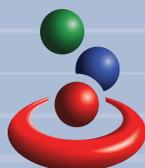




SOCIAL
RESPONSIBILITY
AND SUSTAINABILITY
REPORT

2012



Banesco
BANCO UNIVERSAL



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TO OUR
CUSTOMERS,
WORKERS,
STOCKHOLDERS
AND SOCIAL
PARTNERS



A substantial portion of Banesco social investment—over Bs. 46 billion—goes to the benefit of more than 13,000 men and women who are the cornerstone of our organization.

From its specific perspective, the *Social Responsibility and Sustainability Report 2012*, a kind radiography of Banesco, is an accountability report of our activity from the social, economic and environmental perspective.

An analysis of the information here exposed, with details of the way our Organization thinks and makes its social investment, reveals at least three clear trends. First of all, our concern to increasingly expand the ways by which the Bank supports its workers. Second, the desire of being systematic in the annual contributions to our Social Partners. And third, the concentration of our contributions on causes addressed to organizations that provide an essential service to segments of the population with extreme or urgent needs.

A substantial portion of Banesco social investment—over Bs. 46 billion—goes to the benefit of more than 13,000 men and women who are the cornerstone of our organization and are disseminated all over Venezuela's regions. This first data could be emblematic of the size and depth of our commitment: almost half of them, 6,458 workers, have been favored by the Program "Your House with Banesco".

Besides the considerable contribution we make so as our people could have their own houses, I would like to emphasize the huge investment—over Bs. 48 billion—we made in different non-contractual benefits, including subsidies for diverse purposes, aid to deal with extreme diseases and many others. Additionally, it is necessary to add to the previous amount almost Bs. 12 billion, which were devoted to the management of recreation and free time of our workers to provide them with a menu of sports and cultural activities pointing to the makeup of a subject with an integral vocation in personal, family and professional terms.

And probably, this is the right moment to add a reflection about the kind of relation that Banesco wants to establish with each one of its workers. Beyond the labor contract or the terms proper to the contractual bond, which is an indispensable link between the worker and the company, our desire is to give more and more quantitative and qualitative benefits to each workers, to the extent of our capacities. A professional education to make more powerful their abilities over the time; benefits to make more stable their personal and family lives; an ethical vision and supporting behaviors to the customer and the communities; opportunities to grow in all aspects. In other words, a series of advantages focused on building what we call a Banesco Citizen.

An equivalent will than the one encouraging us to favor our workers is also the incentive that moves our Organization towards the real exercise of solidarity beyond Banesco borders. The reader who reviews the list of our "Social Partners"—Fe y Alegría; Civic Association Don Bosco; Foundation for the Child in Need of Protection (Fundana); The Children Museum Foundation; Andrés Bello Catholic University (UCAB); Venezuelan Association of Catholic Education (AVEC); Venezuelan Foundation against Infantile Paralysis; *Audaz* Association to Guide and Encourage People with Special Needs (Apoye); Civic Association Salesian Ladies; Governmental Foundation for the National System of the Juvenile and Children Orchestras of Venezuela (Fesnojiv); Civic Association "Always Friends"; and Los Roques Scientific Foundation, will be able to understand what are we talking about when we say that Banesco supports causes that are essential to improve the quality of life in Venezuela: these are organizations that, exemplary and with no exceptions, work night and day to offer the best of them to each one of their beneficiaries.

These alliances, to which we should add projects of our own such as "Words for Venezuela"; several fund raising programs facilitated by our Volunteers and, particularly the Program of Education for Micro-entrepreneurs that along Banesco Community Banking, share the purpose of supporting the entrepreneur spirit in each Venezuelan citizen and produce new spaces for wellbeing and progress. They share the same boost: to be always substantive initiatives to drive us closer to the horizon of a better and more deserving country for all.

JUAN CARLOS ESCOTET RODRÍGUEZ

President of the Board of Directors



BOARD OF DIRECTORS

Juan Carlos Escotet

| President

DIRECTORS

Salvador Eduardo Cores

| María Josefina Fernández

Nelson Orlando Becerra

| Gonzalo José Clemente

Miguel Ángel Marcano

| José Rafael Padrón

Daisy Josefina Véliz

| Olga Elena Marcano

MISSION, VISION AND VALUES

BANESCO VALUES

INTEGRITY
AND RELIABILITY



INDIVIDUAL AND SOCIAL
RESPONSIBILITY



INNOVATION
AND QUALITY SERVICE



ENTREPRENEURSHIP



INTERDEPENDENCY
AND LEADERSHIP



PERSONAL UPDATING
AND EXCELLENCE



DIVERSITY AND
ADAPTABILITY



Banesco Banco Universal, C.A. is a Venezuelan financial institution entitled to carry out all the operations authorized to Universal Banks by the General Law of Banks and Other Financial Institutions.

It is currently seated in Caracas city, with its headquarters, Ciudad Banesco, located at Colinas de Bello Monte neighborhood. It is the bank with the highest called-up and underwritten capital in the whole Venezuelan financial market, with Bs. 1,250,000,000.

MISSION

We are an organization of financial integral services devoted to identify and meet our customers' needs, through relationships based upon mutual trust, access easiness and service excellence.

We are the leader in the People and Commerce segments and combine tradition and innovation with the best human talent and cutting-edge technology.

We are committed to produce the highest profitability for our stockholder and wellbeing for our community.

VISION

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



MAIN IMPACTS, RISKS AND OPPORTUNITIES

Banesco Banco Universal, has focused a part of its strategy on the development of financial services concentrated at the pyramid's base and to do so it has implemented specific integral programs for Community Banking, Payment Means, e-channels, as well as the SMEs segments.

Additionally, it has produced programs which are directly related to the development of the core capacity of our Human Capital and Corporate Social Responsibility in order to ensure the business alignment with the sustainability vision.

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

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

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

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

DIALOGUE WITH STAKEHOLDERS, CONSULTATION WITH CUSTOMERS AND EMPLOYEES

For Banesco Banco Universal C.A, it is important to know and understand the opinion of its stakeholders¹ about all the Organizations' projects. Therefore, we have embarked on actions to develop a strategy addressed to their relevant topics (See chapters *Stockholders* pg. 20, *Human Capital* pg. 22, *Our Social Partners* pg 44, *Social Action in the Community* ph. 48, *Our Customers* pg 59 and *Our Suppliers* pg 94).



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

The Economic Value Retained (EVR) amounted to Bs. 5,206 million, accounting for an increase of 102.07% against 2011.

DIRECT TANGIBLE VALUE

The Economic Value Generated (EVG) at 2012 year-end closed at Bs. 13,083 million, accounting for an increase of 70.41% against Bs. 7,677 million the previous year.

In 2012, around 99.39% (Bs. 13,002 million) of the EVG staples are composed of de Intermediation Margin and Net Fees. The proportion of these Net Fees grew up for the second year in a row.

In relation to the country's economic activity level along the period, the Economic Value Generated by Banesco Banco Universal, C.A. in 2012 accounted for 0.80% of Venezuela's Gross Domestic Product (GDP), against 0.57% in 2011.

The relative participation of the Direct Tangible Value components at the end of 2012 was as follows: suppliers expenditures accounted for 29.87% of the Economic Value Distributed; staff expenditures accounted for 29.73%, while taxes accounted for 27.92%. The dividends complement was 12.47%

The Economic Value Retained (EVR) amounted to Bs. 5,206 million, accounting for an increase of 102.07% against 2011.

Creation of Direct Tangible Value: Detail by Stakeholders

Thousands Bs.

Stakeholder	Value Indicator	2012	2011
Stockholders	Dividends ⁽¹⁾	982,647	365,823
Employees	Staff Expenditures ⁽²⁾	2,342,323	1,671,539
Customers	Interest and Assimilated Charges ⁽³⁾	2,398,325	1,550,420
Suppliers	Others Overhead Expenses ⁽⁴⁾	2,353,069	1,761,990
Society	Taxes ⁽⁵⁾	2,199,315	1,301,671
	Funds devoted to support the communities ⁽⁶⁾	10,345	11,514

(1) Fuente: Gerencia de Unidad de Accionistas

(2) Fuente: Sudeban Estado de Resultado de Publicación o CONRP, Gastos de Transformación (Gastos de personal grupo 441)

(3) Fuente: Sudeban Estado de Resultado de Publicación o CONRP, Gastos de Captaciones del Público (Gastos Financieros por Captaciones Grupo 411)

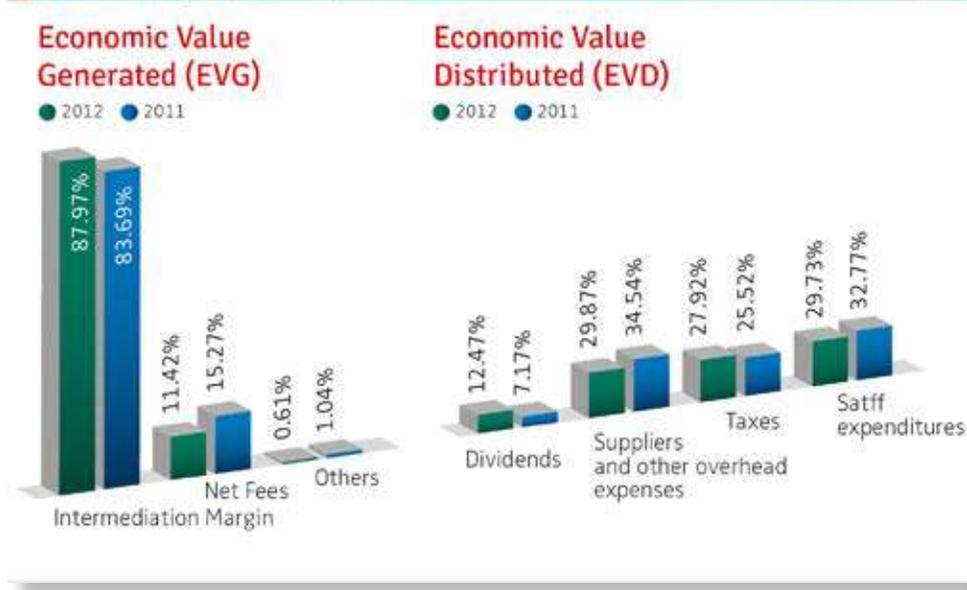
(4) Fuente: Sudeban Estado de Resultado de Publicación o CONRP, Gastos de Transformación (Rubro 440 Gastos Generales y Administrativos excepto 441 Gastos de Personal, 449-12 Aportes al Fondo de Garantía de Depósitos y Protección Bancaria, 449-13 Aportes a la Superintendencia de Bancos y Otras Instituciones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

(5) Fuente: 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, LPI, 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. Al 31/12/2012 se incluye por nuevas disposiciones de la Ley el Aporte Social a las Comunas y el Aporte de Lott).

(6) Fuente: Sudeban Estado de Resultado de Publicación o CONRP, Gastos Extraordinarios (grupo 450)



Percentage participation of the Economic Value Generated



The total number of Banesco employees at 2012 year-end was up to 13,105 people: 8,478 (64.69%) women and 4,627 (35.31%) men.

Economic Value Generated and Distributed

Thousands Bs.

Economic Value Generated (EVG)	2012	2011
Economic Value Generated (EVG)	13,083,088	7,677,219
Intermediation Margin ⁽⁷⁾	11,508,924	4,670,362
Net Fees ⁽⁸⁾	1,493,787	869,388
Other ordinary income ⁽⁹⁾	179,033	159,737
Other net profits and losses ⁽¹⁰⁾	1,344	797
Economic Value Distributed (EVD)	7,877,354	5,101,023
Dividends ⁽¹⁾	982,647	365,823
Suppliers and other overhead expenses ⁽⁴⁾	2,353,069	1,761,990
Taxes ⁽⁵⁾	2,199,315	1,301,671
Staff expenditures ⁽²⁾	2,342,323	1,671,539
Economic Value Retained (EVR) (EVR = EVG - EVD)	5,205,734	2,576,196

(7) Source: Sudeban. Income Statement for Publication or CONRP (staple 510 Financial revenues minus 410 Financial Expenditures plus 520 Income from Recovery of Financial Assets minus 420 Expenses for Uncollectable and Depreciated Financial Assets plus 530 Other Operational Revenues (except 533 Realizable Property Revenues, 537 Special Programs Revenues and 539 Various Operational Revenues) minus 430 Other Operational Expenses (except 433 Realizable Assets Expenses, 435 Depreciation, Amortization and Depreciation of Various Assets, 439 Various Operational Expenses).
 (8) Fuente: Sudeban. Income Statement for Publication or CONRP (staple 530 Other Operational Revenues (Except 533 Realizable Assets revenues, 537 Special Programs Revenues and 539 Various Operational Revenues) minus 430 Other Operational Expenses (except 433 Realizable Assets Expenses, 435 Depreciation, Amortization and Depreciation of Various Assets, 439 Various Operational Expenses).
 (9) Fuente: Sudeban. Income Statement for Publication or CONRP (Account 539 Various Operational Revenues).
 (10) Fuente: Sudeban. Income Statement for Publication or CONRP (Account 533 Realizable Assets Revenues minus 433 Realizable Assets Expenses).

Some of the indirect effects are the encouragement to innovation and technological development, as well as the use of new payments means.

BANESCO PARTICIPATION IN EMPLOYMENT AND THE BANKING SYSTEM GDP

Banesco Banco Universal, C.A. is the number 1 banking group in Venezuela, in terms of its size and business volume. Therefore, the Bank has a significant impact on the creation of Venezuela's economic value and GDP.

The total number of Banesco's employees at 2012 year-end was up to 13,105 people: 8,478 (64.69%) women and 4,627 (35.31%) men.

According to the figures published by the Superintendent of Banks (SUDEBAN) for December 2012, Banesco Banco Universal, C.A. workers accounted for 16,25% of the banking system employment against 80,643 workers in the Venezuelan financial system for that date.

INDIRECT AND INDUCED VALUE GENERATED

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

Among the indirect effects of the latter group we can mention the following:

- ◆ Contribution to the configuration of sound, stable and safe financial systems.
- ◆ Contribution to reduce exclusion and to increase the inclusion of low and medium income sectors to the financial system.
- ◆ Encouragement to innovation and technological development, as well as to the use of new payment means.
- ◆ Encouragement to macroeconomic stability and growth of activities.
- ◆ Support to social programs, particularly in education and health

Some of these effects are not subject to quantification (such as the configuration of sound financial systems, or the encouragement to innovation), contrary to the volume of direct suppliers and the amount paid to these suppliers, where we can observe increases of 2.43% in the number of suppliers hired and 18.84% of the amounts paid to these suppliers between 2012 and 2011 (see Chapter *Our Suppliers*, page 94).

Financial Summary

Million Bs.

	2012		2011		Growth			
	1st.Half	2nd.Half	1st.Half	2nd.Half	II-I Half 2012		II Half 2012 / 2011	
					Absolute	%	Absolute	%
Total Assets	86,878	123,582	55,586	79,298	36,704	42.20%	44,284	55.80%
Liquid Assets	15,427	28,317	13,710	22,718	12,891	83.60%	5,599	25%
Investments in Securities	16,363	26,237	8,016	11,518	9,874	60.30%	14,719	127.80%
Credit Portfolio	52,491	64,190	31,741	41,905	11,699	22%	22,285	53.20%
Deposits Taking	76,165	109,055	48,101	70,752	32,890	43.20%	38,303	54.10%
Deposits in Check Accounts	53,131	77,631	32,389	48,612	24,500	46.1	29,019	59.70%
Deposits in Saving Accounts	14,729	21,112	8,014	13,054	6,383	43.30%	8,058	61.70%
Fixed Deposits	473	455	68	491	-18	-3.80%	-36	-7.30%
Others	7,831	9,857	7,630	8,594	2,026	25.90%	1,263	14.70%
Total Equity	7,907	10,474	4,880	6,208	2,567	32.50%	4,266	68.70%
Trusts Assets	8,880	9,231	7,521	8,362	351	4.00%	869	10.40%
Law on Housing and Habitat	6,412	7,321	4,942	5,703	909	14.20%	1,618	28.40%
Financial Revenues	5,309	6,707	3,410	4,240	1,398	26.30%	2,467	58%
Financial Expenses	1,069	1,369	734	829	300	28.00%	540	65.20%
Gross Financial Margin	4,240	5,338	2,676	3,411	1,098	25.00%	1,927	56.50%
Financial Intermediation Margin	4,962	6,547	2,843	3,582	1,585	32%	2,966	82.80%
Transformation Expenses	2,725	3,052	2,039	2,075	327	12.00%	977	47.10%
Net Result	2,016	2,908	610	1,368	892	44.20%	1,540	112.60%
Accumulated Agricultural Portfolio	11,321	10,585	6,293	6,675	-736	-6.50%	3,910	58.60%
Takings From Oficial Entities	4,967	3,572	4,209	4,302	-1,395	-28.10%	-730	-17.00%
Micro-Credits	2,569	3,697	1,364	1,952	1,129	43.90%	1,745	89%
Commercial Credits	18,416	27,414	7,825	14,115	8,998	48.90%	13,299	94.20%
Consumption Credits	12,919	14,405	10,077	10,968	1,486	11.50%	3,437	31.30%
Vehicles	3,615	4,746	1,692	2,705	1,131	31.30%	2,041	75.40%
Credit Cards	9,304	9,659	8,385	8,263	355	3.80%	1,396	16.90%
Mortgage Loans	5,453	5,932	4,540	5,137	479	8.80%	795	15.50%
Ratios	171.80%	235.00%	310.50%	472.70%				
Credit Portfolio/Gross Fixed	1.40%	1.00%	0.70%	0.50%				
Portfolio Provision	2.30%	3.04%	4.90%	5.30%				
Fixed Portfolio/Gross Credit Portfolio								
Net Result/Average Asset	26.50%	39.40%	55.40%	60.20%				
Net Result / Average Equity								
Broad Liquidity	41.50%	42.10%	28.10%	34.70%				

THE INTERNAL DIMENSION
OF OUR SOCIAL RESPONSIBILITY

CORPORATE GOVERNMENT



OUR POLICY

Develop the required abilities to go forward with the training of a managerial relieve generation, so as these new talents could be promoted to the Executive Direction to decentralize decisions through the creation of different government categories and mechanisms.

OUR MANAGEMENT

Banesco keeps a government structure composed of the Stockholders' Meeting, the Board of Directors, the President of the Board of Directors, the Compliance Officer for the Prevention of Money Laundering and Funding to Terrorism, the Internal Comptroller, as well as the Steering and Executive Committees.

The VP of Corporate Government is in charge of defining and creating the normative base for the constitution and development of our organization's government. It is also in charge of the definition of the various instruments aimed to guarantee its operations, as well as the follow-up of actions fostering the learning processes, the development of the corporate culture and discipline among the members of the government committees.

BOARD OF DIRECTORS

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

STOCKHOLDERS' MEETING

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



On December 2011, the Unit Human Capital with You was created to look after Banesco's citizens demands related to the management of Human Capital that deserve immediate solutions that are, in turn, articulated to the areas involved in those solutions

The Board of Directors is responsible for the definition and strategic direction of the Organization; it also approves business principles and policies and regulates the autonomies of the executive decisions in order to safeguard the stockholders' interest and business continuity. The Board of Directors also controls the different operational and functional areas of the Bank and, at the same time, it evaluates and compares the businesses projections and results of each fiscal year against those from previous years.

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

The procedures to design, re-elect and remove members of the Board of Directors are carried out according to what is established in the Bank's by-laws, which are in accordance with the Trade Code, the Civil Code and other laws and regulations for the banking. Likewise, the Board of Directors counts on an internal ordinance that regulates its operations in accordance with the Code of Ethics.

Banesco Banco Universal C.A. complies with Resolutions N° 099-12 and N° 199.11 issued by the Superintendent of Banks and Other Financial Institutions (SUDEBAN for its Spanish acronym), dated July 10, 2012 and July 14, 2011, respectively. These Resolutions establish the Guidelines to evaluate the fulfillment of the requirements of Moral and Ethical Quality required to perform a banking activity. In this sense, the individuals assigned by the Stockholders' Meeting effectively take their post only as of the date of reception of the Regulating Body's final evaluation.

In 2011, the Multinational Direction of Human Capital was created as a customized services center for the worker. It's in charge of developing procedures, products, services and attention models to respond to the expectations of Banesco Banco Universal's collaborators.

WITH YOU

Additionally, on December 2011, the Unit Human Capital with You was created to look after Banesco's citizens demands related to the management of Human Capital that deserve immediate solutions that are, in turn, articulated to the areas involved in those solutions. The worker receives an answer through the following designed channels:

- ◆ Internal e-mail (Contigo_Capital_Humano@Banesco.com).
- ◆ Voice-messages mailbox.
- ◆ Intranet mailbox to receive the cases.
- ◆ Face to face attention through customized interviews and visits to the work teams at the branches and service points nationwide.

During 2012, Banesco attended to a total of 1,086 applications and complied with the established response time. Among our achievements in this aspect we can mention: attention model improved; a closer relation to the workers; contribution to productivity by reducing the time invested in the search of information and requesting requirements solution.



Employees can request through the Secretary the inclusion of a point in the Board of Directors' agenda for them to consider their suggestions before this body, if the topic requires dully consideration.

PRESIDENT OF THE BOARD OF DIRECTORS

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

WORKERS PARTICIPATION

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

COMPLIANCE OFFICER FOR THE PREVENTION OF MONEY LAUNDERING (ML) AND TERRORISM FINANCING (TF)

The Compliance Officer for the Prevention and Control of Money Laundering and Terrorism Financing is in charge of supervising and controlling the Unit of Prevention and Control of Money Laundering and Terrorism Financing at the Bank.

