addition, employees are provided with specialized training courses on tax matters, so that they have the necessary technical tools for the performance of their duties.

The Executive Management of Taxes and Compliance with Tax Obligations

seeks to identify risks in advance and notify, if necessary, the Executive Direction of Treasury and Finances, in order to make assertive decisions to mitigate or eliminate them. Likewise, there are channels of constant communication between the various areas that make up the Organization, so that if there is a tax risk, it can be addressed in a timely manner.

For the internal control of risks, the Executive Management of Taxes and Compliance with Tax Obligations,

maintains a Schedule of activities, where the regulatory dates and the actual dates of payment and declaration of each of the tax obligations are shown, allowing the Managers of the area to supervise the due compliance, being able to corroborate the information with the digitalized supports. Additionally, regarding the approval of the payment of the different taxes, the Executive Management has Tax Autonomy, duly authorized by the Risk Committee and the Board of Directors.

#### TAXES DUE TO OWN OPERATIONS

(IN THOUSANDS OF BS.)

TAXES	2020	2019	Variation %
Income Before Income Taxes	15,876,968,780.72	464,917,777.53	3,315 %
Income Tax (1)	1,658,945,079.16	34,688,859.63	4,682 %
Tax on Economic Activities	763,657,000.00	29,051,302.35	2,529 %
Value Added Tax *	2,133,649,466.27	120,159,118.71	1,676 %
Tax on Business Advertising	6,250,797.27	11,282.14	55,304 %
Urban Property Tax	5,425,872.56	47,180.01	11,400 %
Tax on Large Financial Transactions (IGTF)	660,728,366.45	32,036,083.44	1,962 %
Tax on Large Assets	251,919,338.21	7,534,000.00	3,244 %
Other Taxes **	4,926,945.67	783,798.23	529 %
<b>Sub Total Bs.</b>	<b>5,485,502,865.59</b>	<b>224,311,624.50</b>	<b>2,345 %</b>
<b>Income After Income Taxes</b>	<b>10,391,465,915.13</b>	<b>240,606,153.03</b>	<b>4,219 %</b>

\* Includes the total of the fiscal credit for national purchases and the payment of the VAT as responsible party (import of services).

\*\* Other taxes: payments are registered for administrative fees

To ensure compliance with the activities carried out by the Executive Tax and Compliance with Tax Obligations, the Organization has an Internal Audit Vice-Presidency, which verifies that tax obligations are complied with in accordance with the Venezuelan legal system. In addition, there is a Vice-Presidency of Business Models, that guarantees the existence of manuals of processes, and that they are efficient and compliant with the best business practices.

The Organization has been characterized by maintaining assertive communication with all stakeholders, whether they are employees, clients, physical authorities or the communities to which it belongs. We maintain continuous communication with government authorities, establishing cooperative relationships and partnerships with the collecting agency and local governments based on principles of transparency and trust.

With regard to the management of tax-related concerns, there is a digital tool called @rqa-si, through which all tax-related queries from any business area of the organization are received, where the Executive Management of Taxes and Compliance with Tax

## LEGAL CONTRIBUTIONS

(IN THOUSANDS OF BS.)

TAXES	2020	2019	Variation %
CONTRIBUTION TO THE SCIENCE, TECHNOLOGY AND INNOVATION ACT			
Contribution to the National Science, Technology and Innovation Fund (FONACIT) <sup>1</sup>	7,953,104.43	56,848.29	13,890.05
WORKERS' FOOD ACT			
Workers' Food Act	21,657,038.72	2,667,107.70	712.00
CONTRIBUTIONS TO FOGADE, SUDEBAN, TO THE NATIONAL ANTRI-DRUG OFFICE-ONA, AND SOCIAL CONTRIBUTION TO COMMUNES, SPORT ACT,			
FOGADE	206,719,317.44	10,433,336.61	1,881.33
SUDEBAN	230,254,496.00	12,737,452.79	1707.70
LOSEP CONTRIBUTION (ONA - FONA)	133,283,869.68	3,151,303.54	4,129.48
SOCIAL CONTRIBUTION TO COMMUNES <sup>2</sup>	64,606,022.48	4,707,569.71	1,272.39
SPORT ACT CONTRIBUTION	111,620,000.00	2,502,880.88	4,359.66

<sup>1</sup> The funds corresponding to these contributions are transferred to the Science, Technology and Innovation National Fund (FONACIT), which decides on the projects to be financed based on the guidelines and priorities defined in the National Economic and Social Development Plan, as well as the ethical implications and the potential cultural, social, environmental and economic impact of the projects.

<sup>2</sup> This contribution is administered by the Autonomous Service of the National Fund of the Communal Councils (SAFONACC), whose main activity is the administration of the resources allocated to the Communal Councils, financing community, social and productive projects of the Popular Power in their financial

Obligations is in charge of providing a timely response and of following up on the solution of the subjects that gave rise to the concerns, ensuring at all times that the Organization complies with its tax obligations.

In addition, it is important to point out that the Organization has an active participation in the Venezuelan Banking Association, specifically in the Tax

Committee, where any new developments in the tax area are discussed, such as, for example, the impact of new taxes and positions that may be adopted on a given topic, seeking consensus in the guild. In this way, opinions are contrasted and risks are mitigated, being elements that guarantee the continuity of the business and compliance with tax obligations.

## TAXES WITHHELD AND PAID ON BEHALF OF EMPLOYEES

(IN THOUSANDS OF BS.)

PARAFISCAL CONTRIBUTIONS	2020	2019	Variation %
Housing and Habitat Act <sup>1</sup>	3,310,172.34	516,043.66	695.36%
Compulsory Social Security <sup>2</sup>	4,119,978.74	679,115.22	506.67%
Employment Act <sup>3</sup>	860,939.73	144,695.36	495.00%
INCES <sup>4</sup>	1,041,170.01	146,977.93	608.39%
Income Tax <sup>5</sup>	215,883,404,530.69	2,068,656.23	10,435,825%
<b>Total</b>	<b>215,892,736,791.51</b>	<b>3,555,488.40</b>	<b>6,071,997.91%</b>

- 1 The contribution is equivalent to 3% of the monthly total wage of the employees (2% paid by the employer and 1% by the employee).
- 2 All the persons providing services both to public and private companies make contributions to the IVSS (Venezuelan Institute of Social Security).
- 3 This contribution is aimed at guaranteeing the employee facing involuntary job loss, and who contributes to the employment security system, a benefit in cash for a given period. 2% is paid by the employer and 0.5 is paid by the employee.
- 4 INCES is a public institution in charge of the collective, comprehensive, continuing and permanent of the employees, aimed towards the development of their abilities. The contribution is paid as follows: 2% paid by the employer and 0.5% paid by the employee.
- 5 This contribution is paid by those employees who estimate an annual income of 1,000 tax units (T.U) or more.