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

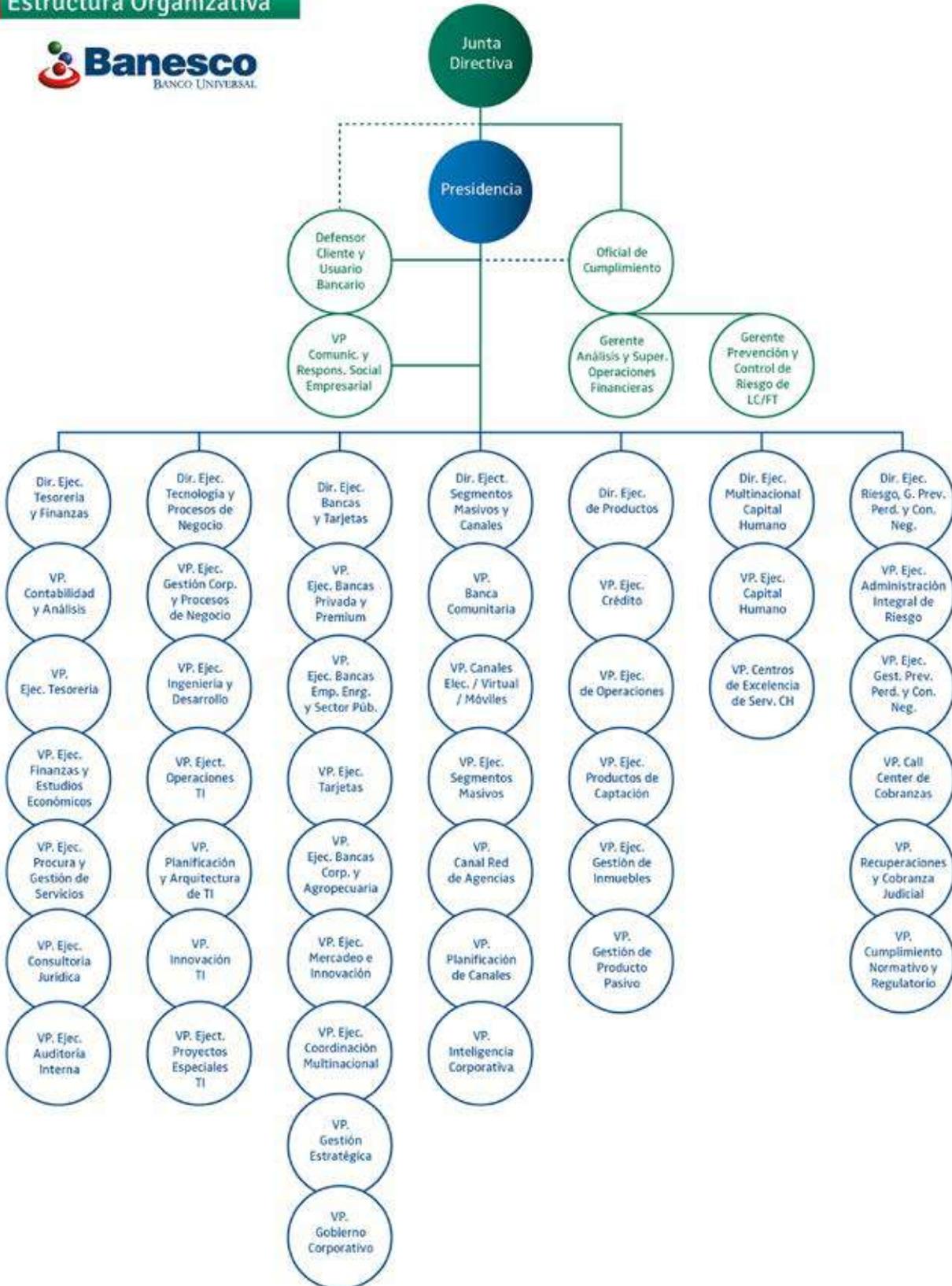
INTERNAL COMPROLLER

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

SECRETARY OF THE BOARD OF DIRECTORS

The Secretary of the Board of Directors is a lawyer with a long professional career in the banking sector and to the service of this institution. He rules the Management of the Secretary of the Board in charge of keeping an organized record of the minutes. He also cooperates with the gathering, preparation and maintenance of the corporate information required by the Board, the stockholders and regulatory bodies, among others. In addition, he shall keep an agenda of the Board of Directors' meetings and gather the documentation related to the issues to be discussed during these meetings. As the Secretary, and based on his legal education and experience on the financial matter, he has the right to speak before the Board of Directors' meetings. This contribution, in turn, enhances the legal content of the proposals discussed in these meetings and the decisions finally made.

Estructura Organizativa



THEMATIC COMMITTEES

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

STEERING THEMATIC COMMITTEES

Assets and Liabilities Committee

This Committee supports the activities of the Board of Directors and to do so it designs, controls and makes the required decisions in order to perform the organizational financial strategy, including among others: liquidity policies, equity adaptation, rates setting, funding strategy, investment policies and strategies for sound management of assets and liabilities. This Committee shall deal with each of the risks associated to the management of assets and liabilities identified by Finance, Treasury, Risk and Business Units, among others, and look after the fulfillment of the equity adjustment policies.

This Committee shall guarantee the fulfillment of the Integral Risk and Investments Management policies and propose to the Risk Committee or the Board of Directors, the modifications or reviews of such policies.

Auditing Committee

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

In 2012, this committee reviewed 281 Attention Points. That is 65% of Banesco Banco Universal, C.A. branches for that period. The review considered aspects such as operating risk, prevention of money laundering and terrorism financing. Likewise, 64 administrative areas were reviewed, accounting for 75% of the Bank's central areas.

Human Capital Committee

Its general objectives are the following: a) It acts as the arbitration body in charge of safeguarding the appropriate management of Banesco Banco Universal C.A. staff; b) Evaluates on a permanent basis the demands and requirements resulting from organizational changes and strategies, as well as they relationships with the Human Capital in order to achieve the alignment between the practices for the management of people and the real needs of the business.

Central Committee of Credit

As its exclusive attribution, the Board of Directors has delegated the capacity to grant credit to specially created committees, which shall consider and approve the different credit requests, and fix their amounts and conditions. Always considering the compliance with the different autonomies and delegation of capacities, the Executive Credit Committee, the Metropolitan Credit Committees, the Regional Credit Committees and the individual autonomies have been created.

These committees shall consider and approve the different credit requests made by our customers, as well as inform the Board of Directors about the results of their administration. Likewise, they shall enforce the different risk policies adopted by the respective committee.

Ethics Committee

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

Risk Committee

Its core capacity is to fix the limits of risk exposure for each activity performed by the Bank, according to its policies, so as it could exist a sound administration of operating, market, legal and business risks, among others, according to the internal legislation and the best international practices. This committee gets together one a month. It also advises the Board of Directors and the different Credit Committees in the decision-making process and establishes the guidelines and policies they should adopt in order to preserve an appropriate risk exposure.

Information Technology Committee

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

EXECUTIVE THEMATIC COMMITTEES

Quality Service and Channels Committee

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

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

Communications and Responsibility Committee

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

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

This committee is appointed by the Board of Directors and it is the body directly responsible for the implantation and development of a Responsibility and Sustainability policy, with the participation of all the areas of our organization.

This committee is appointed by the Board of Directors and it is the body directly responsible for the implantation and development of a Responsibility and Sustainability policy, with the participation of all the areas of our organization.



COMMUNITY BANKING COMMITTEE

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

REGULATION, UNIONS AND CORPORATE PARTICIPATION

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

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

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

OUR POLICY ON ETHICS AND HUMAN RIGHTS

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

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

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

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

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

Banesco Banco Universal, C.A. is including these commitments in its business strategy. In 2012, the organization adopted the following measures:

BANESCO PARTICIPATES AND IS ALSO AN ACTIVE MEMBER OF THE FOLLOWING BODIES:

- Central Bank of Venezuela (BCV): Operations Committee and Cash at a regional level, Project of Payment Means, Truncation and Images and Electronic Compensation Chamber (checks, transfers and direct credits).
- Venezuelan Banking Association (ABV by its Spanish acronym)
- ◆ Swift Executive Committee of the Banking Association
- ◆ Operations Committee
- ◆ Payment and Inter-banking Electronic Transfers Committee
- ◆ Taxes Committee
- ◆ Swift Corporation



- **Application of a survey to our most important suppliers in order to determine which one of the Global Compact Ten Principles they are fulfilling at the moment of the survey. Only 25 out of 593 suppliers interviewed said that they have in force policies on Human Rights.**
- **Divuligation of the Global Compact Ten Principles through our media (blog).**

In this sense, in 2012 and 2011 Banesco Board of Directors prepared, adjusted and approved the documentation demanded, according to the requirements established by the Regulating Body

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

- ◆ Board of Directors
- ◆ President of the Bank
- ◆ Compliance Officer for the Prevention of Money Laundering and Terrorism Financing
- ◆ Committee for the Prevention and Control of Money Laundering and Terrorism Financing
- ◆ Unit for the Prevention and Control of Money Laundering and Terrorism Financing
- ◆ Enforcement Employee

INTEGRAL SYSTEM FOR THE PREVENTION AND CONTROL OF MONEY LAUNDERING AND TERRORISM FINANCING (SIAR LC/FT BY ITS SPANISH ACRONYM)

On the matter of Prevention and Control of Capital Legitimation and Terrorism Financing, Banesco Banco Universal, C.A. abides by the Resolution N° 119-10, issued by SUDEBAN on March 9, 2010, and published in the Official Gazette N° 39.388 of the Bolivarian Republic of Venezuela, dated March 17, 2010, and reprinted in the Official Gazette N° 39.494 of the Bolivarian Republic of Venezuela, dated August 24, 2010, Resolution N° 427 dated August 13, 2010, which establishes the *“Rules Related to the Administration and Fiscalization of the Risks related to Prevention, Control and Fiscalization of Money Laundering Operations and Terrorism Financing by the Superintendent of Banks and Other Financial Institutions”*.

Likewise, it abides by the Organic Law against the Organized Crime, Organic Law against Drugs, published on the Official Gazette N° 39.510, dated September 15, 2010, which abolished the Organic Law against the Illegal Traffic and Consumption of Narcotics. Besides, Financial Institutions are supervised, among other organizations, by SUDEBAN through the Intelligence National Unit (UNIF), the Anti-Drugs National Office (ONA), which is in charge of dictating the providences and other administrative acts necessary to fulfill its obligations.

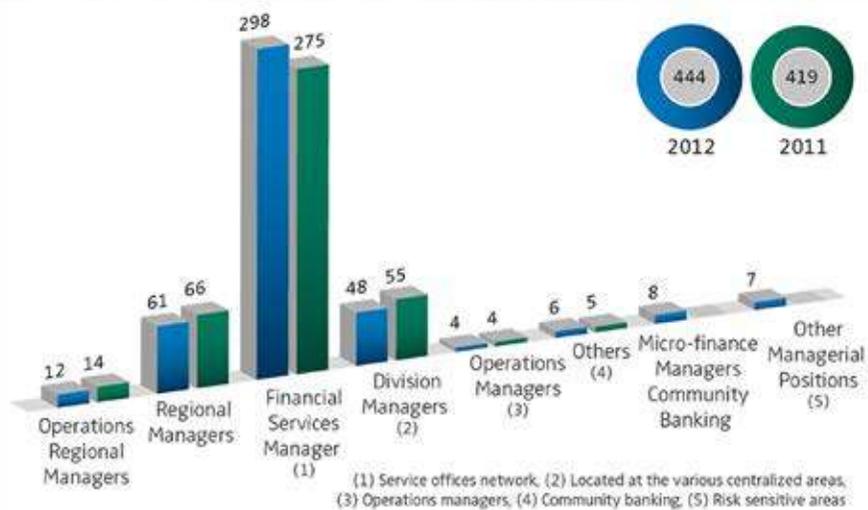
Banesco Banco Universal, C.A., as a Bounded Subject has taken all the relevant steps in order to strengthen its Integral Systems for Risk Management of Money Laundering and Terrorism Financing, taking into consideration the remarks indicated by the regulatory body through its official letters and notices, as well as the observations made by the External and Internal Auditors in their half-yearly and yearly reports.

In this sense, in 2012 and 2011 Banesco Board of Directors prepared, adjusted and approved the documentation demanded, according to the requirements established by the Regulating Body through Resolution N° 119-10, as well as the new official letters and/or notifications related to the matter and issued by that regulating body.

By December 31, 2012 and 2011, the Board of Directors has designated 444 and 419 enforcement employees nationwide, respectively, who, additionally to the duties they normally perform and according the requirements of Sudeban, shall:

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

Distribution of the Enforcement Employees



By December 31, 2012 and 2011, the Board of Directors has designated 444 and 419 enforcement employees nationwide, respectively, who, additionally to the duties they normally perform and according to the requirements of Sudeban

REPORT ON FULFILLMENT OF THE GOOD CORPORATE GOVERNMENT RULES

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

- 1. Efficiency:** pointing to the creation of the highest value at the lowest costs, in the shortest term and achieving the established goals.
- 2. Equality:** strict respect to the right of equal treatment to stockholders, workers and suppliers, as well as any person related to our company.
- 3. Respect to our stockholders' economic and political rights.**
- 4. Transparency, communication and information:** building the strongest truthfulness and credibility with the public through an integral and truthful divulgation of all the information required to get an upright knowledge of the company.

Therefore, in Banesco Banco Universal, C. A., we follow the principle "one share, one vote". This is our way to recognize the proportionality that should be guaranteed between the share percentage in equity and the corresponding right to participate in the institutional will, always through a well-documented exercise of our stockholders' political rights.

In the exercise of the good corporate government practices, Banesco Banco Universal, C.A. Board of Directors has taken the required steps to keep the standards of transparency and truthfulness needed to create an efficient and sound environment in the Venezuelan securities market.

Likewise, Banesco Banco Universal, C. A., is determined to adopt the best international practices on the matter of Corporate Government and to do so it created the VP of Corporate Government. This VP evaluates and encourages the creation of new government mechanisms through the Steering and Executive Thematic Committees, which support the management of the Board of Directors and its Executive Direction for the benefit and protection of its stockholders, customers and employees, as well as the creation of actions lines to manage the incentive and managerial discipline.

The Steering Thematic Committees control and make a permanent follow-up of the internal and external rules and produce policies, plans and strategies to be submitted before the Board of Directors.

Additionally, the Bank has in place a program to educate and train Executive Directors, executives and the Medium Management on the matter of Corporate Government Knowledge and its best practices.

OUR STOCKHOLDERS



The capital retribution policy seeks a balance between the payment of dividends and capitalization levels good enough to face the challenges, opportunities and difficulties ahead.

OUR POLICY

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

We respect the rights of the minority stockholders regarding the decree of dividends payment. We keep a transparent relationship with them through the Stockholders' Meeting and the Stockholders' Unit Management.

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

Each year we celebrate two Ordinary General Assemblies. In 2012 these meetings were held on March 26 and September 24, while in 2011 the meetings were held on March 28 and September 26.

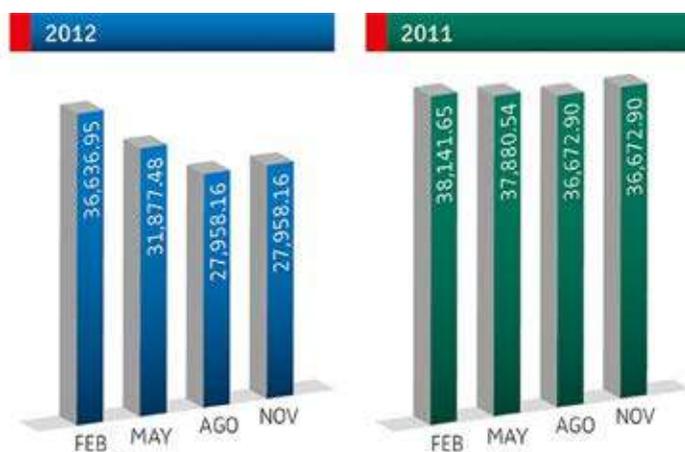
STOCKHOLDERS' UNIT MANAGEMENT

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

PREFERRED STOCKS

At the end of 2012, Banesco had 38,840 stockholders: 33,003 were the owners of preferred stocks, while 5,837 owned common stocks.

In 2008, the Board of Directors made the decision of granting preferred shares as a professional acknowledgement to Banesco's workers. This gift was granted as an acknowledgement for their work and commitment to the Organization. A total of 8,811 employees, accounting for 65% of Banesco's staff for that date, were the beneficiaries. In August 2008, Banesco began to pay the corresponding dividends. Here is a table of the dividends paid corresponding to 2012 and 2011 and expresses in bolivars:



IALOGUE WITH OUR STOCKHOLDERS

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

- ◆ Stockholders' Meeting
- ◆ Stockholders' Unit Management
- ◆ Six-monthly financial reports
- ◆ Corporate Social Responsibility Report
- ◆ Corporate Web site, www.banesco.com
- ◆ TiempoBanesco, monthly publications prepared by our Organization and addresses to our customers
- ◆ CableBanesco (a CCTV at branches and service offices)
- ◆ Meetings and exchanges with our stockholders
- ◆ The media
- ◆ Branches network.



OUR HUMAN CAPITAL



In 2012, Banesco Banco universal, C.A. made efforts to protect our employees' payroll, in spite of the world economic crisis, guaranteeing the stability and safety of our collaborators.

OUR POLICY

In Banesco Banco Universal, C.A. we encourage quality, fairness and the mutual satisfaction with our workers, creating in the process a harmonious environment in the workplace and a better quality of life for all our employees.

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

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

OUR MANAGEMENT

In 2012, Banesco Banco universal, C.A. made efforts to protect our employees' payroll, in spite of the world economic crisis, guaranteeing the stability and safety of our collaborators. At the closing day of the 2012 fiscal year, Banesco's payroll was composed of 13,105 employees, 5.32% below the previous year figure.

The distribution of employees per position and age group shows that we are a young and dynamic institution, with an average age among our employees of 33 years. In 2012, 89.25% of our Human Capital, that is 11,696 employees, were people aged between 18 and 45 years.

Banesco Banco Universal, C.A. intention is to be a solid and discrimination-free employment source and as a proof of this assertion, 85.82% of our workers are fixed employees. 64.35% of them are women and the personnel filling the base positions accounts for 39.18% of the total payroll.

Distribution per age rank and gender

Age rank	2012			2011			Variation		
			Total			Total			Total
15 - 17*	53	41	94	93	49	142	(43.01%)	(16.33%)	(33.80%)
18 - 25	1,599	804	2,403	1,704	887	2,591	(6.16%)	(9.36%)	(7.26%)
26 - 30	2,258	1,090	3,348	2,526	1,226	3,752	(10.61%)	(11.09%)	(10.77%)
31 - 35	1,911	962	2,873	1,906	997	2,903	0.26%	(3.51%)	(1.03%)
36 - 40	1,187	646	1,833	1,226	712	1,938	(3.18%)	(9.27%)	(5.42%)
41 - 45	714	525	1,239	701	508	1,209	1.85%	3.35%	2.48%
46 - 50	412	325	737	399	363	762	3.26%	(10.47%)	(3.28%)
51 - 55	209	164	373	211	143	354	(0.95%)	14.69%	5.37%
56 - 60	93	48	141	80	50	130	16.25%	(4.00%)	8.46%
61 - 65	36	12	48	31	17	48	16.13%	(29.41%)	0.00%
66 - 70	4	9	13	3	8	11	33.33%	12.50%	18.18%
71 - 75	1	1	2	1	0	1	0.00%	0.00%	100.00%
> 75	1	0	1	1	0	1	0.00%	0.00%	0.00%
Total	8,478	4,627	13,105	8,882	4,960	13,842	(4.55%)	(6.71%)	(5.32%)

* The workers included in this age group are INCES trainees.

Distribution per age and position category

Level / Age Groups	2012						2011					
	15-17*	18-30	31-40	41-50	> 50	Total	15-17*	18-30	31-40	41-50	> 50	Total
Base	94	3,244	1,245	388	163	5,134	142	3,594	1,245	407	148	5,536
Professional and Technicians	-	2,308	2,326	612	135	5,381	-	2,529	2,353	579	135	5,596
Supervisory	-	141	679	482	118	1,420	-	168	736	473	99	1,476
Managerial	-	58	449	444	125	1,076	-	52	499	448	136	1,135
Vice-Presidents	-	-	7	46	33	86	-	-	8	59	22	89
Directors	-	-	-	4	3	7	-	-	-	5	4	9
President	-	-	-	-	1	1	-	-	-	-	1	1
Total General	94	5,751	4,706	1,976	578	13,105	142	6,343	4,841	1,971	545	13,842

* The workers included in this age group are INCES trainees.

Distribución por Género y Categoría de Cargo

Nivel / Género	2012			2011			Variation		
			Total			Total			Total
Base	3,171	1,963	5,134	3,431	2,105	5,536	(7.58%)	(6.75%)	(7.26%)
Professional/Tech.	3,791	1,590	5,381	3,896	1,700	5,596	(2.70%)	(6.47%)	(3.84%)
Supervisory	775	645	1,420	783	693	1,476	(1.02%)	(6.93%)	(3.79%)
Managerial	686	390	1,076	720	415	1,135	(4.72%)	(6.02%)	(5.20%)
Vice- Presidents	51	35	86	49	40	89	4.08%	(12.50%)	(3.37%)
Directors	4	3	7	3	6	9	33.33%	(50.00%)	(22.22%)
President	0	1	1	0	1	1	0.00%	0.00%	0.00%
Total	8,478	4,627	13,105	8,882	4,960	13,842	(4.55%)	(6.71%)	(5.32%)

Distribution per type of contractual relation and gender

Level	2012		2011		Variation	
	Female	Male	Female	Male	Female	Male
Trainees	344	198	364	171	(5.49%)	15.79%
Under contract	896	420	1,315	594	(31.86%)	(29.29%)
Fixed employees	7,238	4,009	7,203	4,195	0.45%	(4.43%)
Total per gender	8,478	4,627	8,882	4,960	(4.55%)	(6.71%)
Total General	13,105		13,842		(5.32%)	



Banesco Banco Universal, C.A. intention is to be a solid and discrimination-free employment source and as a proof of this assertion, 85.82% of our workers are fixed employees.

Main Indicators

Workers

Total Employees



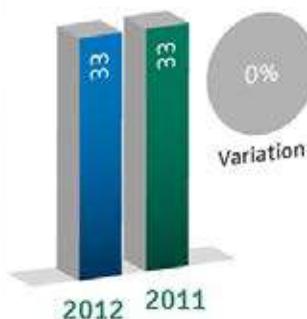
Distribution per gender

● 2012 ● 2011 ● Variation



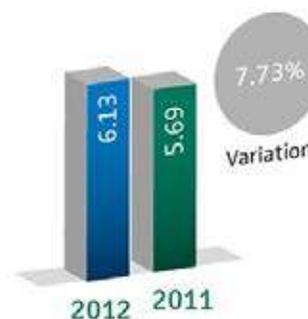
Average Age

● 2012 ● 2011



Seniority

● 2012 ● 2011



NATIONAL DISTRIBUTION

The territorial distribution established by Banesco for its operations has turned the Bank into an important employment source at the different regions of the country. 85.82% of our payroll is composed of fixed employees. This percentage recorded an important increase in comparison to 2011, as during this period the collaborators who joined the Bank under contract in 2011 were promoted to fixed employees.

In the regions, the hiring process of the executives ascribed to the sales area helps to support the local communities while, at the same time, allows a better understanding of the regional situation based on particularities of each region. This, in turn, acts as a strategic strength as the base of the decision-making process adjusted to the particularities of each zone.

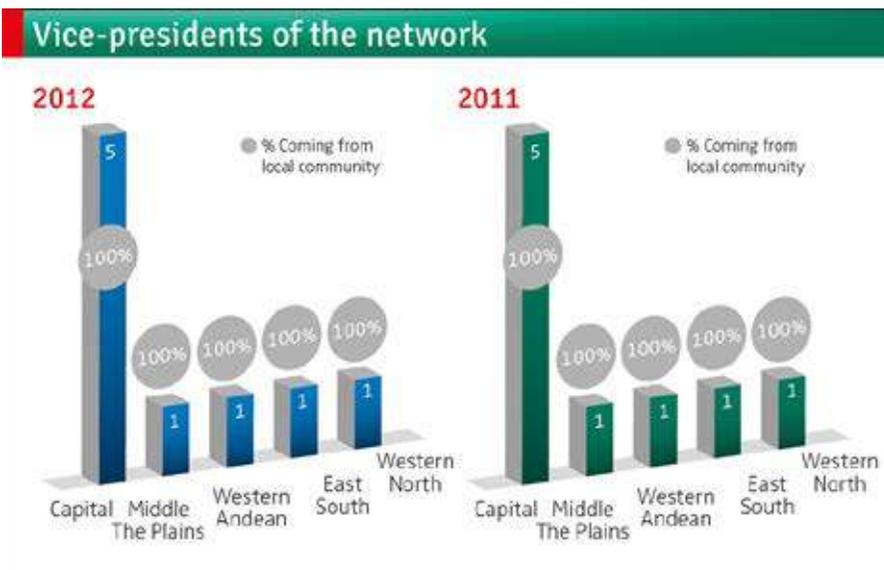
The hiring process in the countryside is carried out following the same rules and procedures applied in the Capital City, through the evaluation of the candidates and their profiles, which shall be in accordance with the organizational requirements.

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



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Region	2012		2011		Variation	
	Workers	% of Total	Workers	% of Total	Workers	% of Total
Capital	7,693	58.70%	8,217	59.36%	(524)	(6.38%)
Centro - Los Llanos	1,692	12.91%	1,721	12.43%	(29)	(1.69%)
Occidental Andina	1,308	9.98%	1,343	9.70%	(35)	(2.61%)
Oriente - Sur	1,355	10.34%	1,399	10.11%	(44)	(3.15%)
Occidental - Norte	1,057	8.07%	1,162	8.39%	(105)	(9.04%)
Total General	13,105	100%	13,842	100%	(737)	(5.32%)



HIRES AND SEPARATIONS PATTERNS

The Turnover Index is a function of the percentage index between hires and separations in relation to the number of employees in the area and over a given period of time. From 2011 to 2012, the index went from 16.71% to 18.33%.

Banesco Banco Universal, C.A. Collective Bargain does not establish a minimum previous notice in relation to organizational changes. The Bank abides by the regulations established in the Organic Law of Labor and the Lopcymat.

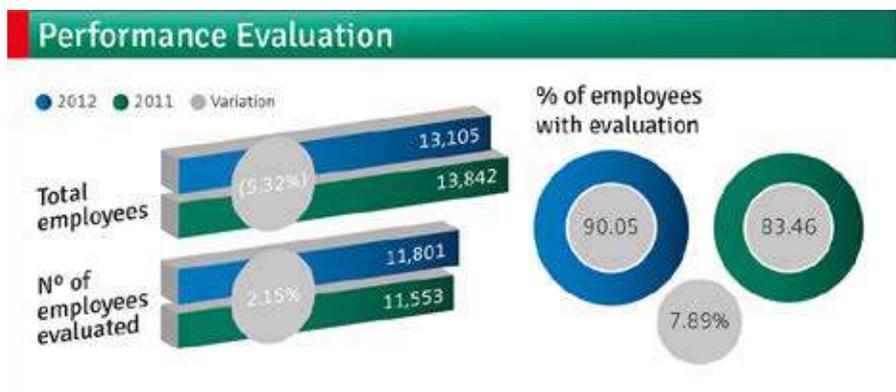


A total of 11,801 employees were submitted to performance evaluations in 2012, accounting for 90.05% of the active workers at the end of that year.

PERFORMANCE EVALUATION

In order to cover the Performance Evaluation cycle, in 2011 we conducted for the first time the evaluation of quantitative goals for all the Bank population. All the organizational levels of the Bank record their objectives and their performance is evaluated based on these data.

A total of 11,801 employees were submitted to performance evaluations in 2012, accounting for 90.05% of the active workers at the end of that year. The remaining percentage corresponds to those workers who joined the Bank after that deadline established to conduct the process and also those employees under medical leave, trainees and employees separated from the organization at the moment of carrying out the performance evaluation 2013.



Staff turnover index per region

2012

Region	Population	Hires + Sep.	Turnover Index
Middle-The Plains	1,692	652	19.27%
Metropolitan	7,693	3,112	20.23%
Western-Andean	1,308	463	17.70%
Western-North	1,057	278	13.15%
East-South	1,355	299	11.03%
Total	13,105	4,804	18.33%

2011

Region	Population	Hires + Sep.	Turnover Index
Middle-The Plains	1,721	716	20.80%
Metropolitan	8,217	2,840	17.28%
Western-Andean	1,343	340	12.66%
Western-North	1,162	367	15.79%
East-South	1,399	362	12.94%
Total	13,842	4,625	16.71%

Staff Turnover Index per region and gender

2012

Region	Population		Hires + Separations		Turnover	
	Female	Male	Female	Male	Female	Male
Middle-The Plains	1,164	528	439	213	18.86%	20.17%
Metropolitan	4,955	2,738	1,959	1,153	19.77%	21.06%
Western-Andean	742	566	252	211	16.98%	18.64%
Western-North	676	381	179	99	13.24%	12.99%
East-South	941	414	181	118	9.62%	14.25%
Total	8,478	4,627	3,010	1,794	17.75%	19.39%

2011

Region	Population		Hires + Separations		Turnover	
	Female	Male	Female	Male	Female	Male
Middle-The Plains	1,177	544	492	224	20.90%	20.59%
Metropolitan	5,241	2,976	1,825	1,015	17.41%	17.05%
Western-Andean	753	590	191	149	12.68%	12.63%
Western-North	750	412	251	116	16.73%	14.08%
East-South	951	438	255	106	13.32%	12.10%
Total	8,882	4,960	3,015	1,610	16.97%	16.23%

Staff turnover index per region, age and gender

2012

Region	<18		18-30		31-40		41-50		>50	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Middle-The Plains	56.25%	59.09%	25.91%	31.98%	12.70%	7.61%	4.27%	7.38%	8.33%	10.00%
Metropolitan	145.00%	94.00%	29.19%	31.99%	11.10%	13.18%	8.17%	9.61%	8.89%	9.40%
Western-Andean	0.00%	0.00%	26.74%	30.93%	11.04%	13.25%	6.18%	7.45%	0.00%	4.35%
Western-North	0.00%	0.00%	21.48%	21.01%	8.96%	8.89%	4.95%	8.23%	8.14%	7.14%
East-South	56.25%	75.00%	15.29%	27.10%	6.33%	7.77%	3.72%	7.08%	1.43%	6.00%

2011

Region	<18		18-30		31-40		41-50		>50	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Middle-The Plains	91.67%	66.67%	29.30%	29.96%	13.26%	11.86%	3.45%	6.90%	12%	0%
Metropolitan	88.18%	59.46%	25.90%	26.61%	9.30%	10.83%	4.22%	7.67%	5.11%	7.54%
Western-Andean	0.00%	0%	17.90%	22.45%	8.15%	5.81%	8.02%	5.95%	7.14%	2.50%
Western-North	57.69%	62.50%	24.62%	23.38%	11.93%	10.07%	3.81%	4.12%	5.81%	6.00%
East-South	89.47%	150%	19.67%	16.05%	7.40%	11.33%	3.73%	6.31%	1.85%	2.38%

JOB PROMOTIONS

In Banesco Banco Universal, C.A. we believe in our employees' talents. Thus, our promotion policy provides our employees with the possibility of growing internally towards positions of more and more responsibility. In 2012 we promoted 965 workers as the primary source to fill vacancies.

REMUNERATION POLICY

Banesco Banco Universal, C.A., is committed to the permanent evaluation of our employees' needs, as well as being an organization at the forefront of the best labor conditions. Therefore, in 2012 and to comply with the new Labor Law, Banesco eliminated the atypical efficiency wage, and this change accounted for a 10% raise over the total annual compensation for Banesco Citizens. This increase had an impact of 3% on the monthly wages and 8% over the annual economic package. Besides, the amount of the Food Coupons was also increased between 38% and 101% in October, and based on the monthly wage.

Job promotions

Direction	2012	2011	Variation
President of the Board of Directors' Office	2	10	(80%)
Exe. Dir. Administration and General Services	35	66	(47%)
Exe. Dir. Banking and Cards	65	101	(36%)
Exe. Dir. Multinational Human Capital	12	10	20%
Exe. Dir. Corporate Development*	6	26	(77%)
Exe. Dir. Products	67	93	(28%)
Exe. Dir. Treasury and Finance	48	52	(8%)
Exe. Dir. Risk, Prev., Losses and Business Cont.**	16	0	100%
Exe. Dir. Massive Segments and Channels	699	669	4%
Exe. Dir. Corporate Services***	0	17	(100%)
Exe. Dir. Technology and Business Processes	25	92	(73%)
Total Promotions	965	1.136	(15%)

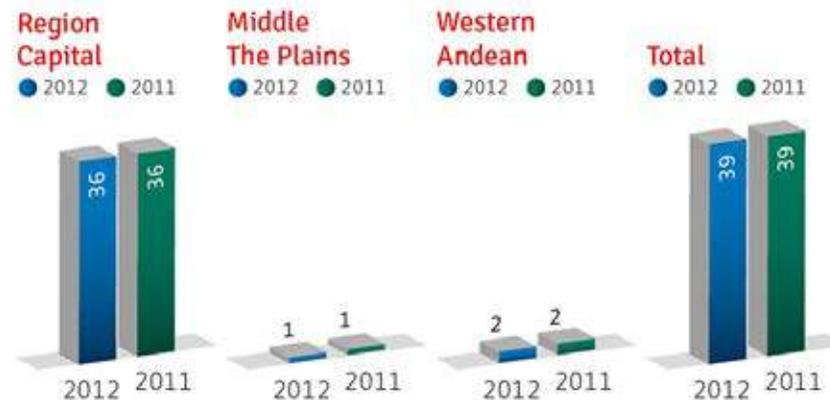
*Exe. Dir. Limited in February ** Exe. Dir. Created in August ***Maintained only for 2011 historic

WORKERS WITH DISABILITIES

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



Workers with Disabilities





TRAINING

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

Training per Position Levels

Nivel/Grupos de Edad	Workers Trained			Man-Hours			Average Hours		
	2012	2011	Var. %	2012	2011	Var. %	2012	2011	Var. %
Base	4,935	5,267	(6.30%)	102,446	147,639	(30.61%)	20.76	28.03	(25.94%)
Professional and Technicians	5,355	4,957	8.03%	174,069	143,803	21.05%	32.51	29.01	12.05%
Supervisory	1,507	1,546	(2.52%)	63,780	46,165	38.16%	42.32	29.86	41.73%
Managerial	1,079	1,223	(11.77%)	43,268	53,842	(19.64%)	40.10	44.02	(8.91%)
Vice-Presidents	83	76	9.21%	1,445	678	113.14%	17.41	8.92	95.16%
Directors	8	3	100.00%	33	33	0.00%	4.13	11.00	(62.50%)
Total	12,967	13,072	(0.80%)	387,054	392,160	(1.30%)	29.85	30.00	(0.50%)

Training

Hours / Training People

Description	2012	2011	Var. %
Banking, Finance and Insurance	64,934	176,098	(63.13%)
Managerial Competences	29,814	10,554	182.49%
Management Control	19,548	1,624	1,103.67%
Personal Development	26,840	39,750	(32.48%)
Specialized	39,819	25,870	53.92%
Legal and Regulatory	117,890	54,140	117.75%
Marketing, Sales and Services	65,734	70,818	(7.18%)
Industrial and Physical Security	1,411	656	115.09%
Technology and Information Safety	19,052	12,650	50.61%
Total Hours of Training	385,042	392,160	(1.82%)
Total Workers	13,105	13,842	(5.32%)
Average Hours of Training	30	30	(0.50%)
Total Workers trained	12,967	13,072	(0.80%)
% of Workers Trained	99%	94.44%	4.78%



Under the guidance of the Director of Corporate Development, the Bank successfully started the management of organizational competitive initiatives, as well as the discussion about market trends and global macro-trends.

FOSTERING INNOVATION CULTURE IN BANESCO

Aware as we are of the need of making of innovation the territory of all our organization, the new Business Corporate Model demanded that the knowledge, until now concentrated on a specialized area, would be transferred to the different business areas that now count on the function called “Management of Innovation”.

Through two important action lines we guarantee the alignment and management synergies of the corporate management of innovation.

Transferencia de Conocimientos

Coordination of the Corporate Development Committee: Under the guidance of the Director of Corporate Development, the Bank successfully started the management of organizational competitive initiatives, as well as the discussion about market trends and global macro-trends. The new body of our corporate government is in charge of articulating the new decentralized vision to manage ideas, guaranteeing at the same time alignment, synergy and integral vision.

Great Trends of the Banking Business:

During the year 2012, the VP of Innovation submitted before the Corporate Development Committee and the different areas of Products Management, Segments and Channel a series of research about the Trends of the Banking Business focused on products, services and new business.

This research was based on information about the national and international market available at the Internet and concentrated on the following discussion topics:

- ◆ Open Innovation
- ◆ Innovation Processes
- ◆ Social media
- ◆ Branches 2.0
- ◆ Products and Services Packing
- ◆ *Internet Banking*
- ◆ Banca Móvil
- ◆ Virtual Banks
- ◆ Peer Group Advertising Strategies**
- ◆ Intermediation
- ◆ Payment Means and other Businesses

The aforementioned research was published and is available so as our Innovation Community could use it.

SAP-HCM PHASE II

The Executive VP of Human Capital has a self-service portal with a robust offer of products and services, so as they could evaluate their professional profiles, manage their development, see and request benefits and make administrative procedures in an easier, faster and more efficient manner in comparison with the traditional means. This new tool fosters the employee self-management, as it produces requests online and immediate answers, without the physical presentation of documentation or visits to the Human Capital offices.

The portal was developed and is continuously updated under the SAP platform. It is aligned to the best world practices for self-services management. Its functionalities are friendly user, which in turn makes easier its navigation. It is also ecological, as it reduces the printing of documents, forms and requirements usually necessary to apply for a service or benefit of Human Capital.



TRAINING AND WORKSHOPS ON INTEGRAL RISK

In the framework of our Plan of Risk Culture, the block Training and Education was one of the processes with the higher amount of specialized actions during 2012. The activities were aimed to give the necessary knowledge on the matter of Risk, emphasizing the knowledge and display of key roles of management, such as the Delegate of Integral Risk (DIR), the Master Delegate of Integral Risk (MDIR) and the Consultant of Integral Risk (CIR), as well as the reinforcement of the functions associated to the areas of Audit and Processes for the application of the Methodology of Risk Management, all this through specialized and general training at the different level of our Organization and different instances that cover several attention channels and knowledge levels.



Since 2011, these activities have not produced any cost for the Organization, as they are carried out by support teams of Human Capital who carry out training in the regions and the metropolitan area for the new employees and specialized training on Operating Risk.

The portal was developed and is continuously updated under the SAP platform. It is aligned to the best world practices for self-services management.

Specialized Workshops on Integral Risk

Áreas	2012		2011	
	Trainings	Participants	Trainings	Participants
Business Process	3	31	-	-
VP Community Banking	-	-	2	89
Audit	3	60	-	-
VP of Liquidation Operations	-	-	8	82
VP of the Center for Service Excellence, CH	-	-	3	24
International Trustfunds Custody, VP of Management Trustfund Product	-	-	3	71
Exe. VP for Integral Management of Risk	3	33	1	21
Exe. VP Corporate Management and Business Processes	-	-	1	16
VP. Strategic Management	-	-	1	9
VP. Products Management	-	-	1	4
Several Units	-	-	1	13
Exe. VP. Specialized Banking	2	14	-	-
Total	11	138	21	329

Note: These workshops are held each year at the different areas of the Bank. The number of workshops depends on the size of the corresponding Vice-Presidencies.



PREVENTION AND CONTROL OF MONEY LAUNDERING AND TERRORISM FINANCING

In compliance of the legal rules in force on prevention, control and fiscalization of those operations that could be carried out through our financial institution to legitimate capitals (money laundering) and/or financing terrorism from illegal activities in general, and with the purpose of developing legal, risk-free and responsible business, Banco Banco Universal, C.A. offers its Annual Training Program with allows the Organization to face the aggressions of the organized crime and the potential judicial mistakes with a negative impact on innocent people involved. This program is addressed to all our employees, from those at the base of our structure, who has a direct contact with the customers, to those in the highest ranks of our Bank, including the Board of Directors.

These workshops provide the employees general knowledge on the matter, its functions and the importance of identifying, evaluate and manage the operating risks in the Bank, as well as tools to clarify their doubts and to know their labor experiences. This, in turn, allows the articulation of the activities they carry out with the management of operating risks.

Training on Prevention and Control of Money Laundering and Terrorism Financing

Participants	Number of Workers			Amount Bs.		
	2012	2011	Var. %	2012	2011	Var. %
New Employees	1,485	1,368	8.55	7,840.00	(*)	100
Active Staff	8,910	9,348	(4.69)	2,423,437.00	1,158,227.44	109.24
Total	10,395	10,716	(3.00)	2,431,277.00	1,158,227.44	109.91

* The training offered to our new employees for the year 2011 was dictated by the Unit of Prevention and Control of Money Laundering and Terrorism Financing, contrary to the updating conducted for external staff.

WORKSHOPS ON HUMAN RIGHTS

- ◆ Workshop addressed to the staff ascribed to the Security area of the Executive VP of Protection. This workshop was given by Provea, a non-profit ONG devoted to the study and divulgation of Knowledge on Human Rights. 68 auxiliary security agents were trained in 2011 on this matter.
- ◆ Workshop to raise awareness among the staff ascribed to the Executive VP of Massive Segments about Resolution 209-08 issued by Sudeban.

Training on Human Rights	
Indicador	2011
Hours of training on Human Rights	6,421
Number of people trained on Human Rights	1,390
Total Workers	13,842
% of workers trained on Human Rights	10.04

Security Staff Trained on Human Rights	
Indicador	2011
Security Staff Trained on Human Rights	68
Total Security Area Employees	89
% of staff trained on Human Rights	76.40

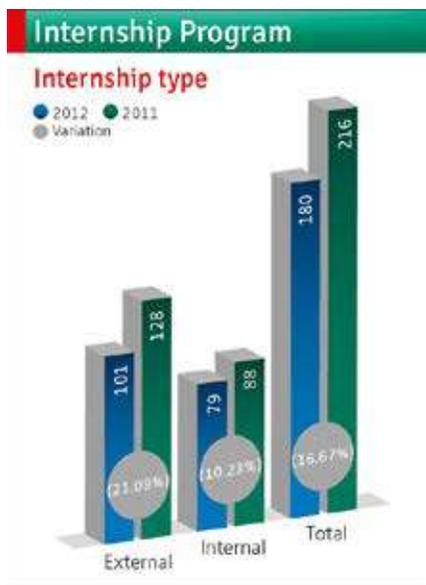
Banesco continues applying the Virtual Learning Platform, an interactive learning system with different instruments and multimedia contents that encourages the development of competences and knowledge which are crucial for every employee

DEVELOPMENT OF COMPETENCES

In 2012, through the Self-Service Portal, Banesco conducted the 360° Diagnosis of Competences of all its employees, including executives, managers, professionals and the base, with a participation of 86% of its population. This means that Banesco citizens now have a guide to make their own diagnosis about their competences and to know their strengths, with the help of tools to improve their professional profile. This diagnosis was reinforced with the identification of the technical knowledge related to the core business and the evaluation of how our employees master this knowledge.

Likewise, Banesco continues applying the Virtual Learning Platform, an interactive learning system with different instruments and multimedia contents that encourages the development of competences and knowledge which are

crucial for every employee, according to his role for a successful performance. The platform was launched in 2011 with a life-transmission of the modular program Service Experience, which addresses the different theoretical and practical aspects of Quality Service. As an organization focused on serving and satisfying our customers' needs with quality products and services, Banesco activated this tool for all its employees as an instrument of a high value for the professional development of each Banesco Citizen. The tool strengthens quality behaviors, codes and attention/service procedures for the customers. The module for the Development of Banesco Competences was implemented in 2012 to bring new contents in order to foster development and close the attitudinal competences gap, core technical knowledge to achieve regulatory standards and offering a superior service to our customers.



INTERNSHIPS PROGRAM

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

Each year, we receive a group of 30 students from High School and Medium Technicians from Fe y Alegría, in the framework of an agreement for occupational internships. Under this agreement, the trainees are provided with the opportunity to meet with success the academic requirements to finish their studies and they are also provided with the theoretical-practical experience to enter the labor market. The Ministry of Higher Education, along with the Institutions of Higher, Technical and University Education, establish the duration of these internships, which shall be at least 240 hours, according to the regulations of the Internships National Program.