## TAXES COLLECTED

Through the corporate website and our Agency Network, Banesco Banco Universal, C.A., offers its clients the possibility of making the payment of centralized taxes to SENIAT, the tax collecting entity. In 2020, this collection reached the amount of Bs. 24,408,025 MM.

Likewise, we have established alliances with the 5 Mayors' Offices of the Capital Region and other cities in the country, as well as governmental agencies that belong to the central administration so that our clients can pay their municipal taxes through our electronic channels. In this regard, in 2020 an amount of Bs. 14,181,870 MM was collected.





As collection and withholding agents for clients, the Organization must pay the following taxes to the state and national tax authorities:

#### TAXES WITHHELD AND PAID ON BEHALF OF EMPLOYEES

(IN THOUSANDS OF BS.)

TAX WITHHELD AND COLLECTED	2020	2019	Variation %
Tax on Large Financial Transactions (IGTF)	26,169,811,266.59	1,495,026,308.08	1,641%
Income withholding on Incidental Income	1,272,746.46	179,379.07	610%
Revenue Stamps	157,869,616.40	4,758,216.74	3,218%
<b>Total Bs.</b>	<b>26,184,353,085.44</b>	<b>1,499,963,903.90</b>	<b>1,646%</b>

#### TAXES WITHHELD AND PAID ON BEHALF OF SUPPLIERS AND CLIENTS

(IN THOUSANDS OF BS.)

TAX WITHHELD AND COLLECTED	2020	2019	Variation %
Value Added Tax withholdings Suppliers	1,580,223,350.77	89,192,917.10	1,672%
Income tax withholdings	453,323,074.61	24,703,446.83	1,735%
Banking Transactions withholdings	960,486,068.16	45,834,073.96	1,996%
Tax on Economic Activities withholdings	1,316,168.67	106,046.50	1,141%
<b>Total Bs.</b>	<b>2,995,348,662.21</b>	<b>159,836,504.39</b>	<b>1,774%</b>

### FINES OR NONCOMPLIANCE

During the reported period, Banesco Banco Universal, C.A. did not receive any claims or incidents regarding compliance with free competition or monopolistic practices.

The communications received from the Superintendence of Banking Sector Institutions or the Venezuelan Central Bank did not present instructions that had had a significant impact on the Bank's financial situation and asset structure.

In the Bank's audited Financial Statements, on a semiannual basis, in accordance with the requirements of the Regulatory Agency, the disputes, contingencies, contractual and tax commitments are revealed, and on which the Bank does not foresee any impact on the financial statements as a whole.

In Banesco Banco Universal, C.A., employees at all levels, including the Board of Directors, are vigilant regarding strict compliance with the provisions of law to which the Bank is subject as a financial institution.

Banesco Banco Universal, C.A. is a private banking institution and has not received any financial assistance from the public sector during the period under review. Neither has it provided financing to political parties, labor unions and related associations.

## PRINCIPLES TO DEFINE THE REPORT'S CONTENT

This Responsibility and Sustainability Report of Banesco Banco Universal, C.A. is the result of our management from January and December 2020. It includes our main actions and how we integrated the sustainability strategy with our financial activity, managing to create long-term value with each of our stakeholders (Shareholders, clients, employees, suppliers and community) and participating in the economic and social growth of the country.

As in previous editions, this edition highlights the relevant aspects of the year and the degree of compliance with the commitments and objectives established during the previous year, as well as those foreseen for the following year. This report can be consulted digitally on our website (<http://ow.ly/Spp93>) and on the Banesco Blog: <http://blog.banesco.com/rse/>. The periodicity of presentation of the Responsibility and Sustainability Report is annual.

This is our 17th report published and it maintains the same scope as our last report corresponding to 2019. This



report has been drafted in accordance with the Comprehensive option of the GRI Standard. The guidelines of the GRI G4 Sector Supplement for the financial sector were used, and joined the "Community GRI" program, which reflects our relationship and commitment to the GRI.

The structure of this report is based on the GRI Standards and the Financial Services Sector Supplement issued by the Global Reporting Initiative (GRI) and is presented in the same format as in previous years, organized in two large blocks: the Internal and External Dimensions of our Social Responsibility, with specific chapters for each stakeholder.

With this report we not only report our performance within a sustainability context, but we also report our work within a broader context that includes among others:

- The importance and value of our Human Capital, which is reflected in salaries higher than the legal minimum, continuous training, and support programs to acquire housing, competitive non-contractual benefits, among others.
- Our sustained commitment to support our Social Partners who work to improve education and health services in communities.
- The Organization's impact on the generation of direct jobs in the different regions of the country, indirect jobs through the regional distribution of its suppliers, regional opportunities and services for clients and regional donations.



This report is governed by the principle of completeness in terms of scope, coverage and terms herein included.

The coverage of the report includes only the operation of Banesco Banco Universal, C.A. in Venezuela. The materiality of the information is manifested in the indicators reflecting the significant impacts of the Organization in the economic, social and environmental spheres. For the preparation of this report, we involved all business areas in the data collection process and in the awareness of the timely submission of information.

The data presented are detailed for the years 2019 and 2020 with their respective variation rates, which allows comparability of performance in these two periods SDG. Likewise, in those cases where the information was restructured for presentation and comparability purposes, a reference is made to this respect.

Quantitative contents are generally reported together with the variables that give rise to their calculation, which

facilitates the understanding of how they are obtained.

For the purposes of data collection, we have relied on the different information management systems or internal mechanisms that the organization has.

In general terms, they correspond to information published and reported to the regulatory bodies, i.e. it is perfectly verifiable.

Another premise is clarity. Hence the fact that this Report contains the most relevant elements, in a readable document in terms of the simplicity of its language, the visualization of figures and graphic expressions of management, and the volume of pages. To ensure the reliability of the information presented and the procedures followed in the preparation of the Report, all internal sources for each aspect reported are documented and submitted to the verification of the Executive Vice-Presidency of Internal Auditing before being published.

It should be noted that the contents here submitted not only cover those considered as material according to the analysis carried out following the parameters established in the GRI

Standards, but also those that the senior management has decided to reveal, even if they are non-material topics, as they are considered relevant for the Bank's performance.

During the preparation of this report, there were no significant changes in the size, structure and ownership of the organization or in the supply chain. There were also no changes in the restatement of information regarding the reports of previous years.

This report has been prepared in accordance with the Comprehensive option of the GRI Standards and we have applied the services of the Materiality Disclosure Service and we joined the "Community GRI", program to reflect our relationship and commitment to the GRI.

We do not consider external verification. The executive management of institutional planning and dissemination validates and executes the materiality process and manages the collection of information. Then, the Report is reviewed and audited by the Forensic Audit Management belonging to the Internal Audit Vice-presidency of Banesco Banco Universal, C.A.