It is also our responsibility to assign a mentor to each intern. This Corporate Mentor shall review the development of the activities program and look after its fulfillment in order to guarantee the success of this learning experience.

QUALITY OF LIFE, FREE TIME AND PERSONAL DEVELOPMENT

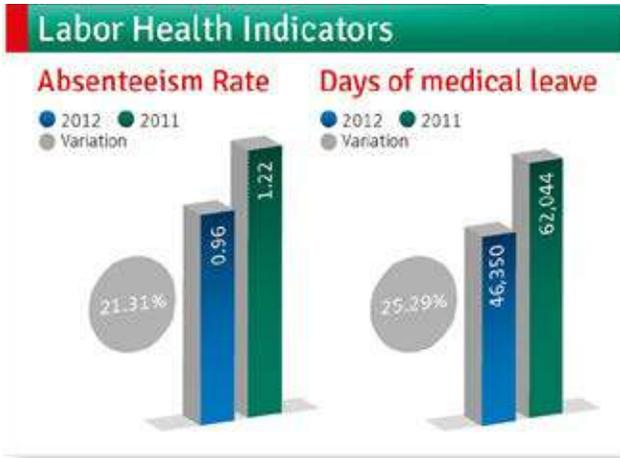
In 2012, we developed a series of recreational, cultural, sports and volunteers activities in the framework of our Plan Quality of Life. These activities contributed to improve the quality of life of our workers and encourage them to make a better use of their free time, fostering new opportunities to reconcile labor and personal life of our Banesco Citizens. Some of these activities are the following:

Activities for free time

Activity	2012		2011	
	Beneficiaries	Investment	Beneficiaries	Investment
Sports and recreational activities (tonification)	286	456,630.48	687	291,939.20
Permanent training on several disciplines	2,019	1,006,708.95	491	357,551.60
Mini-Olympic Games	*	*	3,110	2,292,709.03
Sports Tournaments	1,384	2,500,138.14	1,701	3,121,622.02
Vacation Plan	1,641	5,694,254.91	1,486	5,169,709.71
Teather/Play exhibitions ⁽¹⁾	643	90,720.00	709	195,776.00
Gastronomical Culture Workshops	294	51,435.00	163	26,604.96
Runners' Club	347	221,972.80	0	0.00
School of Indoors Soccer (workers' children)	40	247,469.22	0	0.00
Choral Singing Workshop	47	100,800.00	0	0.00
Banesco Readers' Club	60	23,176.00	0	0.00
Banesco Experimental Group	33	219,128.00	0	0.00
Family Saturday (workers and core family)	1,429	1,033,916.00	0	0.00
Bowling	158	84,388.42	0	0.00
Total Recreational and Cultural Activities		11,730,737.92		11,455,912.52

* The Mini-Olympic Games were not held in 2012. (1) In 2012 and 2011, these plays were attended by 618 and 709 people, respectively.

LABOR HEALTH



LABOR SAFETY AND HEALTH

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

At the end of 2012, Banesco had carried out 35 environmental evaluations in order to monitor, analyze and control the existent environmental conditions at our main work centers (temperature, noise, light, etc.) to prevent diseases caused or aggravated by the work and labor accidents. 16 information campaigns were developed at our Intranet with a view to prevent accidents, labor diseases and expand the knowledge of the rules associated with labor safety and health at our branches. These campaigns reached to more than 11,000 workers.

Labor Safety Activities		
2012		
Activity	Workshops/ Lectures	N° Participants
Lectures on physical and Industrial Security to our new employees	30	1,091
Workshop on Ergonomics at the office and Postural Habits	27	1,073
Workshop on Extinguishers	4	343
2011		
Activity	Workshops/ Lectures	N° Participants
Lectures on physical and Industrial Security to our new employees	24	1,493
Workshop "Lopcyamat and Our Responsibility"	5	1,489
Intranet campaigns on accidents preventions, occupational diseases and regulations about safety and health at branches, as well as the use of fire extinguishers.	12	10,703



The SenosAyuda Foundation offered 117 mammograms to Banesco Banco Universal, C.A. employees who were referred by the Anticancer Society mobile clinic, based on the resulting diagnosis.

Likewise, we carried out 16 partial evacuation simulations in Ciudad Banesco and 2 more at Tower I, El Rosal.

Our bulletin board “Labor Security and Health updated” is published on a quarterly basis and it’s delivered among all Banesco Banco Universal, C.A. administrative offices and branches.

For Banesco, it is important to educate our staff. Therefore, we foster accidents prevention within and outside our facilities, through training sessions on labor security and health.

Additionally, in the framework of the Month against Breast Cancer, we brought to Ciudad Banesco the mobile unit of the Venezuelan Anticancer Society to offer free-cost tests to diagnose breast, cervix, skin and prostate cancer. This unit applied tests from October 22 to 27, as well as skin, cytology and prostate antigen tests to over 300 employees.

Besides, the SenosAyuda Foundation offered 117 mammograms to Banesco Banco Universal, C.A. employees who were referred by the Anticancer Society mobile clinic, based on the resulting diagnosis.

LABOR RELATIONS

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

Since November 2012, the Basic Insurance Policy covering for Hospitalization and Surgery has remained unchanged in Bs. 30,000, as well as the Maternity covering of Bs. 20,000. This collective bargain includes clauses of different nature: preliminary, general, economic, social-economic

and labor union and final clauses. It grants very competitive economic and social benefits in the banking market. Its central purpose is to improve the quality of life of our workers and their families, as it grants additional economic benefits, such as Hospitalization, Surgery and Maternity Insurance Policy for the worker and his family (spouse, children), scholarships for the worker, and toys for their children, aid to acquire school supplies, among others. This is the result of applying the principle of Social Responsibility

to our main asset, our human capital, in order to create well-being, improve labor conditions and the quality of life of our workers.

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

Worker under Collective Bargaining

Program	2012	2011	Var. %
Total Employees	13,105	13,842	(5.32%)
Employees under Collective Bargain	12,205	12,302	(0.79%)
% Employees under Collective Bargain	93.13%	88.87%	4.79%

STEPS TAKEN TO DEAL WITH CORRUPTION INCIDENTS

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



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

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

Before the suspicious of a corruption incident involving Banesco employees, the first step is to analyze the facts in order to determine if the displayed behavior falls into any kind of illegal action, according to the Venezuelan regulation on the matter. If this is so, we make a formal complain before the competent national authorities, so as they could start the necessary investigations to prove the crime.

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

FREEDOM OF ASSOCIATION

Banesco Banco Universal, C.A. guarantees all and each one of the rights established in the National Constitution, the Organic Law of Labor and its Provisions and other applicable labor laws, particularly the right of free association with legal purposes and the right to create and participate in labor unions.

The Bank guarantees that its workers could effectively exert all these rights, without any restriction, but those established by the Law. A proof of this was the affiliation, at the end of December 2012, of 12,205 workers to SITRABANESCO, the Nation Union of Workers of Banesco Banco Universal, C.A. Financial Group. This union gathers 93.13% of our total payroll. As another example of freedom of association, Banesco guarantees the right of our workers to celebrate and negotiate Collective Bargains. In fact, several Collective Bargains have been subscribed with SITRABANESCO.



As a leader and socially responsible institution, Banesco has always guaranteed not only the enforcement of the national legislation in force but of all those international treaties signed by the nation on this matter.

CHILD EXPLOITATION

The very nature of the banking business demands activities and functions that would hardly favor or allow child exploitation. Banesco Banco Universal, C.A. employees are adults, except for our INCE's trainees who are underage. These apprentices devote most of their time to educational and accounting regulated and supervised by the INCE. Therefore, no risk incidents of child exploitation have been identified within the organization.

EQUAL OPPORTUNITIES AND NON-DISCRIMINATION

Banesco Banco Universal, C.A. takes all the required steps likely to establish an honorable, ethical, respectful, gentle and fair labor environment for all the employees working in our organization or those with expectations of joining our ranks. In Banesco Banco Universal, C.A. all our workers receive an equal treatment, without any distinction whatsoever of age, race, religion, political or sexual orientation, or any other discrimination, granting the same opportunities to all our workers.

We encourage all our collaborators to strengthen their capabilities, talents and competences. Therefore, to this date Banesco has no reports of discrimination against its workers. Our activities are limited to areas where there are no margin to produce situations colliding with rights of the indigenous population. Internally, we also count on rules that prevent discrimination practices, such as our Collective Bargain (Clause 2, General Declaration of Principles) and the Code of Ethics and Behavior for Banesco Citizen, which has been in force since 2009.

RELATION BETWEEN BASE WAGE AND GENDER, DETAILED BY PROFESSIONAL LEVEL

The Venezuelan labor market is characterized by an offer of men higher than the offer of women for certain areas and positions. Banesco offers equal opportunities without any discrimination based on gender. Proof of this assertion is the fact that 59% of our Vice-Presidents are women.

Relation between Base Wage and Gender

Indicator	Men and Women	
	2012	2011
Base	1.01	1
Professionals and Technicians	1.19	1.17
Supervisory	0.99	0.98
Managerial (*)	1.07	1.04
Vice-Presidents	0.92	0.93
Directors	0.87	0.79

(*) Category was separated in 2011

FORCED LABOR

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



BENEFITS GRANTED TO OUR WORKERS

Improving the quality of life of our collaborators composing the big Banesco Banco Universal, C.A. family has always been one of our main goals. Our permanent challenge is to remain as a leader company in terms of benefits and best labor conditions for our workers.

Year after year, our Organization makes efforts to evaluate the social and economic conditions in our country and provide our Human capital with competitive benefits and the best conditions to improve their quality of life. Therefore, our benefits program covers all the staff, including those employees under part-time contracts or temporary workers. For these reason, Banesco is at the forefront of Venezuela financial sector, particularly in terms of labor benefits such Workers' Food Laws, health and housing for our workers.

Some of our main benefits cover fundamental aspects for our workers' well-being, particularly those addresses to foster preventive health care, sports, recreation and the positive use of free time.

Contractual Benefits

Contractual Benefits	Investment (Bs.) :			N° workers favored		
	2012	2011	Var. (%)	2012	2011	Var. (%)
Contribution to Saving Fund	70,026,747.26	53,277,697.57	31.44	14,634	13,978	4.69
Contribution to Relatives for Employee Death	80,410.80	229,710.00	(64.99)	6	9	(33.33)
Contribution for School Supplies	2,163,400.00	490,800.00	340.79	4,031	3,851	4.67
Scholarships	97,560.00	135,240.00	(27.86)	124	136	(8.82)
Contribution to tellers and promoters	795,098.10	772,610.30	2.91	4,918	4,946	(0.57)
Contribution for Death of Direct Relatives	26,400.00	24,480.00	7.84	111	102	8.82
Contribution to Mothers' Day	240,300.00	241,850.00	(0.64)	4,807	4,837	(0.62)
Marriage Bonus	26,880.00	27,720.00	(3.03)	195	198	(1.52)
Birth Bonus	104,000.00	85,760.00	21.27	639	530	20.57
Christmas Toys	4,404,384.16	4,340,000.00	1.48	8,378	8,680	(3.48)
Acknowledgment Policy – Seniority Acknowledgments	4,394,085.33	3,202,830.91	37.19	2,411	2,164	11.41
HCM Insurance Policy 1	150,173,832.88	120,652,945.45	24.47	36,384	36,985	(1.62)
Family Subsidy	239,730.00	235,035.00	2.00	3,664	3,520	4.09
Uniforms and equipment	10,781,238.62	7,566,852.84	42.48	6,841	3,628	88.56
Vacations and Vacation Bonus	50,478,610.19	32,984,203.17	53.04	10,933	10,539	3.74
Total	294,032,677.34	224,267,735.24	31.11	98,076	94,103	0.97

(1) Corresponds to workers and relatives.

NON-CONTRACTUAL BENEFITS

It is important to mention that our temporary workers (hired for a determined period of time) also enjoy the benefits established by the Labor Collective Bargain, as well as the contractual benefits offered by Banesco Banco Universal, C.A. to its fixed workers.

Non-Contractual Benefits

Non-Contractual Benefits	Investment (Bs.)			N° workers favored		
	2012	2011	Var. (%)	2012	2011	Var. (%)
Unsecured Loan for Housing	26,233,977.80	11,571,058.00	126.72	876	462	89.61
Subsidio de estacionamiento	2,011,548.00	570,000.00	252.90	1,579	215	634.42
Parking subsidy	15,969,756.00	17,279,269.11	(7.90)	6,953	6,932	0.30
Medical service	1,983,241.00	1,205,304.00	64.54	7,504	5,851	(100.00)
Medical Assistance for Extreme Diseases	285,543.00	326,007.00	(12.41)	53	22	(140.91)
Total	48,484,065.80	30,951,638.11	50.18			

Legal Obligations

Legal Obligations	Investment (Bs.)			N° Beneficiaries		
	2012	2011	Var. (%)	2012	2011	Var. (%)
Nurseries	14,729,881.66	9,890,084.52	48.94	2,018	1,837	9.85
Inces	17,861,011.44	15,981,266.45	11.76	542	535	1.31
Workers' Food Law	108,903,546.14	78,695,571.13	38.39	13,002	12,485	4.14
Employment Law	14,139,277.75	12,042,055.81	17.42	15,667	13,842	13.18
Housing and Habitat Law	22,930,152.72	19,320,803.62	18.68	15,965	13,842	15.34
Mandatory Social Security	64,177,270.06	54,254,097.77	18.29	15,667	13,842	13.18
Training on Prevention of Capital Legitimation	2,431,277.00	1,158,237.44	109.91	10,395	10,716	(3.00)
Total	245,172,416.77	191,342,116.74	28.13			

PROGRAM "YOUR HOUSE WITH BANESCO"

In 2005, Banesco Banco Universal, C.A established as a concrete goal for its strategic planning that all its employees with more than a year of service in the organization should have a house of their own. At the end of 2012, this program reached to a total accumulated investment of Bs. 1,340,641.87 for the benefit of 6,458 workers.

Program "Your House with Banesco"

Mortgage credit	Investment (Bs.)			N° Beneficiaries		
	2012	2011	Var. %	2012	2011	Var. %
For housing acquisitiona	260,962,779.10	150,903,127.70	72.93	496	583	(14.92)
For housing revamping	19,178,409.56	13,977,283.55	37.21	103	117	(11.97)
Total	280,141,188.66	164,880,411.25	69.91	599	700	(14.43)

Other Benefits Granted to our Workers

	Investment (Bs.)			N° Beneficiaries		
	2012	2011	Var. %	2012	2011	Var. %
Contribution for medical emergencies from the Saving Fund	322,611.00	444,859.13	(27.48)	38	44	(13.64)
Banesco Banco Universal, C.A. Credit for Vehicles	76,466,032.00	68,291,000.00	11.97	728	797	(8.66)
Vacation Plan for the children of the employees	5,694,254.91	5,169,709.71	10.15	1,641	1,486	10.43
Sports and Recreational Activities	4,075,073.04	3,413,561.22	19.38	3,257	2,388	36.39
Mini- Olympic Games ⁽¹⁾	0	2,292,709.03	(100.00)	-	3,110	(100.00)
Promotion to Sports (Permanent Training) ⁽²⁾	1,006,708.95	357,551.60	181.56	2,019	491	311.20
Education and training programs	19,672,763.63	14,579,637.38	34.93	14,828	13,072	13.43
Cultural Activities ⁽²⁾	954,701.02	222,380.96	329.31	1,802	857	110.27
Total	108,192,144.55	94,771,409.03	14.16			

(1) This activity was carried out during 2012. (2) This activity started in 2011.

EMPLOYEES SATISFACTION INDEX

Employees Satisfaction Index

Programa	2012	2011
Cafeteria	6.90	6.85
National Mini-Olympic Games ⁽¹⁾	-	9.71
Todo Ticket Juguetes (toys coupons)	7.50	7.78
Vacation Plan	9.00	8.51
Collective Health Insurance Policy ⁽²⁾	8.42	7.31
Satisfaction Index	7.96	8.36

(1) The Mini-Olympic Games were not held in 2012.
General result of these measurements, where 1 means "Dreadful" and 10 "Excellent".

AA 1000 Standard

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

In 2010, we recorded a significant advance towards the application of this standard, in terms of design and the planning to carry out the dialogue. In 2011 we carried out our first dialogue with a group of 30 workers from all the regions, levels and genders, always abiding by the phases of the dialogue process as it was established by the standard. These phases are the following: inclusion, relevance and response capacity.

This first meeting was attended by Banesco Banco Universal, C.A President and its Multinational Director of Human Capital, who listened to the participants' requirements in relation to the topic exposed: a proper knowledge of the Code of Ethics; individual development plans for em-

ORGANIZATIONAL CLIMATE STUDY

In 2012, Banesco applied an evaluation instrument adjusted to the Organization's needs. This tool diagnosed not only the climate but also the aspects associated to the organizational culture. This instrument is composed of 67 items, divided into two modules, 40 items for the module Culture and 27 items for the module Climate. These items reflect the most relevant dimensions and areas for the life of our workers and organization and they allow to obtaining results much closer to our reality as Banesco Citizens.

The results of this study show that we are positioned in the category of "Strengths", equivalent to obtaining 76%. This means that our Organization encourages a climate and culture characterized by a high performance and our permanent commitment to go forward to better results.

ployees; wage levels and incentives, based on criteria such as business sustainability, equality and justice according to achievements and merits.

Para el 2012, realizamos la planificación estratégica para llevar a cabo y para darle continuidad al diálogo con los trabajadores, sin embargo por temas logísticos se trasladó para enero del 2013,

All along 2011 last quarter, the Bank provided a customized response to the dialogue participants and the rest of Banesco Citizens, with information about the strategies to be implemented in the future and the results of the first encounter.

For 2012, we developed the strategic planning to carry out and continue the dialogue with our workers. However, for logistic problems, it was postponed for January 2013.



INTERNAL COMMUNICATIONS MANAGEMENT

These are our internal communication channels:

- ◆ **CableBanesco:** a CCT system at Ciudad Banesco.
- ◆ **TiempoBanesco** Intranet.
- ◆ **The Virtual Library**, available through our *Tiempo Banesco* Intranet, was specially created to display all the core information related to the business in a simple, updated an easy-access format.
- ◆ **Bulletin Boards:** a useful electronic tool to place announcements, available in LotusNotes and the Intranet, to get information about products, services and goods sold by our employees.
- ◆ **TiempoBanesco**, monthly Bulletin Boards placed at elevators, branches and service areas.
- ◆ **Weekly bulletin**, sent by e-mail.
- ◆ **Special Bulletins** sent by e-mail.

SATISFACTION OF OUR STAFF WITH THE INTERNAL COMMUNICATIONS

The VP of Corporate Intelligence conducted the Channels Survey in 2012 in order to measure the satisfaction level of our staff in relation to our internal communications.

At 2012 year-end, the satisfaction level with our internal communications was 8.5 points measured with a 1-10 scale. The survey was carried out with a sample of 552 subjects, a +_ 4.0 error margin and 95% or reliability.

This value is slightly below the one recorded in 2011 (8.7 points) and it's the highest value recorded during the last 7 years reviewed.

THE EXTERNAL DIMENSION OF OUR SOCIAL RESPONSIBILITY

OUR SOCIAL PARTNERS



During 2012, Banesco Banco Universal, C.A. supported initiatives and projects created to meet the basic needs of the most disadvantaged communities and groups of society. These initiatives belong to the fields of education and health care.

OUR POLICY

In Banesco Banco Universal, C.A. we focus our social investment on supporting projects linked to the education and health sectors. We develop our social action, hand in hand with the institutions that, all along the Venezuelan territory, materialize the fight and action initiatives to favor the communities. We count on a Manual of Rules and Proceedings that rules all the resources request process and approval. The Manual can be found at our Web page www.banesco.com.

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

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

We do not participate in projects of an individual nature, without technical and financial sustainability or lacking a multiplying effect on the community (at least 100 people).

OUR MANAGEMENT

During 2012, Banesco Banco Universal, C.A. supported initiatives and projects created to meet the basic needs of the most disadvantaged communities and groups of society. These initiatives belong to the fields of education and health care.

To develop these initiatives, Banesco has established long-term alliances with expert institutions on these areas that we call our Social Partners. For 2012, our Social Partners were the following: Fe y Alegría, “Don Bosco Houses” Civil Association, Foundation of the Child in Need of Protection (Fundana by its Spanish acronym), The Children Museum Foundation,

Our Social Partners

Organization/ Institution	Proyecto	2012	2011	Var. %
Fe y Alegria	Construction and procurement for University Institutions	0.00	1,481,640.00	(100.00)
	Program of Training for Micro-entrepreneurs	1,580,000.00	0.00	100.00
"Don Bosco Houses" Civil Assoc.	ARIS Project – Bosco Bus Mobile Unit	658,900.00	693,127.00	(4.94)
Fundana	Maintenance fee of The Toddlers Villages	180,000.00	0.00	100.00
The Children Museum Foundation	Development of Web page	5,000.00	6,000.00	(16.67)
UCAB	Contribution for the Andrés Bello Scholarships Program	0.00	300,000.00	(100.00)
	Contribution for 5 scholarships/aids	33,450.00	27,350.00	22.30
	Contribution for the Chair of Imagination and Literary Genders	0.00	100,000.00	(100.00)
	Others	0.00	20,000.00	(100.00)
AVEC	Consolidation of educational and recreational programs	1,000,000.00	1,000,000.00	0.00
Venezuelan Foundation	Acquisition of X-Rays System for the Infantele	925,840.00	0.00	100.00
Against Infantile Paralysis	Orthopedic Hospital			
"Apoye" Civil Assoc.	50% of the headquarters rent	45,500.00	39,000.00	16.67
Salesian Women Civil Assoc.	Program to Consolidate Work Training for the Youth	250,000.00	250,000.00	0.00
	Donation for the ADS Center "Mamá Margarita", La Dolorita neighborhood.	25,000.00	0.00	100.00
Simón Bolívar Musical Foundation	Contribution for the national tour of the "Latino Caribeña Simón Bolívar" Orchestra	1,000,000.00	1,000,000.00	0.00
Always Friends Civil Assoc.	Scholarships, wages, labor training	50,000.00	50,000.00	0.00
Los Roques Scientific Foundation	Education and Environment Program	50,000.00	50,000.00	0.00
Total Bs.		5,803,690.00	5,017,117.00	15.68

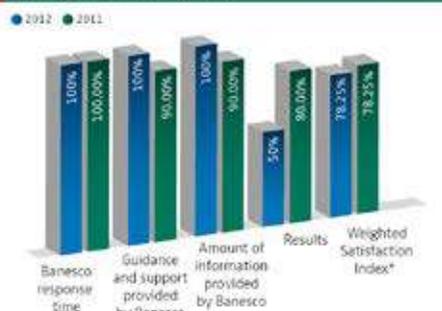
Andrés Bello Catholic University (UCAB), Venezuelan Association of Catholic Education (AVEC), Venezuelan Foundation against Infantile Paralysis, "Audaz" Association for the Guidance and Support of People with Special Needs (Apoye), Salesian Women Civil Association, State-Foundation for the National Systems of Youth and Children Orchestras of Venezuela (Fesnojiv), Always Friends Civil Association and Los Roques Scientific Foundation.