AREA	MAIN LINES OF ACTION 2020	COMMITMENTS 2021
Corporate Governance	<ul style="list-style-type: none"> <li>► We implemented follow-up and control mechanisms for calls, materials, minutes and minutes of the different Governing Bodies, in accordance with the provisions of the Sole Regulation.</li> <li>► We optimized the governance structure aligned with the corporate standard, standardizing governance bodies and the strengthening of best practices, within the framework of the Sole Regulation for the operation of the Board of Directors, Executive Committees and other deliberative bodies of Banesco Banco Universal, C.A.</li> </ul>	<ul style="list-style-type: none"> <li>► To continuously review the degree of compliance with the Sole Regulation of Procedure of the governing bodies and with the corporate guidelines.</li> <li>► To promote the application of corporate standards and guidelines in the design and content of minutes, statements and presentations, reinforcing the use of strategic communication in the management of government agencies.</li> <li>► Update the objectives of the governing bodies and simplify the structure and composition of the committees, seeking greater agility and efficiency in decision making.</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>► We increased the bank's capital stock in order to continue promoting the bank's assets strength and the growth of the institution. We are awaiting the authorization from the competent regulatory body.</li> </ul>	<ul style="list-style-type: none"> <li>► To increase the bank's capital stock in order to continue promoting the strengthening of the bank's assets and the growth of the institution.</li> </ul>





AREA	MAIN LINES OF ACTION 2020	COMMITMENTS 2021
Human Capital	<ul style="list-style-type: none"> <li>► We promoted actions to continuously improve the employee's experience, focusing on personal and corporate values.</li> <li>► We consolidated the Banesco Citizen's technical and personal skills through our virtual learning platforms.</li> <li>► We implemented new actions to improve the quality of life and integral wellbeing of our employees through innovative compensation schemes.</li> <li>► We adapted operationally to a new reality brought about by the emergence of COVID-19.</li> <li>► We promoted behaviors aligned with the values of and in faithful compliance with our Code of Ethics and the rules that govern the PCLC/ FT/ FPADM.</li> </ul>	<ul style="list-style-type: none"> <li>► To consolidate a high-performance culture that fosters engagement, agility, client experience, collaborative work, transversality and innovation.</li> <li>► To consolidate teleworking and promote new ways of working with multifunctional teams, to contribute to the development of an agile, productive and efficient Organization.</li> <li>► To ensure effective succession management, preserving talent and safeguarding knowledge.</li> <li>► To continue to identify and implement new benefit schemes (monetary and non-monetary), aimed at improving the quality of life of the Banesco Citizen and retaining the best talent.</li> <li>► To continue to promote behaviors aligned with the values of and in faithful compliance with our Code of Ethics and the rules governing the PLC/FT/ FPADM.</li> </ul>



AREA	MAIN LINES OF ACTION 2020	COMMITMENTS 2021
Corporate Volunteering	<ul style="list-style-type: none"> <li>► We strengthened Banesco Citizenship, promoting interaction among employees with virtual activities of general interest, which will allow us to reinforce our organizational values.</li> <li>► We promoted a greater amount of volunteer actions with social partners.</li> <li>► We strengthened the Banesco Citizen's social commitment inside and outside the Organization, through volunteer actions (food collection, school supplies, among others), becoming multipliers of the culture, brand and corporate social responsibility.</li> </ul>	<ul style="list-style-type: none"> <li>► To continue strengthening Banesco Citizenship, promoting the solidarity action of employees nationwide through virtual and face-to-face activities of interest, guaranteeing biosecurity measures and reinforcing our organizational values.</li> <li>► To promote a greater amount of volunteer actions with social partners.</li> </ul>



AREA	MAIN LINES OF ACTION 2020	COMMITMENTS 2021
Social Partners and Community	<ul style="list-style-type: none"> <li>► We deepened our social dialogue with the community through our Participatory Budget initiative in 9 communities throughout the country, adjusting ourselves to the new reality and holding virtual meetings with the participants.</li> <li>► We developed virtual training courses for social partners and a citizenship building campaign based on COVID prevention.</li> <li>► We implemented the Microentrepreneur Training Program in an online modality and conducted a pilot follow-up program for graduated microentrepreneurs.</li> <li>► We strengthened our Digital Library by incorporating new publications and participating in activities that promote their dissemination.</li> </ul>	<ul style="list-style-type: none"> <li>► To continue to deploy training programs for Social Partners and Volunteers.</li> <li>► To promote the dissemination of the Virtual Microentrepreneurship Training Program.</li> <li>► To establish new partnerships with social development organizations with high impact programs for the community.</li> <li>► To strengthen the SDG-based Citizenship Building Campaign.</li> <li>► To promote new Digital Library dissemination channels.</li> <li>► To continue coordinating the Business Sustainability Forum with the United Nations.</li> </ul>



AREA	MAIN LINES OF ACTION 2020	COMMITMENTS 2021
Clients	<ul style="list-style-type: none"> <li>► We strengthened the mobile applications on our web platform, allowing our clients to carry out financial transactions through various electronic channels with greater efficiency, security and speed.</li> <li>► We promoted the digital transformation and customer experience by designing processes, products and services within the framework of the new digital era.</li> <li>► We strengthened and deepened standardized practices in project management, with the application of agile methodologies for the development of quality products and services, oriented to the satisfaction of our clients.</li> <li>► We optimized security controls and monitoring of transactions carried out through digital and electronic channels, identifying new cyber-attack modalities.</li> <li>► We conducted awareness campaigns for employees on the importance of promoting Digital Transformation and Internal and External Customer Experience.</li> </ul>	<ul style="list-style-type: none"> <li>► To continue to design and implement products and services oriented to satisfy the needs of our clients.</li> <li>► To maintain the constant and dynamic review of our value offering, so that it continues to be a differentiating element of the Banesco brand.</li> <li>► We will continue to adjust our controls and transaction monitoring to protect our clients from new types of cyber-attacks.</li> <li>► To strengthen the development of customer behavioral knowledge, using analytical capabilities, to support improvement and optimization decisions.</li> <li>► To continue to develop knowledge of these methodologies and solutions.</li> <li>► To promote digital transformation and customer experience by designing processes, products and services within the framework of the new digital era.</li> </ul>



AREA	MAIN LINES OF ACTION 2020	COMMITMENTS 2021
Environment	<ul style="list-style-type: none"> <li>► We developed new actions aimed at achieving our sustainable growth in a balanced manner while protecting the environment with concrete actions that go beyond recycling at making efficient use of non-renewable resources such as electricity and water.</li> </ul>	<ul style="list-style-type: none"> <li>► To deepen actions aimed at raising awareness among our employees in relation to the optimal use of resources in the different operations we carry out so that they have a progressively lower environmental impact.</li> <li>► To continue with our promise to be a green bank, decreasing the use of paper and leveraging technology as an innovative alternative.</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>► We deepened the use of Ariba as a sourcing tool.</li> <li>► We optimized procurement lead times in a high-demand environment due to supplier shortages in certain markets.</li> </ul>	<ul style="list-style-type: none"> <li>► To continue to establish strategic alliances with key suppliers (current and new).</li> <li>► To manage our processes within the framework of transparency and agility for bidding and/or contracting of services.</li> </ul>





# WE BUILD PARTNERSHIPS TO DREAM

We lay and help to strengthen the foundation of society  
Social Balance end 2020

 Microentrepreneurs Training Program Bs. 3,947,233,054.39	 Fe y Alegría Bs. 3,757,803,385.81	 Simón Bolívar Music Foundation Bs. 1,247,196,258.12	 Association of Venezuelan Catholic Education (AVEC) Bs. 706,188,140.50	 IESA (Proyecto Emprendimiento Social con el IESA) Bs. 3,250,000,929.99	 Universities and Other Institutions Bs. 24,089,136,689.24	 Other Education Institutes and Organizations Bs. 5,107.54
 Scholarships Bs. 2,025.40	 Venezuelan Foundation against Child Paralysis Bs. 2,006,002,650.47	 Other Health and Medical Care Organizations Bs. 7,756,330,561.17	 FUNDANA Bs. 9,030,920,476.68	 Civil Association Don Bosco Houses Network Bs. 3,442,665,857.04	 Salesian Ladies Civil Association Bs. 255,012,372.29	 Attendance to the childhood and people with special necessities Bs. 591,045,600.95
 Toys donation to the communities Bs. 34.17	 Editorial and Publishing Projects Bs. 2,661,978,789.08	 Other Contributions Bs. 717,227,155.42	 Solidarity Campaign for Natural Disasters Bs. 61.29	 Events for the Community Bs. 368,430,524.57	 Investment in Works in Colinas de Bello Monte Bs. 23.06	 Mayoralties, regional governments and other State Organizations Bs. 141.71
 Non-Contractual Social Benefits for Banesco Employees Bs. 366,995,045,811.54	 Corporate Volunteering Contribution Bs. 673,850,508.83	 Application Article 96 LOCTICSEP Bs. 336.12	 Community Participative Budget Bs. 1,395,031,073.71			

## ACCUMULATED 1998 - DECEMBER 2020

TOTAL SOCIAL INVESTMENT Bs. 432.891.107.569,11

TOTAL GENERAL SOCIAL INVESTMENT

PLUS COMMITMENTS MADE Bs. 432.891.107.569,11

Figures expressed in Bs.

## Directores

Juan Carlos Escotet Rodríguez • José Grasso Vecchio • Miguel Ángel Marciano Cartea  
Emilio Durán Ceballos • María Josefina Fernández

Banesco once again transparently reports to its stakeholders with the publication of the Social Balance at the end of 2021. We are pleased to be the first Venezuelan institution to obtain the highest rating from the Global Reporting Initiative (GRI) in our Responsibility and Sustainability reports, with "Exhaustive Compliance"

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The following are the pages of the Report that respond to the contents of the GRI Standards and the GRI Financial Services Sector Supplement.

It should be noted that the contents presented not only include those that have been considered material according to the analysis carried out in accordance with the parameters established by the GRI, but also

those non-material topics that the senior management has decided to reveal, as they considered them relevant to the Bank's performance.

For the Materiality Disclosures Service, GRI Services has checked that the GRI table of contents is clear, and that the references for Contents 102-40 to 102-49 correspond to the indicated sections of the report.



GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
GRI 101: Foundation 2016								
GRI 102: General Disclosures 2016	Profile of Organization	102-1	Name of the Organization	5		√		
		102-2	Activities brands, products, and services	77 - 78		√		
		102-3	Location of the headquarters	5		√		
		102-4	Location of the operations	5		√		
		102-5	Ownership and legal form	5		√		
		102-6	Markets served	6; 77 - 82		√		
		102-7	Scale of the Organization	9; 30; 32 - 35		√		
		102-8	Information on employees and other workers	35 - 36; 46		√	Principle 6	8.5
		102-9	Supply chain	102		√	Principle 7	
		102-10	Significant changes to the Organization and its supply chain	110 - 111		√		
		102-11	Precautionary Principle or approach	6 - 9; 35, 46		√		
		102-12	External initiative	42 - 44, 56 - 57		√	Principle 7	
		102-13	Membership of associations	28		√	Principle 1, 2, 5, 8, 9, 10	

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
GRI 102: General Disclosures 2016	Strategy	102-14	Declaration of senior executives responsible for the decision making	3		√	Principle 1, 7, 8, 9	
		102-15	Main Impacts, Risks and Opportunities	6 - 7; 9		√	Principle 7, 8, 9	
	Ethics and Integrity	102-16	Values, principles, standards and codes of conduct	5; 34 - 35		√	Principle 10	
		102-17	Counseling mechanisms and ethical concerns	25 - 29; 34; 81 - 82		√	Principle 10	
	Governance	102-18	Governance structure	18 - 28; 31		√		
		102-19	Authority delegation	18 - 21		√		
		102-20	Responsibility at the executive level of economic, environmental and social matters	25 - 27		√	Principle 1, 2, 3, 4, 5, 6, 7, 8, 9, 10	
		102-21	Survey of Stakeholders about economic, environmental and social matters.	12 - 15; 25; 32 - 33; 35		√		
		102-22	Structure of the highest governance body and its committees	18 - 27		√		5.1, 5.5
		102-23	President of the highest government body	19 - 22		√		
		102-24	Designation and selection of the highest government body	18 - 27		√		5.1, 5.5
		102-25	Interest conflicts	25 - 29; 34 - 35		√		
		102-26	Function of the highest government body in the selection of goals, values and strategy	18 - 28; 31		√		
		102-27	Collective knowledge of the highest government body	12 - 15		√	Principle 10	
		102-28	Performance assessment of the highest government body	38 - 41		√	Principle 7, 8, 9	
		102-29	Identification and management of economic, environmental and social impacts.	6 - 7; 9; 11 - 16		√		
		102-30	Efficiency of the risk management processes	12 - 16; 25 - 27		√	Principle 10	
		102-31	Evaluation of economic, environmental and social matters	38 - 41		√		