We have maintained a permanent dialogue with these institutions, through meetings, interviews and activities that have been opportunities to discover potential collaboration ways that allow Banesco Banco Universal, C.A. to contribute to the satisfaction of the real needs of our society.

Following, we offer a summary of the support that Banesco has been providing for years to the institutions that compose our Corporate Social Responsibility Program.



Satisfaction Indicators



* The 2012 indicator was calculated with the answers provided by 6 Social Partners, while the 2011 indicator was calculated with the answers provided by 8 Social Partners.

ACCOUNTABILITY

Each year we conduct a survey among our Social Partners in order to monitor the evolution of the projects under execution and our partners' satisfaction level. This survey allows us to make a comprehensive follow-up of the different initiatives, as well as about the investment and the fulfillment of our recommendations for the successful conclusion of these projects, correcting potential deviations and building indicators to gauge the social impact of these programs.

Results of the projects together with our Social Partners

Partner	Project	Description	Direct Beneficiaries		Indirect Beneficiaries		Status		Final Execution	Territorial Impact	% executed
			2012	2011	2012	2011	2012	2011			
Fe y Alegría	Construction of the Library for the University Institution of Fe y Alegría in San Francisco.	The library will provide spaces for research, for the internal and external community, under university parameters universitario.	No contribution	7.522 people	No contribution	12.610 people. Total population of the IUSE, multiplied by 5.	No contribution	Construction finished	Pending for information	San Francisco Municipality, Zulia state and Barquisimeto, Lara state.	100%
Civil Association Don Bosco Houses Network	Building a Drugs-free Network.	Educational Project for the Integral Prevention of drug, alcohol and tobacco abuse.	425 CHA were favored by the different Vacation Plans and Training Workshops.	425 children and adolescents were favored by the different Vacation Plans and Training Workshops.	30 people (relatives).	30 people (relatives).	Permanent program	Permanent program.	Permanent program.	National Territory	95%
	"Bosco Bus" Mobile Unit.	Attention and social reintegration to children and/or adolescents (CHA) living in the streets or under risk.	60 (CHA)	7 children, 50 adolescents	300 (CHA).	N/A	Permanent program	Permanent program.	Permanent program.	Caracas Metropolitan Area, Municipality: Libertador, Chacao and Sucre, San Félix, El Tigre, Pto La Cruz, Acarigua, San Cristobal, Mérida and Catia La Mar.	30%
Fundana	The Toddlers' Village.	Maintenance of the Villages substitute homes for abandoned children or victims of physical abuse.	No contribution in 2011.	N/A.	No contribution in 2011.	N/A.	Permanent program	Permanent program.	Permanent program.	Capital District and Miranda State.	0%
The Children Museum Foundation	CuriosKid.com Web page	Creation of the scientific Web page CuriosKid.com to learn playing.	N/A	Every children and adult that visits the page.	N/A	Every children and adult that visits the page.	Permanent program	Permanent program	Permanent program	Capital District and Miranda State.	0%
Venezuelan Association of Catholic Education (AVEC)	Consolidation of infrastructure.	Construction, repair or expansion of the spaces devoted to education at the different AVEC centers nationwide, in order to guarantee service quality.	4.781 people	7.099 children and adolescents, 2.422 adults	23.905 people	35.495 indirect beneficiaries	1.038,6 m ² expanded and 3 computing labs with equipment, 9 classrooms built or repaired, 1 roof repaired, walls repaired, 1 contention wall, 3 computing labs revamped, 2 classrooms built, as well as the roof, electricity and 1 multiuse classroom	5.184 m ² restored, 15 classrooms, 3 modules for coordination and direction, computing classrooms, 7 bathrooms, 1 chapel, 12 sports camps, 1 perimethal wall and 1 contention wall.	Permanent program	National Territory	80%

Results of the projects together with our Social Partners

Partner	Project	Description	Direct Beneficiaries		Indirect Beneficiaries		Status		Final Execution	Territorial Impact	% executed
			2012	2011	2012	2011	2012	2011			
Venezuelan Foundation against Infantil Paralysis	Acquisition of a RX computerized system.	Optimize the processing of plaques in the Imaginary system and provide a digital registry of the radiological record of each patient.	34.450 studies	No project carried out in 2011	N/A	No project carried out in 2011	Successfully executed	No project carried out in 2011	Permanent program	This Hospital is a National Reference Center for Orthopedics and it receives patients from all over the country.	100%
Apoye Civil Association	Pago del 50% del alquiler de la sede.	Academic training, therapy, art workshops and training for the labor insertion of young people with Down Syndrome.	60 young people	58 young people	174 Families, 3 participants direct beneficiaries (family and caregivers).	180 people, including relatives and students (in preparation thesis, social work and internships).	Successfully executed.	Successfully executed.	Permanent program.	Capital District and Miranda State	100%
Salesian Ladies Civil Association	Consolidation for work education "Center Don Bosco 88"	Educate low income sectors boys and girls who are school dropouts, with training programs to have access to the labor market.	176 students	184 young people	528 people (calculation on 3 people of direct line per student).	552 people (3 people of direct line per student).	Successfully executed.	Successfully executed.	Permanent program that requires continuity over the time.	Capital District and Miranda State.	100%
FUNDA-MUSICAL Simón Bolívar.	Orchestras System National Tour.	Contribution for national tours of the Orchestras System	N/A	3.870 children and teens.	N/A	15.480 people per each participants in each center. The calculation is based on around 4 members of the family nucleus, who are beneficiaries.	Successfully executed.	Successfully executed.	Permanent program that requires continuity over the time.	National Territory	0%
Los Roques Scientific Foundation	Program of Environmental Education 2012-2013: "Scientific Knowledge hand in hand with Los Roques National Park community.	It encourage the interaction between the scientific and permanent community of Los Roques. It spread the knowledge about the archeological historic and cultural	356 people	284 people: 238 students, 14 teachers	712 people	852 personas (3 beneficiarios indirectos por cada beneficiario directo).	Successfully executed.	Program consolidation and continuity.	Permanent program that requires continuity over the time.	Los Roques Archipelago	100%

With the promotion of these initiatives, Banesco Banco Universal C.A. contributes with two of the Millennium Development Goals established by the United Nations: the eradication of extreme poverty from the planet and universal primary education.

SOCIAL ACTION IN THE COMMUNITY

We also consider as very important cultural activities, offering the communities a wide range of opportunities to enhance their aesthetical and intellectual background.



OUR POLICY

Our motivation is to make a solid contribution to all the neighboring communities to our different headquarters nationwide. Therefore, we practice the “good neighbor” policy. Guided by this vision, Banesco Banco Universal, C.A. adds its presence to our society, interacting with the different actors involved, keeping an eye on their problems and making a contribution suitable to their expectations.

Banesco social action has many faces that reflect our goal of including those sectors deprived from education and health, thus, impaired to break the vicious cycle of poverty.

In this sense, the organization’s task is to offer study scholarships, workshops, support for educational lectures, material and equipment donations and a wide and growing work carried out by our volunteers.

Likewise, we grant financing from time to time to activities and projects that create benefits for society, exclusively if they are related to education and health.

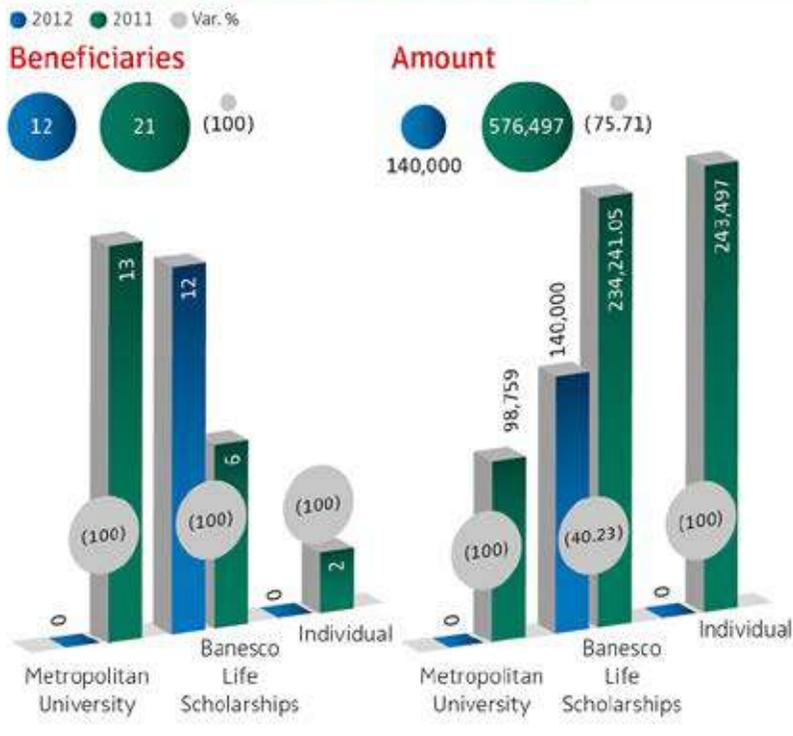
We also consider as very important cultural activities, offering the communities a wide range of opportunities to enhance their aesthetical and intellectual background.

OUR MANAGEMENT

- ◆ We granted study scholarships to 12 people who are beneficiaries of Banesco Life Scholarships. This initiative was launched in 1996, when we decided to provide our current account holders affiliated to any of Banesco Plans with the opportunity to participate in quarterly draws which prize is a study scholarship named “Banesco Scholarship”. This scholarship covers all the academic expenses from pre-school to higher education, and even post-graduate studies. The beneficiary can also transfer the scholarship to his relatives for the same purpose.



Banesco Study and Life Scholarships



- ◆ Our branches network has become the driving force behind our Social Partners' initiatives. Banesco supports them with annual raffles to raise funds in order to finance social projects.

Collection for raffles carried out by our Social Partners

Organization/ Institution	Project	2012	2010	Var. %
Venezuelan Foundation against Infantile Paralysis	Súper Birigo de la Bondad	303,824.00	333,772.14	(8.97)
Fe y Alegría	Fe y Alegría Raffle	473,750.00	132,000.00	258.90
Children with AIDS Foundation	The Good Samaritan - Children with AIDS Foundation	427,644.02	443,700.00	(3.62)
Anti-Cancer Society	Great Bonus of Health	1,394,507.00	1,488,327.00	(6.30)
Fundana	Fundana Auction	3,272,000.00	2,407,000.00	35.94
Total Bs.		5,871,725.02	4,804,799.14	22.21

WORDS FOR VENEZUELA: VISIONS OF AN ECONOMY WITH A HUMAN FACE

In 2012, Banesco Banco Universal, C.A. held the fourth edition of the *Words for Venezuela*, which has become an occasion to share ideas and thoughts with authorized voices that can provide solutions, projects and initiatives to our society.

Over four thousand people got together in Ciudad Banesco to listen to three special guests, the former presidents of Brazil, Spain and Chile, Fernando Henrique Cardoso, Felipe González and Ricardo Lagos, respectively.

People from the different Venezuelan regions accompanied Banesco in this event: farmers and industrials, entrepreneurs, university students, doctors, legal advisors, planners, engineers, visual artists, poets, anchors and journalists, public servants and authorities representing the different governmental fields; experts on public policies, representatives of the financial sector, workmates and friends.

During the event, our most outstanding micro-entrepreneurs showed their testimonies through moving videos. Juan Carlos Escotet Rodríguez, President of the Board of Directors of Banesco Banco Universal, C.A., formalized the alliance with Fe y Alegría and Microsoft for the massification of the Program of Training for Micro-entrepreneurs, which will provide customers and potential customers of our Community Banking with administrative, managerial and technological tools.

- ◆ Ciudad Banesco has also been the scene of different activities organized by our Social Partners and other institutions, which have a positive impact on the community.

Ciudad Banesco Events

2012

Institution	Activity	Amounts (Bs.)
Banesco Banco Universal, C.A.	Activities at the Readers' Corner (7 sessions)	16,756.10
	Concert of the band "Latino Caribeña S. Bolívar" and introduction of Simón Díaz' book	225,859.40
	Opera Concert with María Fernanda Brea	38,453.09
	Concert Child Chorus Kanaima	64,532.69
	Participative Budget 2012	1,061.00
	Micro-entrepreneur graduation	21,053.58
	Auction "A heart for Vicky" *	0.00
	Theater play "Improsexual" *	0.00
	Activities opening of El Rosal square	13,440.00
	Theater play "Moncho Martínez"	20,832.00
	Senos-Ayuda Exhibition. Banco Central del Cóndor	32,095.20
	Introduction of the book "It's not a tale, it's history" by Inés Quintero	27,322.04
	Introduction of the book "5 in 5 in Maracaibo"	13,957.28
Step by Step Foundation	Exhibition "Respecting Differences"	1,422.20
	Step by Step Photographic Exhibition	4,480.00
Invedin	Invedin Bingo*	0.00
	Invedin Symposium *	0.00
Colegio Nacional de Periodistas	Lectures at Ciudad Banesco	10,578.90
UCAB	Lecture CDO of Venezuela (UCAB)	0.00
Fundamusal	Orchestra Infantil Group "Los Choros 2"	10,036.90
	Concerts of "Ensamblés de Metales de Venezuela"	8,010.33
Cardiamigos	Documentary Exhibition *	0.00
Fundana	Exhibition VIII Auction	28,713.92
Avesid	International Congress on Down Syndrome (AVESID)	10,510.00

2011

Institution	Activity	Amounts (Bs.)
Bello Monte Community	Preparation of projects with Bello Monte community	1,837.10
Lisbeth Salas	Introduction of Rafael Cadenas' book	94,908.13
Step by Step Foundation	Exhibition "Respectin Differences"	4,043.75
	Photographic Exhibition "Here we are"	10,313.90
Caracas Press Club	Touist at Caracas Press Club	866.2
Ediciones B	Introduction of the book "Lucía la pelota con llegar al Salón de la Fama"	13,639.60
	Introduction of the book "Señora Madrastra" by Flor Alicia Anzola	11,589.11
Artésano Group Foundation	Introduction of the book "Las Bases Cuantitativas"	24,052.54
Baruta Mayoralty	Introduction of the choral "Ahora Cantamos" *	0.00
Caracas TED	Event at Ciudad Banesco	841.40
Banesco Banco Universal, C.A.	Theater play "Tania en Pelotas"	11,627.56
	Presentation "Hermanos Naturales"	70.00
	Introduction of the book "Sangre en el Diván" by Ibéyise Pacheco	13,088
	EDO Exhibition	448.00
Fundana	Exhibition VII Auction	5,070.30
Total		151,504,45

* This activity did not generate costs for the Organization

BANESCO-COLINAS DE BELLO MONTE PARTICIPATIVE BUDGET

Since 2008, Banesco Banco Universal, C.A. established a systematic dialogue with Colinas de Bello Monte community, a sector of Caracas where is located our headquarters, Ciudad Banesco.

The budget executed from 2008 to 2012 amounts to Bs. 2,254,415.40 for projects to be developed in and by the community.

To distribute the funds, the community organizations of this zone and authorities are convened. They are the Neighbors Assoc., Community Council, Baruta Mayoralty, Technical Room for Local Public Planning, the Central University of Venezuela (UCV), the Municipal Council for the Children and Adolescents, the Parrish Board, Peace Judges, as well as private foundations with operations in the zone and individual citizens.

The community representatives expose their projects and they are submitted to a secret vote by which these representatives decide the priority and order of the works to be carried out. A total amount of Bs. 497,455.40 was granted in 2012 to develop projects to improve the quality of life of Colinas de Bello Monte residents. Here are the projects chosen:



Banesco - Colinas de Bello Monte Participative Budget

Institution	2012		2011	
	Project	Amount	Project	Amount
Santo Domingo Foundation	Dropouts from formal educational system 2012.	150,417.00	Dropouts from formal educational system	100,609.60
	-	0.00	Physical Therapy and Rehabilitation for the Elder in Colinas de Bello Monte.	76,413.00
Step by Step Foundation	Respecting Differences: "A School for all"	67,098.00	Respecting Differences: "A School for all"	48,755.00
Biohabitat Civil Assoc.	-	0.00	Sports Scholarships Plan "Fray Martin Larrainza"	92,792.00
Luis Levin	-	0.00	First phase to recover the Ecological Garden at "Concha Acústica"	46,543.00
Bank of the Book	-	0.00	Read to Coexist	42,051.48
ART-Música	Donation of musical instruments to teach music to Bello Monte community children	28,190.40		
Cyngular	Conversations "This is also Venezuela"	144,000.00		
Circuito Gran Cine	Projection of films at Bello Monte Concha Acústica	57,750.00		
Opción Venezuela, A.C.	Digital inclusion for teachers	50,000.00		
Total		497,455.40		407,164.08

Like in previous years, the participative budget discussion was moderated by Oman Hernández, a psychologist and expert on urban topics.



A NEW SPACE FOR THE COMMUNITY

To start the Christmas season in 2013, Banesco Banco Universal, C.A. opened a new space on the first floor of Tower 2, located in El Rosal, where a series of activities were developed all along December, such as photographic session with St. Claus, writing of Christmas letters, magic and balloons, make-up for children, *gaita* bands and Banesco Chorus presentations, among others, for the children.

With the opening of this space, Banesco Banco Universal, C.A. kicked-off its Christmas Solidarity campaign: for each brand-new toy donated, or its equivalent value in bolivars, the Bank would donate another toy to the children attended to by three of its Social Partners: Don Bosco Houses' Network, Foundation for the Children in Need of Protection (Fundana) and the Venezuelan Foundation Against Infantile Paralysis.

To start with this campaign, Banesco Banco Universal, C.A. donated 1,000 gifts. The customers interested on this activity participated in three different ways:

- ◆ Making a transfer via BanesOnline to the current account N° 01340712627121001152, in the name of BANESCO REGALOS (BANESCO TOYS), RIF J-8805187.
- ◆ Making a deposit through Banesco Multifunctional ATMs.
- ◆ Bringing a toy to the square of Banesco in El Rosal Tower.

The account BANESCO TOYS was updated twice a week and the balance was exhibited on El Rosal Tower façade, which was ornamented with a Saint Claus who was in charge of counting the amount raised. The device with the figures was made with LED light bulbs.

At the end of this campaign, and thanks to the participation of the general public, Banesco employees and our Bank itself, we gathered 6,060 gifts, which were distributed among the children attended to by three of Banesco Social Partners: Foundation for the Children in Need of Protection (Fundana) and the Venezuelan Foundation against Infantile Paralysis.

1,586 toys were collected. 1,000 of those were given by Banesco and the remaining was brought by the public to the collection centers. The children attended to by Don Bosco Houses Network, Fundana and the Infantile Orthopedic Hospital received the gifts, while other children supported by other Social Partners (The Good Samaritan Foundation, Children with AIDS and Foundation for the Child with Cancer) were also favored

Regarding the money raised, the total amount was Bs. 671,161.80, including donations from the general public and Banesco. These funds were distributed into equal parts among Don Bosco Houses, Fundana and the Infantile Orthopedic Hospital.

Our commitment to the community by area

Investment Bs.

Attention area	2012	2011	Variation
Children under Risk, the Elder and People with Disabilities	30,404	163,073	(81.36)
Health	621,536	214,071	190.34
Education	1,939,857	2,113,912	(8.23)
Public Institutions	593,275	1,212,954	(51.09)
Professional Associations	57,200	80,520	(28.96)
Sports	76,920	76,200	0.94
Culture	154,176	229,102	(32.70)
Editorial Projects	1,361,588	11,826	1,1413.51
Others	367,500	34,624	961.40
Total	5,202,456	3,861,129	34.74

SOCIAL RESPONSIBILITY ACTIVITIES IN BANESCO COMMUNITY BANKING

Aligned with Banesco Banco Universal, C.A. Corporate Social Responsibility strategy and looking for a closer relationship with the communities where they live, Banesco Community Banking employees embarked on a series of activities focused on those zones. Some of these activities were the following:

- ◆ **Community Cinema:** This outdoors cinema offers exhibitions of films for free at these popular zones. During 2012, Banesco Community Banking showed 10 films in Petare, Baruta, Dos Caminos, La Candelaria, Catia, Chacaíto and Caricuao.
- ◆ **La Vega Community Branch:** At *Central Brisas de Oriente*, a community located in Carrizal, Los Teques, a group of employees of this community branch delivered trophies donated by Banesco to the children of the “Escuela de Fútbol Menor”.
- ◆ **Antímano Community Branch:** an activity called “Pagayo por Nuestro Mundo” (a popular game with a kite) was carried out with the participation of over 30 children from Antímano community.
- ◆ **Gran Bazar Maracay Community Branch:** The community of Mariara organized a special activity to celebrate the Day of the Children. Around 120 people attended the event, children and adults. Each child received a gift and enjoyed game, balloons, music, snacks and other activities, with the collaboration of the employees and customers of this community branch.
- ◆ **Palo Negro Community Branch:** A recreational activity was carried out for the 85 students of the *Libertador* Bolivarian School for Intellectual Functional Disability. The children participated in raffles, games, donation of toys and piñatas.
- ◆ **Valencia Centro Community Branch:** the employees of this branch and some of its customers organized an event with the special children of the Shelter *Dr. Luis Guada Lacaú*, in the community of Caprenco in Nagüanagüa. Several donations and customized gifts were given, as well as other activities such as fancy make-up for children, games, ice cream, hot-dogs, among others.
- ◆ **Puerto Cabello Community Branch:** Toilette articles were donated to *Beneficencia El Carmen*, a house for the elder with a population of 60 people. With the support of some of the customers, this branch delivered gifts in a nursery located in Borburata community. The team gathered over 150 toys.
- ◆ **Maracaibo Gran Bazar y Maracaibo Oeste Community Branches:** a rally was organized with the participation of employees and relatives, who shared a special day.