ANNEX 1  
GRI CONTENT  
INDEX

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
GRI 102: General Disclosures 2016	Governance	102-32	Function of the highest government body in the preparation of sustainability reports	110 - 111		√		
		102-33	Communication of critical concerns	12 - 16; 18; 20 - 21; 35		√		
		102-34	Nature and total amount of critical concerns	20 - 21; 34 - 35		√		
		102-35	Remuneration policies	39 - 41		√		
		102-36	Process to determine remuneration	39 - 41		√		
		102-37	Stakeholders involvement in remuneration	39 - 41		√		
		102-38	Total annual compensation ratio	40 - 41		√		
		102-39	Total annual percentage increase ratio	40		√		
	Participation of the Stakeholders	102-40	List of stakeholders	6 - 7; 12 - 16		√		
		102-41	Collective bargaining agreements	54 - 56		√	Principle 3	8.8
		102-42	Identification and selection of stakeholders	12 - 16		√		
		102-43	Approach for participation of stakeholders	12 - 16		√		
		102-44	Above-mentioned key matters and concerns	12 - 16		√		



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GRI CONTENT  
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GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
GRI 102: General Disclosures 2016	Report Preparation Practices	102-45	Entities included in the consolidated financial statements	110 - 111		√		
		102-46	Definition of the reports contents and the coverage of the topics	12 - 16		√		
		102-47	Material topics list	12 - 16		√		
		102-48	Information restatement	110 - 111		√		
		102-49	Changes in the report preparation	6 - 7; 12 - 15		√		
		102-50	Reporting period	110 - 111		√		
		102-51	Previous report date	110 - 111		√		
		102-52	Report preparation cycle	110 - 111		√		
		102-53	Contact point for questions about the report	143		√		
		102-54	Declaration of preparation of the report in compliance with the GRI Standards	110 - 111		√		
		102-55	GRI Content Index	119 -137		√		
		102-56	External verification	110 - 111 ANNEX 1 138 - 142		√		



GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>ECONOMIC PERFORMANCE</b>								
<b>GRI 103: Management approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16		√		
		103-2	The management approach and its components	6 - 10		√		
		103-3	Evaluation of the management approach	6 -10		√		
<b>GRI 201: Economic performance 2016</b>		201-1	Direct economic value generated and distributed	8 - 9		√		8.1, 8.2
		201-2	Financial implications and other risks and opportunities due to climate change	96; 98		√	Principle 7 Criterion 10	
		201-3	Defined benefit plan obligations and other retirement plans	58 - 61		√		
		201-4	Financial assistance received from government	105; 109		√		
<b>MARKET PRESENCE</b>								
<b>GRI 103: Management approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16		√		
		103-2	The management approach and its components	36 - 37		√		
		103-3	Evaluation of the management approach	36 - 37		√		
<b>GRI 202: Market Presence 2016</b>		202-1	Ratios of standard entry level wage by gender compared to local minimum wage	39 - 41		√		1.2, 5.1, 8.5
		202-2	Proportion of senior management hired from the local community	36 - 37		√		8.5
<b>ECONOMIC IMPACTS</b>								
<b>GRI 103: Management approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16		√		
		103-2	The management approach and its components	66 - 72		√		
		103-3	Evaluation of the management approach	66 - 72		√		
<b>GRI 203: Indirect Economic Impacts 2016</b>		203-1	Infrastructure investments and services supported	66 - 67		√		5.4
		203-2	Significant indirect economic impacts	66 - 70		√		1.2, 3.8, 8.2, 8.3, 8.5

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>PROCUREMENT PRACTICES</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16		√		
		103-2	The management approach and its components	102 - 103		√		
		103-3	Evaluation of the management approach	102 - 103		√		
<b>GRI 204: Procurement Practices 2016</b>		204-1	Proportion of spending on local suppliers	102 - 104		√	Principle	8.1, 8.2
<b>ANTI-CORRUPTION</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	112 - 16		√	Principle 10	
		103-2	The management approach and its components	28-31		√	Principle 10	
		103-3	Evaluation of the management approach	28-31		√	Principle 10	
<b>GRI 205: Anti-corruption 2016</b>		205-1	Operations assessed for risks related to corruption	22 - 24; 53		√	Principle 10	
		205-2	Communication and training about anti-corruption policies and procedures	28 - 29; 31; 56 - 57		√	Principle 10	
		205-3	Confirmed incidents of corruption and actions taken	56 - 57		√	Principle 10	
<b>ANTI-COMPETITIVE BEHAVIOR</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16		√		
		103-2	The management approach and its components	77 - 79		√		
		103-3	Evaluation of the management approach	77 - 79		√		
<b>GRI 206: Anti-competitive Behavior 2016</b>		206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	105; 109		√		

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>TAX</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16		√		
		103-2	The management approach and its components	105 - 106; 108		√		
		103-3	Evaluation of the management approach	105 - 106; 108		√		
<b>GRI 207: Tax 2019</b>		207-1	Approach to tax	105 - 109				
		207-2	Tax governance, control, and risk management	106 - 109				
		207-3	Stakeholder engagement and management of concerns related to tax	106 - 109				
		207-4	Country-by-country reporting	106 - 109				
<b>MATERIAL</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	96 - 100		√		
		103-2	The management approach and its components	96 - 100		√		
		103-3	Evaluation of the management approach	96 - 100		√		
<b>GRI 301: Materials 2016</b>		301-1	Materials used by weight or volume	99; 101		√	Principle 8, 9	8.4
		301-2	Recycled materials	98 - 99		√	Principle 8, 9	
		301-3	Reclaimed products and their packaging materials	98 - 99		√	Principle 8, 9	8.4
<b>ENERGY</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	96 - 100		√	Principle 7,8, 9	
		103-2	The management approach and its components	96 - 100		√	Principle 7,8, 9	
		103-3	Evaluation of the management approach	96 - 100		√	Principle 7,8, 9	
<b>GRI 302: Energy 2016</b>		302-1	Energy consumption within the organization	97 - 99		√	Principle 7 y 8	8.4
		302-2	Energy consumption outside of the organization	97 - 99		√	Principle 8	8.4
		302-3	Energy intensity	97 - 99		√	Principle 8, 9	8.4
		302-4	Reduction of energy consumption	97 - 99		√	Principle 8, 9	8.4
		302-5	Reductions in energy requirements of products and services	97 - 99		√	Principle 8, 9	8.4



GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>WATER AND EFFLUENTS</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	96 - 100		√		
		103-2	The management approach and its components	96 - 100		√		
		103-3	Evaluation of the management approach	96 - 100		√		
<b>GRI 303: Water and Effluents 2018</b>		303-1	Interactions with water as a shared resource	99 - 100		√	Principle 8	
		303-2	Management of water discharge-related impacts	99 - 100		√	Principle 8	
		303-3	Water withdrawal	96 - 97; 99; 100		√	Principle 8	
		303-4	Water discharge	100		√	Principle 8	
		303-5	Water consumption	100		√	Principle 8	
<b>BIODIVERSITY</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	96 -100		√	Principle 8	
		103-2	The management approach and its components	96 -100		√	Principle 8	
		103-3	Evaluation of the management approach	96 -100		√	Principle 8	
<b>GRI 304: Biodiversity 2016</b>		304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	99		√	Principle 8	
		304-2	Significant impacts of activities, products, and services on biodiversity	99		√	Principle 8	
		304-3	Habitats protected or restored	100		√	Principle 8	
		304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	100		√	Principle 8	

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>EMISSIONS</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	96 -100		√	Principle 7, 8	
		103-2	The management approach and its components	96 -100		√	Principle 7, 8	
		103-3	Evaluation of the management approach	96 -100		√	Principle 7, 8	
<b>GRI 305: Emissions 2016</b>		305-1	Direct (Scope 1) GHG emissions	99		√	Principle 7, 8	3.9
		305-2	Energy indirect (Scope 2) GHG emissions	99		√	Principle 7, 8	3.9
		305-3	Other indirect (Scope 3) GHG emissions	99		√	Principle 7, 8	3.9
		305-4	GHG emissions intensity	99		√	Principle 7, 8	
		305-5	Reduction of GHG emissions	99		√	Principle 7, 8	
		305-6	Emissions of ozone-depleting substances (ODS)	98 - 99		√	Principle 7, 8	
		305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	98		√	Principle 7, 8	3.9
<b>WASTE</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	96 -100		√	Principle 7, 8	
		103-2	The management approach and its components	96 -100		√	Principle 7, 8	
		103-3	Evaluation of the management approach	96 -100		√	Principle 7, 8	
<b>GRI 306: Waste 2020</b>		306-1	Waste generation and significant waste-related impacts	99		√	Principle 7, 8	3.9
		306-2	Management of significant waste-related impacts	98 - 99		√	Principle 7, 8	3.9
		306-3	Waste generated	98; 100		√	Principle 7	
		306-4	Waste diverted from disposal	98; 100		√	Principle 7	3.9
		306-5	Waste directed to disposal	98; 100		√	Principle 8,9	

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
ENVIRONMENTAL COMPLIANCE								
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	96 -100		√	Principle 7		
	103-2	The management approach and its components	96 -100		√	Principle 7		
	103-3	Evaluation of the management approach	96 -100		√	Principle 7		
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	100		√	Principle 7		
SUPPLIER ENVIRONMENTAL ASSESSMENT								
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	102 - 104		√	Principle 8		
	103-2	The management approach and its components	102 - 104		√	Principle 8		
	103-3	Evaluation of the management approach	102 - 104		√	Principle 8		
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	102 - 104		√	Principle 8		
	308-2	Negative environmental impacts in the supply chain and actions taken	102 - 104		√	Principle 8		
EMPLOYMENT								
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	12 - 16		√			
	103-2	The management approach and its components	34 - 38		√			
	103-3	Evaluation of the management approach	34 - 38		√			
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	38		√	Principle 6	5.1, 8.5, 8.6	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	39 - 41; 53		√		3.2, 5.4, 8.5	
	401-3	Parental leave	52		√		5.1, 5.4, 8.5	

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>LABOR/MANAGEMENT RELATIONS</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16		√		
		103-2	The management approach and its components	36 - 37		√		
		103-3	Evaluation of the management approach	36 - 37		√		
<b>GRI 402: Labor/Management Relations 2016</b>		402-1	Minimum notice periods regarding operational changes	36 - 37		√	Principle 3	8.8
<b>OCCUPATIONAL HEALTH AND SAFETY</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16		√		
		103-2	The management approach and its components	46 - 47; 52		√		
		103-3	Evaluation of the management approach	46 - 47; 52		√		
<b>GRI 403: Occupational Health and Safety 2018</b>		403-1	Worker representation in formal joint management-worker health and safety committees	53		√	Principle 3	8.8
		403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	47 - 52		√		3.3, 3.9, 8.8
		403-3	Workers with high incidence or high risk of diseases related to their occupation 10	47 - 52		√		3.3, 3.9, 8.8
		403-4	Health and safety topics covered in formal agreements with trade unions	46 - 52		√	Principle 3	
		403-5	Worker training on occupational health and safety	48; 53				
		403-6	Promotion of worker health	46 - 48; 54				
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	54				
		403-8	Workers covered by an occupational health and safety management system	52				
		403-9	Work-related injuries	51 - 52				
		403-10	Work-related ill health	51 - 52				

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
TRAINING AND EDUCATION								
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	12 - 16		√			
	103-2	The management approach and its components	43 - 45		√			
	103-3	Evaluation of the management approach	43 - 45		√			
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	43 - 46		√		4.3, 4.4, 4.5, 8.2, 8.5	
	404-2	Programs for upgrading employee skills and transition assistance programs	43 - 46		√		8.2, 8.5	
	404-3	Percentage of employees receiving regular performance and career development reviews	39; 41; 43 - ,46		√		5.1, 8.5	
DIVERSITY AND EQUAL OPPORTUNITY								
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	12 - 16; 35		√			
	103-2	The management approach and its components	35		√			
	103-3	Evaluation of the management approach	35		√			
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	35 - 36; 53		√	Principle 1, 6	5.1, 5.5, 8.5	
	405-2	Ratio of basic salary and remuneration of women to men	57		√	Principle 1, 6	5.1, 8.5	
NON-DISCRIMINATION								
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	34		√			
	103-2	The management approach and its components	34		√			
	103-3	Evaluation of the management approach	34		√			
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	34; 57		√	Principle 1, 2	5.1, 8.8	



GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	56		√		
		103-2	The management approach and its components	56		√		
		103-3	Evaluation of the management approach	56		√		
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>		407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	56		√	Principle 1, 2, 3	8.8
<b>CHILD LABOR</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	58		√		
		103-2	The management approach and its components	58		√		
		103-3	Evaluation of the management approach	58		√		
<b>GRI 408: Child Labor 2016</b>		408-1	Operations and suppliers at significant risk for incidents of child labor	28 - 29; 34 - 35; 58		√	Principle 1, 2, 5	8.7
<b>FORCED OR COMPULSORY LABOR</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	58		√		
		103-2	The management approach and its components	58		√		
		103-3	Evaluation of the management approach	58		√		
<b>GRI 409: Forced or Compulsory Labor 2016</b>		409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	102 - 103		√	Principle 1, 2, 3, 4, 5, 6, 7, 8, 9, 10	8.7