Banesco Social Action per Region 2012

1. Capital (Distrito Capital, Miranda and Vargas States)

Apoye Civil Association	45,500
Don Bosco Houses Network, Civil Assoc.	658,900
Baruta Mayorality	399,806
ART-Música	28,190
Former Students of San Ignacio Private School Assoc.	20,000
Salesian Ladies Civil Assoc.	275,000
Por la Caracas Posible, Civil Assoc.	22,000
Always Friends, Civil Assoc.	50,000
Venezuelan Association for Down Syndrome	20,000
National Center for Competitiveness	10,500
Hebraica Social, Cultural and Sport Center, Civil Assoc.	39,200
CIPREC, C.A.	10,080
Gran Cine Circuit	57,750
Cyngular	144,000
Fe y Alegría – Micro-entrepreneurs Education Prog.	1,580,000
FIA	56,000
Friends of the Elder Foundation	10,404
Friends of the Child with Cancer Foundation	100,000
ArtesanoGroup Foundation	14,500
Cardioamigos Foundation	30,000
Los Riques Scientific Foundation	50,000
Morella Muñoz Foundation	2,800
The Children Museum Foundation	5,000
Step by Step Foundation	67,098
Santo Domingo Foundation	150,417
Venezuelan Foundation Against Infantile Paralysis	925,840
Fundana	180,000
Fundaupel	30,000
Fundaventura	16,800
GMAC de Venezuela, C.A.	335,000
IESA	1,290,000
La Floresta y Fundación Cauro, Health Center	48,600
Opción Venezuela, Civil Assoc.	50,000
Producciones Palo de Agua, C.A.	56,000
Editorial Projects	1,308,388
Senosayuda	95,000
Venezuelan Anticancer Society	300,000

Sociedad Médica de la Policlínica Metropolitana	6,720
Gastronomical Solutions Prestigio, C.A.	50,400
Simón Bolívar University	400,000
Total	8,939,894

2. Middle-The Plains (Carabobo, Aragua, Guárico, Cojedes and Apure)

Found. Juvenile Symphonic Orchestra Acarigua-Araure	10,000
Carabobo University	100,000
Total	110,000

3. Western-Andean (Lara, Yaracuy, Portuguesa, Mérida, Táchira, Trujillo and Barinas)

Individual	3,000
ULA	45,000
Total	48,000

4. East - South (Anzoátegui, Sucre, Monagas, Bolívar, Amazonas, Delta Amacuro, Nueva Esparta and Federal Entities)

Civil Assoc. For Carnival Tourism Fair in San Simón de Maturín	10,000
Help me to Walk Foundation	7,936
Integral Services Dynapro, Events and Promotions	28,000
Total	45,936

5. Western - North (Zulia and Falcón)

Zulia State Mayorality	193,469
Friends of the Child with Cancer Foundation, Zulia state	40,000
MACZUL	40,000
UCAB - Coro	33,450
Total	306,919

National Territory

AVEC	1,000,000
Simón Bolívar Musical Foundation	1,000,000
Total	2,000,000

National Total	11,450,749
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BANESCO CORPORATE VOLUNTEERS



In line with Banesco Corporate Social Responsibility strategy, our Corporate Volunteers focus their actions on the following attention areas: Education, Health and Environment

OUR POLICY

Banesco Corporate Volunteers seeks to motivate Banesco citizens to join all those Social Responsibility activities where Banesco participates on a regular basis.

The Executive VP of Human Capital, through the Unit of Quality of Life, is responsible for the administration of Banesco Corporate Volunteers, guaranteeing its training according to the activities to be carried out and their priorities: health, education and environment.

Banesco Volunteers develop their activities always safeguarding the physical and psychological integrity of the participants. Every year, they developed a Plan of Actions for the Volunteers. This plan contains a schedule to develop the program, as well as to distribute the resources for these activities.

ACTION AREAS OF BANESCO CORPORATE VOLUNTEERS

In line with Banesco Corporate Social Responsibility strategy, our Corporate Volunteers focus their actions on the following attention areas:

- ◆ **Education:** support the organizations and projects aimed to take care of children and adolescents under risk; training to prevent abuse of alcohol, tobacco and drugs.
- ◆ **Health:** support and accompaniment to institutions that serve children and adolescent with a poor health.
- ◆ **Environment:** initiatives to enhance de environment. These are activities to raise awareness about the proper use of natural resources.

Distribution of Volunteers by Job Levels/Man-Hours

December 31	2012		2011	
Job Category	Volunteers	% of total	Volunt.	% of total
Apprentices/Interns/Thesis students	16	3.21	2	0.34
Base	60	12.05	83	14.09
Professional and Technicians	328	65.86	393	66.72
Supervisory and Managerial	87	17.47	107	18.17
Vice- Presidents	7	1.41	4	0.68
Total	498	100	589	100

● 2012 ● 2011



VOLUNTEERS TYPOLOGY

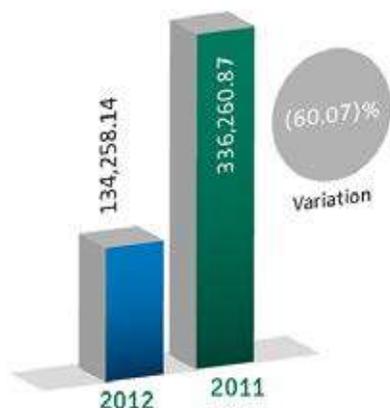
- ◆ **Professional Volunteers:** it is composed of a team of professionals who facilitate learning experiences through workshops, lectures, consultancy and organizational aspects.
- ◆ **Group Projects:** participation in projects involving financial and human resources for each activity; fostering team work and participation. Participation is encouraged through our internal media.
- ◆ **Free time invested:** a team of volunteers that accompany the children and adolescents in need of assistance.
- ◆ **Specific events of social action:** participation in specific one-day or one-week long activities for a given campaign or event, such as delivery of donations to organizations or intervention of our volunteers in emergency situations

Participation Model

● 2012 ● 2011



Investment on Banesco Volunteers



OUR MANAGEMENT 2012

- ◆ 65.86% of our volunteers belong to the job category of professionals and technicians, in 2012.
- ◆ The average of hours of work per volunteer was 4.10 hours of work per each volunteer. This is a proof of the commitment and devotion of our staff to the community and groups served by our Social Partners.
- ◆ This year, most of the hours of work were devoted to the environment, with a total amount of 666 hours and 579 hours dedicated to free time.

ENVIRONMENTAL VOLUNTEERS

In 2012, the participation of our environmental volunteers rose by 58.57 hours. One of the most outstanding activities was the celebration of the World Day of the Beaches, carried out simultaneously by Caracas and Maracaibo volunteers, who cleaned-up La Escondida and Caimare Chico beaches with the participation of 40 and 31 volunteers from Caracas and Maracaibo, respectively.

Activities carried out with our Social Partners

Social Partner	Activity	Volunteers	Participation Hours
BANDESIR	BANDESIR Auction	28	
FUNDANA	FUNDANA Auction	40	
	Visita to Fundana	110	
	Visita to Fundana - Decorations	144	
Fe y Alegría	Professional Volunteers: Time administration	6	
	Professional Volunteers: Orthography and wording course	6	
	Professional Volunteers: Organizational Behavior course	8	
	Professional Volunteers: Excel, basic course	16	
	Professional Volunteers: Hygiene and industrial security	8	
	Professional Volunteers: Power Point course	8	
	Professional Volunteers: Word course	8	
Others	Simón Díaz' Book Introduction	80	
	Caimare Chico Beach cleaning session	203	
	La Escondida Beach cleaning session	273	
	Theater Play presented by Volunteers	123	
	Words for Venezuela	246	
	Activities with the children	203	
	Environmental Rally	72	
	Meeting – World Day of the Beaches, logistics	106	
	The Corner of the Book	78	
	Visit to the Hospital of Pediatric Specialties	108	
	Visit to the Elder Home "San José de la Montaña"	56	
Total		1,930	

PRODUCTS AND SERVICES

Main Passive Products

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

Main Credit Products

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

Other Important Products

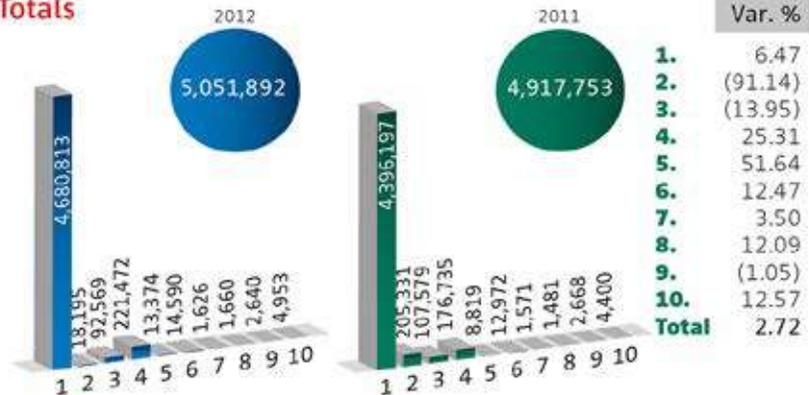
- ◆ Trust Funds
- ◆ Insurance

Detail of Accounts per Banking

December 31

1. Branches Network 2. SMEs 3. Premium Segment 4. Community Banking
 5. Private Banking 6. Enterprises Banking 7. Corporate Banking
 8. Energy Banking 9. Public Sector Banking 10. Agricultural Banking
 11. Extra-credit (Start blogging from this report)

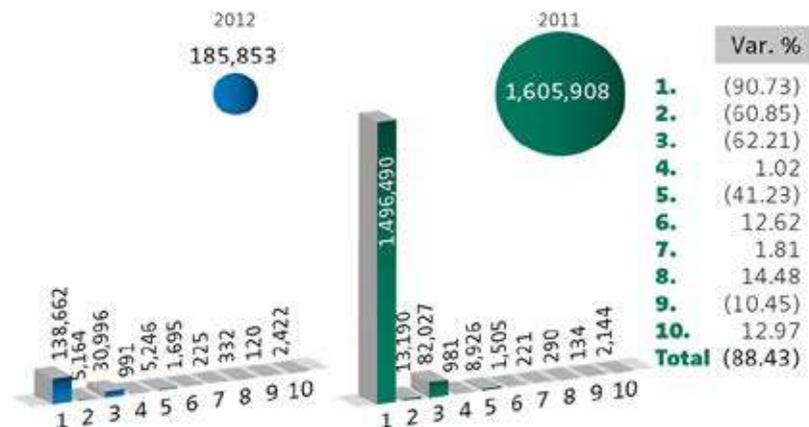
Totals



Total credit liquidated



Total credit cards



Our Customers

December 31

Banking	2012	2011	Var. %
Branches Network	4,056,390	3,744,037	8.34
SMEs	16,439	191,697	(91.42)
Premium Segment	46,958	54,053	(13.12)
Community Banking	221,472	176,735	25.31
Private Banking	6,266	4,188	49.61
Enterprises Banking	10,156	8,860	14.63
Corporate Banking	800	768	4.17
Energy Banking	1,131	987	14.59
Public Sector Banking	602	584	3.08
Agricultural Banking	3,611	3,149	14.67
Total	4,363,755	4,185,053	(89.57)

ELECTRONIC BANKING

ATMs

We improved the use of our Multifunctional ATMs, which now not only allow cash withdrawal, but also deposits and credit card payment with checks and in cash. We also improved the screens displays and transactions of these devices to optimize the customers' experience. New transactions were included, such as transfers between accounts of the same account holder and collection special transfers for companies.

Banesconline

This service closed the year 2012 with 3,028,114 customers affiliated, who carried out 649,456,882 operations. We have incorporated to our service offer the affiliation service and downloading of States of Accounts and Credit Cards, as well as the application for Cash Extra-Credit.

Phone Banking

In 2012, we incorporated to our Automated Service (IVR) the application for Extra-Credit in Cash in order to provide more satisfaction to our customers with this service that allows a fast and safe self-management of cash transfers from their credit cards, while their credit lines remain unchanged. We also adjusted and incorporated identification questions for our customers to guarantee a safe operation of this channel.

In 2011, this service managed 10,696,186 transactions and received 35,406,627 calls.

BANESCO MÓVIL

In 2012, we released a new image for Smartphone applications (BlackBerry, Iphone and Android) and incorporated the social media, Contact us and Recommends a Friend sessions.

We also developed and implanted applications in BanescoMóvil for SMS and added new functionalities: Movilnet payment and recharge and Electricity payment in Caracas.

Banesco also incorporated the Virtual Key functionality, an option that allows the customers to immediately block, unblock and cancel debit cards.

This year Banesco designed a BanescoMóvil application for cellular phones using the Window Phone system.



GANADORES! Ticket Premiado



Channel Points of Sale

We installed 1,879 devices of Extra-Credit to offer financing for the customers' shopping against a parallel credit line, in the affiliated commercial outlets and keeping unchanged the credit line of the card.

We developed an option called "sounding alarm" to indicate the customers and the commercial outlet that a transaction made through a Banesco point of Sale was favored with a "Prized Ticket", which exonerates the customers of the amount of his purchase.

Additionally, abiding by the SUDEBAN requirement for Electronic Banking 641.9, we launched a pilot that controls waiting times for data introduction. This helps to protect our cardholders' data. The massive launch of this application has been estimated for 2013 first half.

New Developments

During the 2012 second-half, Banesco implanted the Service of Special Collection in Cash for multifunctional machines. Likewise, we carried out controlled tests at Maiquetía branch for the Service to Approve Customs Payments by Electronic Means.

During this period, Banesco was able to implant and massify Electronic Payment functionalities:

- ◆ Improvement to our Online States of Account.
- ◆ Incorporation of new fields for the search option. For example, amount, reference, Debit Note and credit Note, among others.
- ◆ Increase of the number of registries to Consult and Export.
- ◆ E-mail notifications of operations, with details of the payment (for example, invoice number).
- ◆ Expansion of the schedules to send and process Electronic Payment and REDVAN files.
- ◆ Adjustment of process related to Payroll Pending Compensations and Suppliers.



DEBIT AND CREDIT CARDS

New Issuing Business of Debit Cards

Our leadership in the Debit Cards market remained unbeatable with Bs. 86,770,514,869 at the end of 2012.

From the very beginning, we have been replacing old cards with the new TDD Chip through our branches network in order to offer this new technology to our customers. Our customers can also count on the new temporary blocking and unblocking functionality for their Banesco Maestro Cards. They can do it with a simple telephone call.

To encourage the different product's segments, we launched the new card for universities, starting with Nueva Esparta University (UNE). The cards were granted to members of this community. The differentiating element of this card is the fact that it offers the Debit Card functionality with the badge to have access to the university campus, all in a single plastic.

New Issuing Business of Credit Cards

We have consolidated our leadership in the Venezuelan market of credit cards, with sales amounting to Bs. 23,695,801,692 and over 1 million cardholders.

As a complement to our varied strategies and to acknowledge our customers' loyalty and credit records, Banesco carried out several granting and maintenance processes in order to consolidate our financial relationship. Among these processes we can mention the following:

- ◆ Proactive granting of Banesco Credit Cards to customers with Banesco deposit-taking accounts. Over 174.000 cards were granted.
- ◆ Proactive granting of Banesco Credit Cards to Banesco cardholders. Over 29.000 cards were granted.
- ◆ Up-Grade maintenance process to update the customer's category according to his credit line and offering better conditions. 96.000 cards were granted.

We also offer to our customers Permanent Programs to encourage the use and timely payment of the products, such as:

- ◆ **Timely Payment**, to encourage the customer to maintain their credit cards updated. The program reimburses up to Bs. 500.00 of the minimum amount to be paid for the Credit Card of the winners. Over 1.500 customers were favored by this program, with over Bs. 485.000 prizes granted.



Our customers can also count on the new temporary blocking and unblocking functionality for their Banesco Maestro Cards. They can do it with a simple telephone call.



Leveraging our business with Visa, MasterCard and American Express franchises, our customers were able to enjoy the following benefits:

- ◆ Travelling has no Price with MasterCard
- ◆ Unforgettable End of the Year with MasterCard
- ◆ Your luck is on its way 2012 with MasterCard
- ◆ Continuity of MasterCard Priceless Cities
- ◆ Amex Selects, with American Express for all its natural person customers
- ◆ MasterCard Sony Ericsson Open 2012,
- ◆ MasterCard and Maestro sponsor the meeting with Open English 2012, with a 20% discount.
- ◆ Eat for 2 in Wendy's with MasterCard and Maestro
- ◆ Relaunch of the Priceless Miami with MasterCard,
- ◆ Launch of the Priceless Bahamas and Puerto Rico,
- ◆ Amex Selects, with American Express for all its customers

- ◆ **The Winner Ticket**, is a program to encourage the use of our Points of Sale (POS) and increase the account balances of our commercial customers, awarding purchases free of cost to Banesco and other banks cardholders who use their debit and credit cards in our POS. At the closing of the second half of the year 2012, Banesco had awarded these prizes to over 13,800 customers, accounting for Bs. 2.6 million.
- ◆ **Cinex**, a program that grants a 50% discount to those customers who buy their tickets to movies in Salas Cinex from Tuesday to Friday with their Banesco debit and credit cards. Likewise, Banesco offered a promotion for debit and credit cardholders who attended the premiere of the movie *The Twilight Saga*, with a raffle of 10 tablets and 50 prepaid credit cards for Bs. 500.00.

During 2012 we offered the following promotions, along with Banesco franchise (Sambil), American Express, Visa and MasterCard:

- ◆ **Your participation rewarded with free-cost entertainment.** The winners will get a free-cost full weekend in Margarita and Paraguaná, as well as 10 prepaid cards with Bs.500.00 each.
- ◆ **With your Banesco American Express card, your international purchases can be for free.** This promotion favored 150 customers who were reimbursed in their credit cards for the amounts of their purchase paid with travel or Internet Cadivi.
- ◆ **Your Banesco MasterCard takes you to a UEFA Champions League Game.** Two customers were the winners and traveled to Istanbul to attend a game of the UEFA Champions League.
- ◆ **Woul you like to travel for free? Use your American Express Banesco and you will be able to do it.** Ten customers were the winners and received free-costs travels to Los Roques, San Andrés, Punta Cana and Panamá.
- ◆ **Get trained right now with your Banesco Visa Credit Card.** Four customers were awarded with travels to attend the 2012 Summer Olympic Games.
- ◆ **How far do you want to go? Banesco and MasterCard take you to the UEFA Champions League!** Four Banesco sub-managers won a trip to Austria and Germany.



INTERNATIONAL OPERATIONS AND CUSTODY

Foreign Trade

We keep our growth rate in the importer customer sector. They have selected Banesco Banco Universal, C.A. as their best option to process their applications and use foreign trade instruments in order to support their economic activity.

In 2012, our bank materialized operations at a global level, with an important trend towards imports into the Latin American region which were secured with the use of foreign currency under the SUCRE and ALADI agreement.

International Events

In 2012, we had an active participation in the Inter American Development Bank (IDB) Annual Meeting, the Latin American Congress of Foreign Trade (LCFT), the FELABAN and the Annual Meeting of the Latin American Federation of Banks in Lima, Peru. These meetings allowed us to strengthen our Foreign Trade activities, as well as the relationship with our main correspondent banks overseas.



DEFENDER OF THE CUSTOMER AND BANK USER

In 2012, the Defender of the Customer and Bank User attended to 6,571 customers, who expose cases for their review according to the criteria and rules that govern the action of the Defender of the Customer and Bank User.

2,353 cases were admitted for an amount of Bs. 9,693,132, according to the criteria established in the regulations.

The non-admitted cases (4,218) were dully treated, with complete explanations of the rejection. Later, they are sent to the Customer Service Unit for a careful follow-up until they are closed.

In 2012, an average of 55% of the cases admitted, processed and solved were favorable to the customer.

The main requirements processed were the following:

- ◆ Cash withdrawals not dispensed at ATMs
- ◆ Debits not recognized (debit cards)
- ◆ Consumptions not recognized (credit cards)
- ◆ Internet transfers
- ◆ Problems with checks

Banesco Banco Universal, C.A., as a responsible bank before its customers and stakeholders, has included in its Web page a special section devoted to the Defender of the Customers and Banesco Bank User. Here, they can find all the information needed to activate processes before this instance.

Main requirements they are attended by Exempt withdrawals ATM and no Debit recognized (debit card)



We implemented an alert system for the customers via SMS. This allowed to increasing the effectiveness and efficiency of the management of alerts.

LOSSES PREVENTION AND BUSINESS CONTINUITY

In 2012 we continued with our efforts towards quality service, particularly those services addressed to minimize waste, failures, fraud, labor accidents and diseases. This effort allows our institution to keeping the effectiveness and reliability in all our activities. Among the main initiatives to mitigate and reinforce our channels, products, payment and service means, we underline support to migrate to the chip technology for cards. Likewise, we were able to increase security in relation to checks processing. This was possible with the implementation of new mechanisms to validate the data required at our branches' tellers. We have also reinforced our ATMs safety with controls to avoid robberies at these machines.

Regarding our Banca Móvil (mobile banking), Banesco supported the business areas in order to offer safe Internet banking services through this innovating channel.

In addition, the Bank has improved the monitoring system for Internet operations, by increasing the effectiveness and efficiency in the management of alerts and optimizing the automated analysis time of the systems itself.

On the other hand, Banesco Banco Universal, C.A. has had, as usual, a proactive participation in the work sessions developed by the Banks Association and Sudeban. At these meeting, the Bank has presented proposals to encourage efficient and collegiate solutions in order to strengthen security in the banking system as a whole.