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>SECURITY PRACTICES</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16; 52		√		
		103-2	The management approach and its components	12 - 16; 52		√		
		103-3	Evaluation of the management approach	12 - 16; 52		√		
<b>GRI 410: Security Practices 2016</b>		410-1	Security personnel trained in human rights policies or procedures	46; 54 - 56		√	Principle 1, 2	
<b>RIGHTS OF INDIGENOUS PEOPLES</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	52		√		
		103-2	The management approach and its components	57 - 58		√		
		103-3	Evaluation of the management approach	57 - 58		√		
<b>GRI 411: Rights of Indigenous Peoples • 2016</b>		411-1	Incidents of violations involving rights of indigenous peoples	57 - 58		√	Principle 1, 2	2.3
<b>HUMAN RIGHTS ASSESSMENT</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	29; 34		√		
		103-2	The management approach and its components	29; 34		√		
		103-3	Evaluation of the management approach	29; 34		√		
<b>GRI 412: Human Rights Assessment 2016</b>		412-1	Operations that have been subject to human rights reviews or impact assessments	28 - 29; 34 - 35; 54 - 56; 77 - 78; 102		√	Principle 1, 2	
		412-2	Employee training on human rights policies or procedures	34 - 35; 54		√	Principle 1, 2	
		412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	28 - 29; 102		√	Principle 1, 2	

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>LOCAL COMMUNITIES</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16		√	Principle 1	
		103-2	The management approach and its components	67 - 73		√	Principle 1	
		103-3	Evaluation of the management approach	67 - 73		√	Principle 1	
<b>GRI 413: Local Communities 2016</b>		413-1	Operations with local community engagement, impact assessments, and development programs	67 - 76		√	Principle 1	
		413-2	Operations with significant actual and potential negative impacts on local communities	68 - 73		√	Principle 1	1.4, 2.3
<b>SUPPLIER SOCIAL ASSESSMENT</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	102 - 104		√		
		103-2	The management approach and its components	102 - 104		√		
		103-3	Evaluation of the management approach	102 - 104		√		
<b>GRI 414: Supplier Social Assessment 2016</b>		414-1	New suppliers that were screened using social criteria	102		√	Principle 1, 2	5.2, 8.8
		414-2	Negative social impacts in the supply chain and actions taken	102		√	Principle 1, 2	5.2, 8.8
<b>PUBLIC POLICY</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	109		√		
		103-2	The management approach and its components	109		√		
		103-3	Evaluation of the management approach	109		√		
<b>GRI 415: Public Policy 2016</b>		415-1	Political contributions	109		√		

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>CUSTOMER HEALTH AND SAFETY</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary			√		
		103-2	The management approach and its components	87		√		
		103-3	Evaluation of the management approach	87		√		
<b>GRI 416: Customer Health and Safety 2016</b>		416-1	Assessment of the health and safety impacts of product and service categories	87 - 89		√	Principle 1	
		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	87 - 89		√	Principle 1	
<b>MARKETING AND LABELING</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	87 - 89		√		
		103-2	The management approach and its components	87 - 89		√		
		103-3	Evaluation of the management approach	87 - 89		√		
<b>GRI 417: Marketing and Labeling 2016</b>		417-1	Requirements for product and service information and labeling	88 - 89		√		
		417-2	Incidents of non-compliance concerning product and service information and labeling	88 - 89; 105; 109		√		
		417-3	Incidents of non-compliance concerning marketing communications	88 - 89		√	Principle 10	
<b>CUSTOMER PRIVACY</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16		√		
		103-2	The management approach and its components	86 - 87		√		
		103-3	Evaluation of the management approach	86 - 87		√		
<b>GRI 418: Customer Privacy 2016</b>		418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	87 - 89		√	Principle 10	

ANNEX 1  
GRI CONTENT  
INDEX

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>SOCIOECONOMIC COMPLIANCE</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16		√	Principle 10	
		103-2	The management approach and its components	87		√	Principle 10	
		103-3	Evaluation of the management approach	87		√	Principle 10	
<b>GRI 419: Socioeconomic Compliance 2016</b>		419-1	Non-compliance with laws and regulations in the social and economic area	87 - 89		√	Principle 10	





GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>FINANCIAL SERVICES SECTOR SUPPLEMENT (FSSS)</b>								
<b>GRI 103: Management Approach 2016</b>		103-1	Explanation of the material topic and its Boundary	12 - 16		√	Principle 10	
		103-2	The management approach and its components	87		√	Principle 10	
		103-3	Evaluation of the management approach	87		√	Principle 10	
<b>FSSS Product Portfolio</b>		FS1	Policies with specific environmental and social components applied to business lines	96 - 98		√		
		FS2	Procedures for assessing and screening environmental and social risks in business line	96 - 98		√		
		FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	28 - 29; 103		√		
		FS4	Processes for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	76		√		
		FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	6 -7; 12-15; 68- 73		√		
		FS6	Percentage of the portfolio for business lines by specific region, size (e.g., micro/SME/large) and by sector	39 - 41; 77 - 82		√		
		FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	77 - 82		√	Principle 1	
		FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	100		√	Principle 7, 8	

GRI Standard	Content	Number	Title	Pages	Omission	Internal Audit Verification	Global Compact	SDG
<b>FINANCIAL SERVICES SECTOR SUPPLEMENT (FSSS)</b>								
<b>Audit</b>		FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	100		√		
<b>Active Ownership</b>		FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	100; 102		√	Principle 7, 8	
		FS11	Percentage of assets subject to positive and negative environmental or social screening	100		√	Principle 7, 8	
		FS12	Voting policies applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting.	28 - 29		√		
<b>Community</b>		FS13	Access points in low-populated or economically disadvantaged areas by type	38 -41; 77 - 82		√	Principle 1	
		FS14	Initiatives to improve access to financial services for disadvantaged people	38 - 39		√	Principle 1	
<b>Product and Service Labelling</b>		FS15	Policies for the fair design and sale of financial products and services	87 - 89		√		
		FS16	Initiatives to enhance financial literacy by type of beneficiary	38 - 41; 44 - 45; 73		√		





**LIMITED ASSURANCE REPORT  
ON THE SOCIAL RESPONSABILITY INDICATORS  
INCLUDED IN THE “CORPORATE RESPONSABILITY  
AND SUSTAINABILITY REPORT 2020”**

YEAR END ON DECEMBER 31TH 2020





## I. INTRODUCTION

We have been requested to prepare the limited assurance report on the Social Responsibility Indicators presented in Annex I “GRI Content Index” included in the “Corporate Responsibility and Sustainability Report 2020”, corresponding to the year ended on December 31, 2020, prepared in accordance with the contents proposed in the Standards of the Global Reporting Initiative (GRI) for the preparation of reports and in the GRI Financial Services Sector Supplement.

### Responsibility of the Bank Management

The Bank Management is responsible for the preparation, contents and presentation of the “Corporate Responsibility and Sustainability Report 2020” according to the Comprehensive option “in accordance” with the Standards of the Global Reporting Initiative (GRI), for the preparation of reports, and GRI Financial Services Sector Supplement.