Regarding Internet banking, we were able to introduce the required adjustments in terms of technology and optimized the process related to the remittance of the Special Operations Password (dynamic) to our customers. This measure allowed a 100% reduction of phishing attacks during the fourth quarter of 2012.

Besides, we implemented an alert system for the customers via SMS. This allowed to increasing the effectiveness and efficiency of the management of alerts, as well as the support to reduce our organizational costs due to the reduction of messages sent.

PROTECTION

The evaluation and security reinforcement have continued with the incorporation of lockers systems at critical branches, as well as pilot devices to close the branches through remote support installed at a Banesco Express center. A technological update was carried out at 10 of our branches to improve video and alarm systems, as well as inspections to install or remove ATMs machines nationwide. In addition, we got from the relevant official entities the certification of all our branches nationwide.

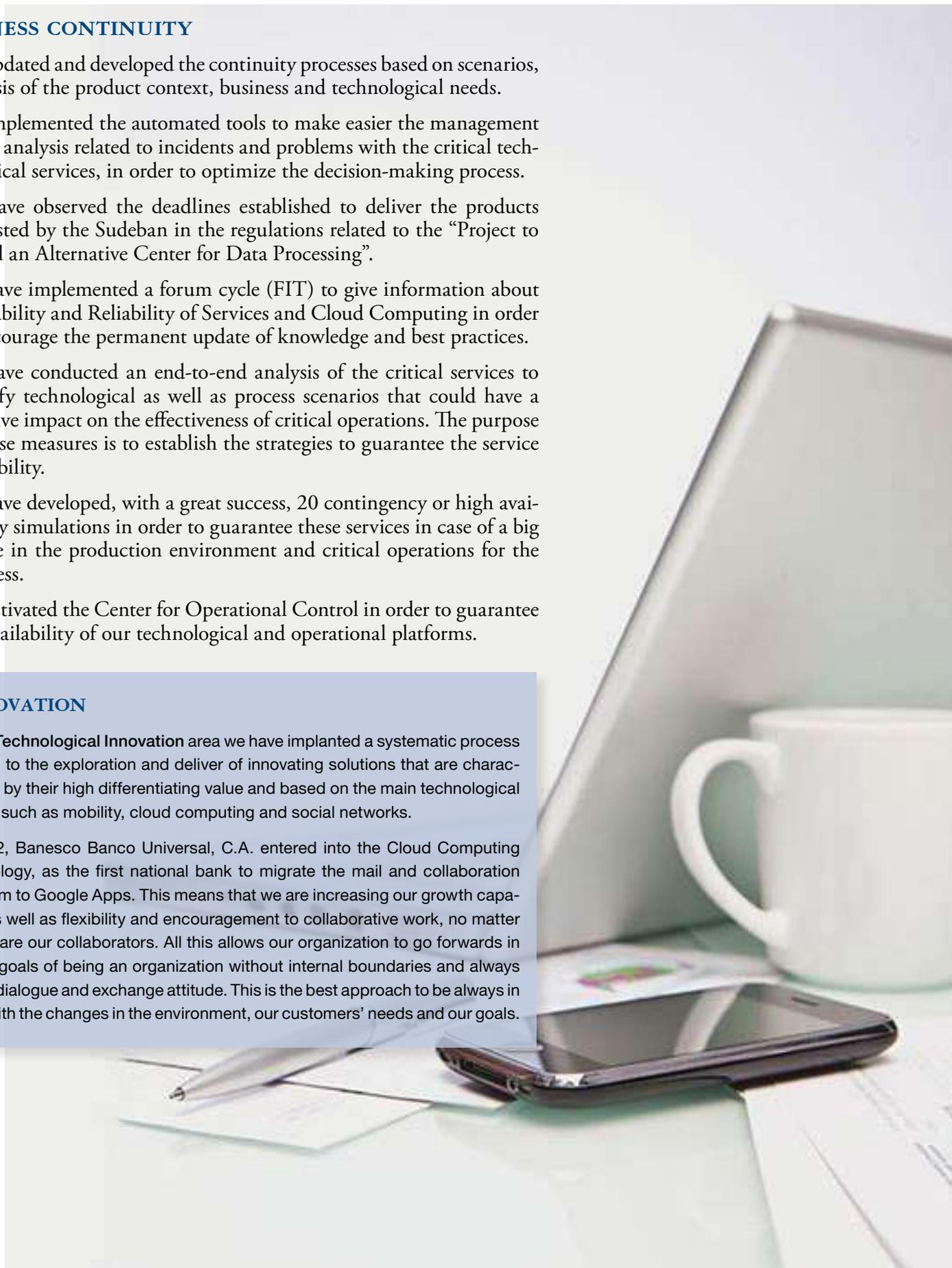
BUSINESS CONTINUITY

- ◆ We updated and developed the continuity processes based on scenarios, analysis of the product context, business and technological needs.
- ◆ We implemented the automated tools to make easier the management of the analysis related to incidents and problems with the critical technological services, in order to optimize the decision-making process.
- ◆ We have observed the deadlines established to deliver the products requested by the Sudeban in the regulations related to the “Project to Install an Alternative Center for Data Processing”.
- ◆ We have implemented a forum cycle (FIT) to give information about Availability and Reliability of Services and Cloud Computing in order to encourage the permanent update of knowledge and best practices.
- ◆ We have conducted an end-to-end analysis of the critical services to identify technological as well as process scenarios that could have a negative impact on the effectiveness of critical operations. The purpose of these measures is to establish the strategies to guarantee the service availability.
- ◆ We have developed, with a great success, 20 contingency or high availability simulations in order to guarantee these services in case of a big failure in the production environment and critical operations for the business.
- ◆ We activated the Center for Operational Control in order to guarantee the availability of our technological and operational platforms.

INNOVATION

In the **Technological Innovation** area we have implanted a systematic process related to the exploration and deliver of innovating solutions that are characterized by their high differentiating value and based on the main technological trends such as mobility, cloud computing and social networks.

In 2012, Banesco Banco Universal, C.A. entered into the Cloud Computing technology, as the first national bank to migrate the mail and collaboration platform to Google Apps. This means that we are increasing our growth capacity, as well as flexibility and encouragement to collaborative work, no matter where are our collaborators. All this allows our organization to go forwards in to our goals of being an organization without internal boundaries and always with a dialogue and exchange attitude. This is the best approach to be always in tune with the changes in the environment, our customers' needs and our goals.





ARCHITECTURE

Banesco Banco Universal, C.A. has consolidated the management of technological services to establish a future vision about our installed capacity and make prognosis to be able to produce proactive responses in terms of business growth and authorization. Besides, we established the basic tenets for the use of Technology and its Processes that dictate the guidelines for the development and growth of our technological base. This will allow Banesco Banco Universal, C.A. to go forwards a simple, dynamic, flexible and cost-efficient architecture.

ENGINEERING AND DEVELOPMENT

- ◆ We launched a process of technological maturity for the development of more dynamic solutions, with the reduction of roles, activities, deliverables and other related processes, with a focus on the discipline of proofs and environments. Likewise, we were able to optimize the operating processes, such as Release Management, which account for a simplification and organization for costs reduction.
- ◆ We have continued strengthening the area of Quality Assurance for the processes, services and products developed and applying a mixture of the best practices.
- ◆ We have participated in the optimization of the support systems for the business and anti-fraud policies that leverage the fulfillment of the regulations established by the BCV, Sudeban, Cadivi and the National Treasury to safeguard and protect the privacy of our customers' information. Besides, we underline the adjustment of our Portal of Foreign Exchange Operations (Cadivi) to grant dates through our webpage Banesco.com. This measure has reduced the amount of customers at our branches, more flexible processes and a higher satisfaction level for our Natural Person customers.
- ◆ We automated the Project to dematerialize bank accounts books, as well as the implantation to send electronic account statements for Passive and Credit Card products.
- ◆ We have focused our efforts on the development of simplified architectures and platforms with high availability and contingency platforms in order to optimize the amount of applications, Web portals, suppliers and integration needs, as well as the adoption of the SOA (Service Oriented Architecture) to migrate those transactions supporting the business of massive disbursement.
- ◆ We leveraged the service of Corporate Banking through the implementation of ORION, which allows the incorporation of the application process to obtain credit for the sector into the Service Bars. It also allows the automation of those processes under consideration, formalization, requests liquidation and follow-up, generation of new indicators and reports of risk patterns, and the adjustment of the ICS to send SMS messages to our customers.
- ◆ We encourage the migration of transactions to more profitable channels, maximizing the growth of the mobile channel through the optimization of the applicative and incorporation of new functionalities.

BUSINESS PROCESSES

- ◆ We have been able to make synergies with the Merger with the Demand Management. This is an additional support for the effectiveness of the integral follow-up for initiatives, allowing at the same time the identification and implementation of opportunities to improve end-to-end processes.
- ◆ We kicked off the Project to Improve the Indicators and Service and Waiting Times at our branches with Qmatic, which results account for a sensitive improvement on these matters nationwide. These results are particularly outstanding for the channel called “teller” and are reflected in issues such as: increase of the number of customers attended to; reduction of operational mistakes and strengthening of personal knowledge at the branches in relation to the virtues of the so called “fast shift tool”.

AUTHORIZATION AND OPERATIONS

- ◆ The communication links with the Metro-Ethernet and MPLS technology were updated. They provide improvements in terms of speed, scalability, availability and adaptation to new technologies.
- ◆ In 2012, we focused our efforts on keeping high availability levels in relation to our technological services and, thus, on improving the quality service for our customers. To do so, Banesco implemented an optimization plan for capacities, monitoring, updating and operational processes.
- ◆ We carried out a careful follow-up and control of the risk management actions to prevent impacts on our services to the customer.

McAfee SECURITY CERTIFICATION

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

BRANCHES ADJUSTMENT TO THE NEEDS OF PEOPLE WITH DISABILITIES

Our head office, Ciudad Banesco as well as all our main administrative offices have been furnished with the necessary adjustments to provide a comfortable service to people with disabilities: ramps, special toilettes for men and women, parking special points, Braille systems and digitalized voice at the elevators.



We focused our efforts on keeping high availability levels in relation to our technological services and, thus, on improving the quality service for our customers.



SPECIALIZED SEGMENTS

Legal Persons

The management of the Legal Banking was focused on its passive and active portfolios' growth, with a diversified and profitable approach and emphasizing participation in those sectors of the economy with the highest growth and contribution to the GDP, as well as the compliance with mandatory portfolios regulated by the government. The participation of new sectors and customers, as well as an expanded offer of the Means and Payment Services, was the base for Banesco growth in the legal persons segments.



Corporate Banking

During 2012, our Corporate Banking continued focusing its efforts on achieving a closer relationship with its customers, taking as a priority Mass Consumption, Telecommunications, Automotive and Infrastructure sectors. This effort consisted of increasing the flows of money for financing and higher volumes of imports (CADIVI), managed through the bank.

As a result, our Corporate Banking grew 52.1% in terms of total takings and 16.8% on its credit portfolio, against December 2011.

It also provided a direct contribution to meet the percentages for the credit portfolio, required for the manufacturing and tourism sectors and the expansion of commercial credit, with a focus on trade, industrial and manufacturing sectors that have a significant participation of customers from the countryside. The purpose of this strategy has been to support the economic development of Venezuela's regions. This percentage grew by 48.3% of the credit portfolio globally, against December 2011.

Energy Banking

We have been focusing our efforts to leverage the development of the sector with an ideal management on the active portfolio and fulfilling with the goals established for manufacturing and commercial credits. In this sense, we have reached to 100% of fulfillment, with a remarkable performance for hydrocarbons as the sector with the highest growth and needs attended to during 2012.

Public Sector Banking

We have been focused on leveraging the use of the payment means platform. This allowed us to get a substantial non-financial income, as well as the sustained maintenance of the average balance for passive products for over 10 months in 2012. This represented an important contribution in terms of the sector profitability.

Agricultural Banking

In 2012, the Agricultural Banking attended to 430 new customers with credit operations in order to continue encouraging the agricultural development of the country. With all its management, this banking accomplished the obligations established by the central Government.

In 2012, the Agricultural Banking grew 60.9% in the credit portfolio and 58.8% in average passive balances, against December 2011.

Massive Segments and SMEs

To optimize its sales management and consolidate our relationship with our natural person customers, we carried out campaigns based on the sub-segmentation through direct marketing and our sales force. One of these activities was the massive delivery of credit cards, by issuing over 174,000 cards to customers without any credit experience with the Bank. Likewise, we carried out a crossed sale to an important group of cardholders, with the opening of new current accounts and collocation of Extra-Credit in Cash.

It is also important to underline the celebration of the fourth edition of the event Talking from Entrepreneur to Entrepreneur, where the attendees were able to enjoy the performances of renowned national and international lecturers and got information about key topics for the management of their companies, such as economic perspectives and the last trends in marketing and service quality. Likewise, addressing the needs of the commercial sector, we carried out special activities for massive implantation of points of sale for the benefit of over 10 thousand commercial outlets.

BANESCO COMMUNITY BANKING

See Chapter *Community Banking*, page 81.

CORPORATE BANKING

We have to underline the results of the active portfolio management, which continued its growing trend. It recorded a 98% increase against December 2011. Regarding passive products, we observed a higher number of Takings for our customers' portfolio and we achieved an important increase in terms of Passive Balances against the 52% obtained on December 2011.



Specialized banking branches

● 2012 ● 2011 ● Variation (%)

Region	Corporate			Public Sector			Energy			Agricultural			Enterprises		
	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Capital	1	1	0	1	1	0	1	1	0	1	1	0	2	1	100
Middle-The Plains	1	2	(50)	2	1	100	1	1	0	3	3	0	2	2	0
Western-Andean	-	-	-	3	2	50	0	0	0	5	2	150	3	3	0
East-South	-	-	-	2	2	0	3	4	(25)	0	3	(100)	4	4	0
Western-North	-	-	-	1	1	0	2	3	(33.3)	3	3	0	2	2	0
Total	2	3	-	9	7	(28.57)	7	9	(22.22)	12	12	0	13	12	8.33

Dialogue with stakeholders

Natural Person

Focus Groups/Interviews/Surveys	2012		2011		Segments
	Amount	Participants	Am.	Participants	
Banesco Community Banking, Satisfaction Study	1	1,278	1	500	BCB Customers
Phone Banking	9	20,357	1	4,959	Massive
Private Banking	1	415	1	402	Private Banking Cust.
Premium Banking	1	413	1	400	Premium Customers
Share of Natural Segments	1	1,700	1	1,750	Massive
Tracking Publicity C1/C3	3	3,000	1	2,700	Natural
Brand Equity Study (Brand Value)	1	1,625	1	1,825	Massive
Internal Communications Evaluation	1	552	1	1,825	Banesco Employees
Customers' Satisfaction	-	-	1	9,185	Massive
Credit Card Satisfaction	1	399	1	351	Massive
Commercial Customers	1	540	1	540	Massive
Service Audits of Branches Network	4	108	4	171	Branches Network
The Mystery Buyer	1	97	1	190	Branches Network

Legal Person

Focus Groups/Interviews/Surveys	2012		2011		Segments
	Amount	Participants	Am.	Participants	
Brand Equity Study (Brand Value)	1	250	1	250	Legal Customers

We maintain permanent quality programs to monitor the service offer, attention channels and products portfolios, determining measurements and follow-up of expectations according to the segments: massive, private, premium, community, SMEs and commercial customers.

QUALITY MANAGEMENT

In 2012, we continued making a careful follow-up on the service delivery to our customers and users through our channels and service points. We have done so with monitoring programs that guarantee the quality of our offers.

For this reason, we maintain permanent quality programs to monitor the service offer, attention channels and products portfolios, determining measurements and follow-up of expectations according to the segments: massive, private, premium, community, SMEs and commercial customers.

The relevance of the Key Performance Indicators as corporate management indicator is now consolidated. They are based on more complex statistical models and are supported by new indexes such as the loyalty index and brand recommendation (Net Promoter Score).

PROGRAM OF SERVICE AUDIT (ADS) IN THE BRANCHES NETWORK

In 2012, the Service Audits at Branches were carried out at Banesco Banco Universal, C.A. branches fitted with the Q-Mactic technology. The measures taken were Waiting Time and Service Time at tellers and promotion services.

In 2012, the VP of Channels Planning started to make this measurement, based on the statistics produced by the Q-Matic machines. This change is aimed to achieve a clearer and more precise identification of the goals and aspects involved in the improvement of both processes.

Waiting time and attention at branches

Region	2012				2011			
	Waiting	Service	Customers with Q-Matic	Customers served	Waiting	Service	Customers with Q-Matic	Customers served
Counter	74.84%	63.16%	33,087,912	27,803,051	70.17%	59.75%	34,800,038	29,141,402
Promotion	73.78%	75.00%	6,793,509	5,886,881	57.58%	73.83%	6,097,064	5,470,875

THE “MYSTERY BUYER” PROGRAM

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

97 promoters nationwide, corresponding to 97 branches, were submitted to this evaluation in 2012. The general score was 72 points, accounting for a “Medium” qualification which is 3 points higher against the previous evaluation.

The aspects “Treatment of Customers” (82 points) and “Promoter Image” (85 points) are the main strengths of the Organization. The opportunities to improve for the aspect “Treatment of Customers” are the following: “Differentiated Treatment”, “He/She invited the customers to take a seat” and “Greeting protocol”. Regarding the aspect “Promoter Image”, the Bank must reinforce the use of the “Identification Badget”.

The aspect “Information Management” of products recorded 71 points, accounting for a “Medium” level and 3 points over the previous evaluation. The opportunities to improve are for 48-hour Multi-Credits and Credit Cards for Legal Customers, particularly those details related to payment terms, rates, loan amounts and requirements.

“Sales Process” improved its score and this year went to “Medium” evaluation (71 points), its third annual improvements in a row (+7 points). The VP Gran Caracas North-western recorded the best evaluation of all, with 79 points, accounting for a “Medium” evaluation. “Crosses Sales” remained at a “low” evaluation level, with 47 points. That is 7 points below the previous evaluation and it has been identifies as the sub-dimension with most opportunities to improve.

The percentage of promoters approved reached 53%, a 6% increase against the previous evaluation. However, none of them reached the top score (100 points). The Western/Andean and Middle/The Plains got the highest and the lowest amount of promoters approved, with 79% and 29% respectively.

75% of the promoters evaluated in the case of Accounts Opening suggested opening a current account instead of a savings accounts, and at least 35% denied the opening of a savings account.

71% of the cashiers evaluated informed and/or carried out the derivation of deposits to Multifunctional ATMs.



The aspects to be evaluated are the following:

- ◆ Treatment of customers, information about products and sales management.
- ◆ What level of knowledge they manage in relation to the features, benefits, conditions and requirements of the evaluated products.
- ◆ The extent to which they manage the policies currently applied by Banesco Banco Universal, C.A. in terms of customers’ strengthening with credits and orientation of the savings and current accounts, as well as derivation to e-channels.

Results of the Mystery Buyer Program



INNOVATION MACRO-PROCESS

In 2012, Banesco developed strategies to strengthening the Innovator DNA.

Regarding the Innovator DNA, Banesco fostered “Open Innovation” within the organization, with a series of campaigns to create ideas centered on core business and with an active participation of our employees. Above 1,000 ideas were received, which were evaluated, recognized and considered for their implementation.

Six initiatives were considered for their implementation. Two of them have been already implemented and four are currently under evaluation or conceptualization process by the area involved in each initiative.

Likewise, the “Innovas Network” was created as an internal community of Banesco innovators who have had an outstanding participation in our Open Innovation campaigns. This network produces creative solutions to innovation challenges. In this sense, a community composed of 231 employees from the innovators network has been created. These innovators contributed 74 ideas related to strategies

to create memorable communications for the customers.

Additionally, with a view to Foster innovation and creativity, Banesco Banco Universal, C.A. developed “Blank Space”, the first portal of open innovation introduced by a brand in Venezuela. In this site the participants can offer ideas from a 2.0 platform.

In its first phase, “Blank Space” has invited university students to sign in the platform and give their ideas to solve the proposed challenge. The students have received an invitation to participate via e-mail. In 2012 we received 22 ideas from 11 participants from IESA Management School. The idea selected as the winner is under evaluation by the Technology area.

We continue displaying campaigns leveraged in the Open Innovation strategy, looking for solutions to topics of interest for our Organization, all this in support to Banesco Citizens and creating in the process an innovators’ network called Space of Ideas, which composed of employees with a recurrent interest on collaborating with this kind of campaigns.

QUALITY SERVICE EVALUATION

Following our business strategy based on service, in 2012 the Bank conducted the following studies: Auditing for Branches Service and Phone Banking monitoring, Satisfaction Survey among branches users, Satisfaction with Premium and Private Banking, among others.



Awards and Accolades 2012

"Beyond Banking", granted by the Inter-American Development Bank Wireless Achievement Awards 2012, granted by de RIM (Research In Motion)	El Comunitario newspaper was among the finalists in the "Learn Banking" category The BanescoMovil application for Blackberry ranked second in the category "Attendee Choice Award" in the ceremony organized by the Canadian company RIM (Research In Motion), as the most outstanding APP in the area of world banking and finance and for its innovating use of technology and its services.	February May
Chacao Municipal Council ANDA	"José Chepino Gerbasi", an award for journalists Silver Trophy in the category of "Corporate Social Responsibility Program- Best Corporate Social responsibility Program"	June September
Venezuela Competitiva	Banesco Community Banking was among the 15 finalists of the Excellence Award, in the framework of Program for the Divulagation and Promotion of Venezuelan Success: Innovation and Excellence.	November
Citibank Venezuela Awards for Micro-entrepreneurs 2012	4 customers of Banesco Community Banking were the winners of the following categories: Production, Trade, Service and a special mention in the category "Social Action".	November

MESSAGES

In Banesco Banco Universal, C.A. we make every effort to guarantee that our messages reach the final customer/user with simplicity, efficiency and in line with the realities of the offer or service, always taking care of what we offer.

The development of our communicational strategy follows these steps:

- ◆ Review of our products/services/promotion characteristics.
- ◆ Evaluation of the differentiating features: unit selling proposition of sale/value.
- ◆ Advantages and benefits for the customer and the organization.
- ◆ Evaluation and distribution of human and financial resources.
- ◆ Analysis of media strategy.
- ◆ Analysis of service/public offer points.
- ◆ Analysis of strengths and weaknesses.
- ◆ Evaluation of social and legal environment.
- ◆ Implantation and control.
- ◆ Follow-up.