The preparation of the “Corporate Responsibility and Sustainability Report 2019”, as well as a) the information and statements included in the report, b) the determination of the Bank’s goals, regarding the sustainable development of results and of reporting, including the identification of stakeholders and key topics, c) the design, implementation and maintenance of appropriate internal control so that the report does not include significant distortions due to errors or irregularities, and d) to maintain proper records that support the reporting process is their responsibility.

### Responsibility of the auditors

Our responsibility is to issue a limited assurance report on the Social Responsibility Indicators presented in Annex I “GRI Content Index” included in the “Corporate Responsibility and Sustainability Report 2020”, based on the procedures we have performed and the evidence we have obtained.

A limited assurance engagement is substantially less in scope than a reasonable assurance or an audit engagement, respectively, and therefore, it does not allow us to obtain assurance that we will be aware of all significant matters that could be identified in an audit or in a reasonable assurance engagement. Consequently, we do not express an audit opinion or a reasonable assurance conclusion on the Social Responsibility Indicators presented in Annex I “GRI Content Index” included in the “Corporate Responsibility and Sustainability Report 2020”.



## II. WORK CARRIED OUT

The procedures that we carried out were based on our professional judgement. They included inquiries, the observation and research of processes, inspection of documentation, analytical procedures, evaluation of the suitability of the quantification methods and evaluation of the policies used, which are described in general as follows:

- We formulated questions to the Direction, as well as to the different units of BANESCO BANCO UNIVERSAL, C.A., that took part in the preparation of the “Corporate Responsibility and Sustainability Report 2020”, and in the application of some analytical procedures and sampling review tests to for the application of the standards of the Global Reporting Initiative (GRI).
- We met with the staff of BANESCO BANCO UNIVERSAL C.A., which are involved in the process of data collection for the information included in the report called “Corporate Responsibility and Sustainability Report 2020”, and in the preparation of the indicators under review. These meetings were held in order to know the principles, systems and management approaches applied and to obtain the necessary supporting documentation for their verification, for the purposes of evaluating the application of the guidelines established by the Global Reporting Initiative (GRI).
- We review the actions carried out in relation to the identification and consideration of the interferes parties through the fiscal year, as well as the coverage, relevance and integrity of the data included in the report called “Corporate Responsibility and Sustainability Report 2020” according to the understanding of the stakeholders’ requirements through the analysis of internal information and third-party reports that were available.
- We verified that the content of the “Corporate Responsibility and Sustainability Report 2020” does not contradict any relevant information provided by BANESCO BANCO UNIVERSAL, C.A.
- We analyzed the sustainability indicators informed by the Bank and presented as Annex I of the “Corporate Responsibility and Sustainability Report 2020” and we confirmed that they correspond to the suggested aspects in the Global Reporting Initiative (GRI) and they ensure the relevance of the presented information in relation to the Bank’s situation.
- We analyzed coverage, relevance and integrity of the information included in the “Corporate Responsibility and Sustainability Report 2020”.

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- We corroborated, with verification tests based on sample selection, the calculation of the quantitative and qualitative information included in the “Corporate Responsibility and Sustainability Report 2020”, respective to the year ended on December 31st 2020. Likewise, we corroborated its appropriate compilation from the provided data by the Bank’s information sources.
- We reviewed through the analysis of the internal information provided of the actions carried out by the parties involved, throughout the fiscal year regarding identification, gathering of information and relations maintained.
- We verified the adaptation of the sustainability indicators informed by the Bank and presented as Annex I of the “Corporate Responsibility and Sustainability Report 2020”, according to what is set out in the standard of the Global Reporting Initiative (GRI) and the Financial Services Scene Supplement.

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### III. CONCLUSION

We believe that the evidence we obtained is sufficient and appropriate to provide us with a basis for our limited assurance conclusion. Non-financial information is subject to inherent limitations different from financial information, given its nature and the methods used to determine, calculate, sample or estimate values. Qualitative interpretations of data relevance, materiality and accuracy are subject to individual assumptions and criteria. We have not carried out any engagement outside the agreed scope and, therefore, our conclusion is limited only to the sustainability information identified and reviewed.

Based on the work described in this report, nothing caught our attention to make us think that the Social Responsibility Indicators presented in Annex I "GRI Content Index" included in the "Corporate Responsibility and Sustainability Report 2020", corresponding to year ended on December 31st, 2020, contain errors or have not been prepared, in all their significant aspects, in accordance with the standards of the Global Reporting Initiative (GRI) and the GRI Financial Services Sector Supplement.

Sincerely yours,

Alfredo J. González J.

Internal Auditor




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Please, let us know your opinion about this report by sending this information to [gaguire@banesco.com](mailto:gaguire@banesco.com). Thank you very much!

Name: \_\_\_\_\_ Physical Address: \_\_\_\_\_  
 Email: \_\_\_\_\_ Phone: \_\_\_\_\_  
**You are:** ☐ Shareholder ☐ Employee of Banesco Banco Universal ☐ Client ☐ Supplier ☐ Contractor  
☐ Representative of the authorities ☐ Other (please specify): \_\_\_\_\_

## 1. What is your general impression of this report?

☐ Excellent ☐ Good ☐ Regular ☐ Negative

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

☐ Excellent ☐ Good ☐ Regular ☐ Negative

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

\_\_\_\_\_

\_\_\_\_\_

## 3. What is your opinion about each of the chapters?

☐ Excellent ☐ Good ☐ Regular ☐ Negative

Mission, Vision y Values	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Main Impacts, Risks, and Opportunities	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Corporate Governance	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Shareholders	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Human Capital	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Social Partners and Social Action in the Community	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Banesco Corporate Volunteering	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Clients	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Environmental Commitment	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Suppliers	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N
Our Commitment to Authorities	<input type="checkbox"/> E	<input type="checkbox"/> G	<input type="checkbox"/> R	<input type="checkbox"/> N

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

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## 4. What do you think about the clarity of the presentation of the information?

☐ Excellent ☐ Good ☐ Regular ☐ Negative

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

\_\_\_\_\_

## 5. What do you think about the clarity of the presentation of charts and graphics?

☐ Excellent ☐ Good ☐ Regular ☐ Negative

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

\_\_\_\_\_

## 6. What is your opinion regarding the Corporate social Responsibility activities carried out by Banesco?

☐ Excellent ☐ Good ☐ Regular ☐ Negative

If you wish to, please explain:

\_\_\_\_\_

## 7. Do you think that you are benefited by the fact that Banesco publishes its Responsibility and Corporate Sustainability Report? In what way?

\_\_\_\_\_

## 8. What is your opinion regarding the international certifications that these reports have obtained?

☐ Very important ☐ Important ☐ Indifferent

## 9. Do you consider that Banesco is sufficiently accountable to its stakeholders? Please Explain:

\_\_\_\_\_

## 10. Do you consider that it is necessary that these reports be published in paper or would it be sufficient to post a digital version on the internet?

\_\_\_\_\_