CHAMPIONS LEAGUE

TU TARJETA BANESCO MASTERCARD® TE DA LA OPORTUNIDAD DE ASISTIR A UN PARTIDO DE LA UEFA CHAMPIONS LEAGUE

Con esta que necesitas \$4.310 con tu tarjeta Banesco MasterCard Black®, Platinum® y Dorada®, recibirás un cupón electrónico con el cual participarás en el sorteo de 400 tarjetas para viajar a Europa y asistir a un partido de esta prestigiosa competencia totalmente gratis, courtesy de MasterCard®, patrocinador oficial de la UEFA Champions League.

EL PREMIER INFLIGHT:

- Transporte aéreo en clase surtita con impuestos.
- 4 noches de hospedaje en hotel categoría superior.
- Desayunos, almuerzos y cenas durante el viaje.
- Tour por la ciudad.
- Traslados aeropuerto-hotel-aeropuerto.
- Traslados aeropuerto-aeropuerto.
- Entradas al partido.
- Seguro de viaje.

¡PARTICIPA Y PODRÁS APOYAR A TU EQUIPO CON TU PRESENCIA!

Banesco Cardigo



LEGAL FRAMEWORK

Likewise, we abide by the legal framework in force in our country, regarding advertisement and communications:

- Law on Social Responsibility for Radio and Television.
- Law for the Defense of the People in the Access to Goods and Services.
- Regulations on administrative processes for issuance and use of credit, debit and pre-paid cards and other Financial Cards or e-Payment cards, which articles 23, 24 y 25 (Chapter I, About the Obligations of the Issuers) make reference to the cases of offer of prizes and promotions.
- Reform of the Technical Rules about Definitions, Time and Conditions of Advertising, Propaganda and Promotions in radio, television and subscription channels, of the National Commission of Telecommunications.
- Organic Law to protect Children and Adolescents (LOPNA)

Once the product and its promotional campaign have been designed, we send all the required information to Sudeban, within the five days after the date of the launch to the market.

Once the information has been issued, the Sudeban has 15 days to issue its opinion. This institution is entitled to make observations or suspend the products, according to the law. On the other hand, products and services publicity is submitted to the regulations established by the Law for the Defense of People in the Access to Goods and Services.

It is important to mention that Banesco includes in all its publicity and ads an inscription explaining that it has been previously approved by Indepabis or Sudeban. Likewise, in the case of products and services, if applicable, we include an inscription explaining that they are protected under the Fund of Guarantees for Deposits and Banking Protection (Fogade).

Additionally, there are regulations contained in the Code of Ethics of ANDA (National Association of Advertisers), which establishes the general ethical rules that are mandatory for all advertisers.

All these rules are mandatory for the Bank in relation to the spreading of publicity messages aimed to inform its customers and the general public about the characteristics and benefits of its products and services.

Besides, special information must be sent to the Central Bank of Venezuela (BCV) if the Bank seeks authorization to fix new fees or tariffs.

All our products are designed according to the regulations in force and, in case of changes of the legal framework, the product is adjusted (our contracts and general conditions include a clause that limits Banesco Banco Universal, C.A. responsibility for unfulfillment in the provision of the financial service or product due to regulative changes).

According to the requirements of the regulating body, Banesco always send the risk analysis for depositors and investors of the new financial product or service. It also conducts a study of the potential risks of the product for Banesco that, although it does not avoid these eventualities, it does define mechanism to mitigate such risks.

Banesco is a financial institution and as such, the products and services offered by our organization do not have any direct impact on the users' health. In any case, as fraud is always a potential risk, our security area and monitoring area are both involved in the processes. It is worth noting that Banesco defines and promotes all policies and mechanisms at hand to avoid security risks related to information or potential deceitful actions that can use our products or services as a vehicle to commit crimes, but the customers will be exclusively responsible of applying these policies and mechanisms.

COMMERCIAL ALLIANCES AND PROMOTIONS

BANESCO CONTIGO (BANESCO WITH YOU)

In a permanent effort to develop a stronger relationship with our customers and the community, Banesco evolves in terms of its brand positioning, by synthesizing its slogan and getting closer to our audiences through a powerful expression: “with you”.

“*Banesco Contigo*” (Banesco with You) ratifies our vocation to be present and accompany our customers in their achievements and most important moments of their personal lives and families.

“*Banesco Contigo*” is also more time to live, thanks to our current solutions of remote banking, so as our customers are always connected at any moment and any place..



CUSTOMIZED INNOVATION FOR OUR CUSTOMERS

New Banesco Service: Dates + Folders

With an innovating proposal that is leading the Venezuelan market, Banesco provides its customers with a new service of its Internet banking. This service allows the customer to choose the date to apply for preferential dollars, according to the day and place that he considers more convenient for his purposes. The system also prints all the documentation requested by CADIVI, so as the customers is ready when he arrives to the branch.

This service is available to apply for foreign currency for travels with credit cards and in cash, as well as for those who want to apply to get dollar for the first time for purchases via Internet.



New Chip Technology

Ratifying our technological leadership, which is focused on to guarantee safe transactions, in 2011 we launched the introduction process of Banesco debit and credit cards with chip incorporated. To do so we apply massive direct marketing strategies. Now we are able to provide our customers with a safety ring and invite them to use their chip cards at our points of sale and ATMs that operate under this new technology. This way we guarantee 100% safe operations.

New Credit functionalities for BanescOnline

We continue with the incorporation of functionalities, so as our customers could have more free time for their life and less hours at our branches. Now, they can make consultations and pay their credit installments through BanescOnline.

BECAUSE WE WANT TO BE WITH YOU WE HAVE A PLAN FOR EACH NEED

Banesco with You, a plan for Natural Person Customers

Ask for your Combination of Account + Credit Cards. This was the slogan of the relaunch campaign for Banesco Plans, with a fresh image, new positioning and a novel basic promise to offer a combination of Account plus Credit Card.

Through a mixture of massive and direct communications means, we introduce before our audiences and the general public our Plans Banesco with You: Ecological Plan, Professional Plan, Family Plan and Golden Years Plan.

You Business plan, for Legal Persons

In order to provide an immediate and timely service to meet the needs of liquidity or inventory replacement for the SMEs, we launched the campaign "Your Business Plan". This promotion offered as the central star our product 48-hour Multicredits. When they acquire this product, the companies get a fast financing of up to Bs. 800,000, with a promotional offer for 3 months and installments from 12 to 18 months.

Free Purchases on Christmas, with Banesco Winning Ticket

In Christmas, 5,000 Banesco customers got free-cost purchases when they asked to pass their cards by Banesco points of sale, thanks to this permanent program.

In addition, we created a promotion specially addressed to those commercial outlets with prizes in cash for sellers and stores managers, according to the amount of consumptions processed through Banesco points of sale.

WITH YOU IN SPORTS

Banesco, the Official Bank of the Venezuelan Professional Baseball League

Banesco Banco Universal is and will be the Official Bank of the Venezuelan Professional Baseball League for the next 5 seasons of the national ball. Banesco is proud of supporting national sports, an activity that produces passion and entertainment for all its fans. It also represents an example and hope for all the children and young people in Venezuela who practice this sport.

Banesco Banco Universal is and will be the Official Bank of the Venezuelan Professional Baseball League for the next 5 seasons of the national ball, is proud of supporting national sports, an activity that produces passion and entertainment for all its fans.



Home Club Banesco

This new initiative combines virtual experiences with real world experiences. #HomeClubBanesco was the name of the promotion created for our Twitter followers: @Banesco. This promotion allowed us to chat with our followers and reward their knowledge in relation to national baseball. Through this promotion, Banesco granted more than 1,300 VIP entrance tickets in all the stadiums, covering all the games of the regular round, Round Robin and finals.

The Game of the Stars, Banesco Coup 2011

We participated in the Game of the Stars Banesco Coup, where the representatives of Venezuela and the Dominican Republic clashed at the University Stadium of Caracas.

At the center of this tournament was a conquest between the followers of our social networks and Banesco internal workers. The winners got ticket to attend the games; over 500 people were invited to enjoy with family and friends the game. This event ratified Banesco commitment as the Official Sponsor with the Venezuelan Professional Baseball League and the fans.

10K Run and y 5K Walk Banesco-Leader

During the last quarter of 2012, we carried out the 10K Run and y 5K Walk Banesco-Leader, under the slogan “And you, why do you run?” For this event, we invited the participants to tell stories. This event was the result of an alliance between the newspaper *Líder* and Banesco Banco Universal, with the purpose of creating a closer relationship between our brand and some common activities of our audiences and communities. The 10K Run was attended by over 2,500 participants.



PRESENCE AT NATIONWIDE EVENTS

- ◆ Automarket 2012
- ◆ TRIATHLON HEBRAICA
- ◆ Caracas TEK
- ◆ Employment Fair UCAB
- ◆ Arts Ibero-American Fair (FIA) 2012
- ◆ Corporate Social Responsibility Symposium



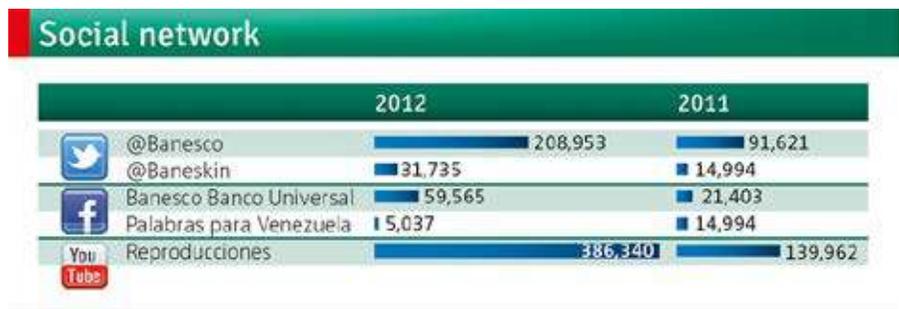
SOCIAL NETWORK

In 2012, Banesco Banco Universal, C.A consolidated its presence in the social network with the use of these channels as a new service means for the customers and the general public. Through Twitter, Facebook, Youtube and blogs, our followers were able to interact with us, get first-hand information and participate in several promotions.

In Twitter we are at our accounts @Banesco and @Baneskin, while in Facebook we have a presence at our pages Banesco Banco Universal, Baneskin and Palabras para Venezuela (Words for Venezuela). In Youtube you can find us at Banescoenimágenes.

Through our e-mail dialogo@banesco.com, our followers and users can establish a direct communication with us to share their views in private about the information they require.

In 2012, Banesco grew above 100% in all our networks as a result of: conquest for our followers, quality, diversification and opportunities of the contents generated, effective responses for the cases received through our networks, a blog redesigned (better look and feel, Access and navigation) and information crossed among the different networks.



Likewise, we offer the following blogs in order to provide, complement and segment the information already included in our Web page www.banesco.com

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

In 2012, our blogs received over 357,575 visits, accounting for a 157.61% increase against 2011.

BANESCO COMMUNITY BANKING



OUR POLICY

Banesco Community Banking (BCB) was born in 2006 as a Banesco initiative on the matter of microfinance in order to attend to the low-income segments of the non-bankarized population with financial products and services in tune with their needs. In line with the Millennium Goals, we encourage financial inclusion, bankarization and the sustainable development through access to credit and entrepreneurs empowerment.

OUR MANAGEMENT

Within the micro-finance industry, at the end of 2012 Banesco Community Banking ranked first as micro-financial institution in the micro-credits market share.

BCB has its own Web portal at www.bancacomunitariabanesco.com, where the customers with Loans to Work can be affiliated to the SMS service in order to be updated in relation to their installments, the IVR, the traditional Banesco points of sale in commercial outlets nationwide, the ATMs network, self-service machines at Banesco branches and the call center at 0-500-TUBANCO (0-500-8822626).

Within the micro-finance industry, at the end of 2012 Banesco Community Banking ranked first as micro-financial institution in the micro-credits market share.

Banesco community banking

Main Indicators	2012	2011	Var. %
Bankarization	37.70%	37%	1.89
Customers served	49,663	44,200	12.63
Customers served since 2006	221,472 472 (direct service) and 967,600 (indirect service)	176,735	25.31
Neighborhoods served	4,496 in 14 states of the country	4,146 in 13 states of the country	8.44
New Community Branches	3 (Sotavento Mall in Barquisimeto; La Redoma Mall in Porlamar and Maracaibo Oeste in La Limpia Avenue)	3 (Maracaibo Gran Bazar, Maracay Gran Bazar and Community Bus in Portuguesa)	0.00
Attention Channels: Service Bars	76	74	2.70
Attention Channels: PosWeb	137	143	(4.20)
Economic activities that receive credits	Transportation, clothes sale, small groceries and automotive	Transportation, clothes sale, small groceries and automotive	-

The most important value of Banesco Community Banking is its Human Capital, composed of 601 people, a team characterized by its solidarity and commitment to profitability and quality service.



Due to the growth and opening of new branches in new states, we made the distribution in 2012 as follows: Middle-West Region: Aragua, Carabobo, Falcón, Lara, Portuguesa and Zulia; Metropolitan-East Region: Capital District, Vargas, Miranda, Federal entities and Nueva Esparta.



OUR PRODUCTS

To meet our mission, we offer credit and saving micro-finance products:

Community Accounts: They can be opened with zero bolivars and managed with a Debit Card, allowing consultations, withdrawals, deposits, purchases and transactions through Banesco e-channels.

Saving Step by Step: it's a mechanism similar to the so-called bolsos, san or la cajita (informal saving schemes) through which the customer decides how and how much to save, according to his possibilities.

Education Community Loan: it's a financing plan granted exclusively to BCB micro-entrepreneurs with an

excellent payment record and with children studying from pre-school up to the university, for the acquisition of school supplies and uniforms with a Banesco Visa credit card.

Loan to Work: this is a productive credit which amounts going from Bs. 3.000 up to Bs. 1.000.000. It is traditionally known as microcredit.

Credit Help: this product was created by BANESCO COMMUNITY BANKING with a view to encourage our entrepreneurs under risk circumstances, due to natural disasters.

Our Products

Community account



Annual closing



Step by step saving



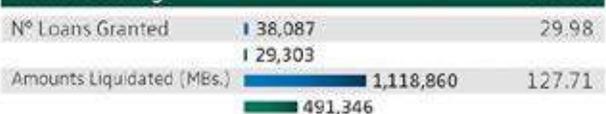
Annual closing



Loan to Work



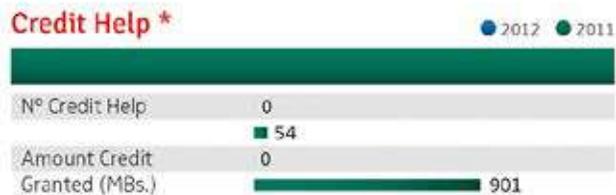
Annual closing



Loans for Education



Credit Help *



*This product is addressed to customers who are the victims of natural disasters. In 2012, Banesco did not received reports of customers under the aforementioned circumstances.

DATA SHEET

- ◆ **Universe:** 193,520 active customers up to June.
- ◆ **Random Sample:** 278 interviews with active customers.
- ◆ **Scope:** Caracas, Guatire-Guarenas, Higuerote, Puerto Cabello, Valencia, Valles del Tuy, Archipiélago, Maracay and La Guaira,
- ◆ **Instrument:** quantitative study, conducted through a questionnaire structured according the objectives, applied through the Tele-Marketing Unit.
- ◆ **Collection Technique:** phone interviews.
- ◆ **Date of the Field:** December 2012.
- ◆ **Firm:** Vp, Inteligencia Corporativa.

EVALUATION OF BANESCO COMMUNITY BANKING CUSTOMERS SATISFACTION

We carried out an external consultation to develop the satisfaction survey of Banesco Community Banking customers in order to identify opportunities to improve for our general processes, offers and products.

- ◆ With a 1-10 scale, the general satisfaction level of our customers was 9.
- ◆ Using the same scale to evaluate products, services and service channels, the average score for each of them was: 9.09 for the products; 9.15 for services and 8.98 for service channels. The final satisfaction level index was 9.
- ◆ The good general service (42.1%), employees' kindness (16%) and fast and easy operations (10%) are the attributed with the highest valuation.
- ◆ Easiness to grant credits (38.6%), customized attention (19.5%) and quality service (13.8%) are the attributes with the highest valuation for customers' retention.
- ◆ Family and friends references (31.3%), as well application for credits (28.1%) and friendly operations (15.6%) are the main motivators to make the decision of starting a relationship with Banesco Community Banking.
- ◆ Community Branches, ATMs, Posweb and Community advisors are the channels with the highest penetration rate in the segment.
- ◆ Only 2.5% of the customers' portfolio have reported inconveniencies, with a 1.1% affectation index.



Evaluation Ranks

	Average	Top Box	Botton Box
Figures BCB	9.0	55.8%	7.3%
Referencia	7,1 - 8.8	36% - 46%	10% - 24%

	Average	Top Box	Botton Box
● Satisfaction	>8.8	>46%	<10%
● Standard	7,1 - 8.8	36% - 46%	10% - 24%
● Service failure	<7,1	<36%	>24%

TRAINING PROGRAM FOR MICRO-ENTREPRENEURS

The program seeks to strengthen the knowledge of the entrepreneurs, applying a mixture of administrative, managerial and technological tools that will help to improve the productive capacity of their businesses and optimize their market competitiveness.

To do so, Banesco counts on the support of Fe y Alegría and Microsoft Venezuela. This is a 40-academic hour program divided into 6 modules.

In 2012, a total of 934 micro-entrepreneurs received their degrees. They were residents of La Vega, Catia, Antímamo, El Cementerio, San Martín, Guarenas, Cúa, Maracay Gran Bazar, Palo Negro, Valencia Centro, La Isabelica, Puerto Cabello, Barquisimeto and Maracaibo. Since the implementation of this Training Program in 2008 to this date, 1,448 micro-entrepreneurs from the low-income zones of Venezuela have received their degrees.



COMMUNITY BREAKFASTS AND TOUR

The main purpose of the Community Breakfasts is to create a space for the integration of Banesco Community Banking team, managers, Vice-Presidents and directors, so as they could exchange experiences, doubts, realities and business vision.

In el 2012, we held a total of 8 breakfasts, attended by over 170 collaborators.

On the other hand, we carried out the Community Tour and visit some of our customers and allies belonging to the communities' branches in San Martín and Catia, hand in hand with our Vice-Presidents, managers and Banesco support employees.

The purpose of this tour is to grasp first-hand opinions about success experiences of our customers and community allies, as well as expose our service model to the rest of Banesco family.

SPECIAL RAIDS

Banesco Community Banking carried out 13 special raids in certain zones in order to promote its products in those communities where the bank has a presence. We visited the following popular zones: Maiquetía, Palo Negro, Maracay, Antímamo, Catia, El Cementerio, La Vega, Los Teques, San Martín, Cúa, Guarenas, Higuerote, Petare and Santa Teresa.

CAMPAIGN

Banesco Community Banking carried out the Payment on Time Campaign, which awarded the customers with the best payment records for the product Loans to Work. The winners received 30 TodoTicket Juguetes cards of Bs. 3,000.



OUR ENVIRONMENTAL COMMITMENT



At the end of 2012, we have recycled 285,338 Kg of paper, 186.24% more than in 2011. This accounts for an additional income of Bs. 419,447.00.



OUR POLICY

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

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

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

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

These consequences have not been systematically identified and quantified. However, Banesco Banco Universal, C.A. has been replacing its air conditioning equipment at all its branches by new units with a more efficient technology.

At the end of 2012, we replaced in 82 branches old equipment that used F-22coolant by modern equipment with noise reduction devices, ecologic coolant and low energy consumption.

OUR MANAGEMENT

In 2012, we also applied some measures with a view to minimize and segregate residues, encourage a sustainable use of resources, as well as effi-

ciency and energy saving. All these activities have been promoted through the different channels in order to foster the environmental education, awareness and motivation of our employees and stakeholders.

Continuing with our recycling policy, Banesco Banco Universal, C.A., hand in hand with the company Kimberly Clark of Venezuela, has developed a recycling program at our administrative offices and regional warehouses. In 2012, the following activities were carried out:

- ◆ We replaced the special containers to recover the paper used at our administrative offices (Ciudad Banesco, El Rosal, La Primera and El Recreo) by new and more resistant containers.
- ◆ We developed special campaigns to collect used paper at our warehouses in San Vicente, Los Guayos and Los Haticos headquarters in Maracaibo.
- ◆ At the end of 2012, we have recycled 285,338 Kg of paper, 186.24% more than in 2011. This accounts for an additional income of Bs. 419,447.00.
- ◆ Our awareness campaign to recycle paper has continued through our internal media: billboards, Intranet, Weekly Bulletin and CCTV.

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

ELECTRIC POWER CONSUMPTION

Due to the nature of our activities, Banesco Banco Universal, C.A. only consumes electric power. In Caracas, as in the rest of the country, the main source of energy is produced by hydroelectric plants. We count on emergency diesel power plants at Ciudad Banesco, at El Rosal Towers and other branches that together account for around 70% of our facilities. In the case of El Rosal, the plants support the critical charge and the Data Center, while in the case of Ciudad Banesco, the plants support the whole complex.

These plants are activated if the voltage of the electric power network falls and at the moment they are used for self-generation. In 2012 we generated 1,677.60 gigajulius, against 2.16 gigajulius in 2011. This accounts for a 77.6% reduction in terms of self-generation. However, this drastic reduction of our own energy generation is translated into a 3.07% increase of the national electric system against 2011 figures.

In 2012, new diesel plants were installed at Ciudad Banesco to avoid events due to potential network failures.

Thanks to the nature of our activities, Banesco Banco Universal, C.A does not generate significant emissions, hazardous substances leaks or products that have to be recovered at the end of their useful life.





WATER CONSUMPTION

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

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

All our venues and headquarters are located on urban lands. Therefore, the water captured and dumped goes through the urban network. Consequently, this water does not affect natural lands, protected spaces or with a high value in terms of biodiversity.

Environmental Indicators

Consumption	Total Consumption			Consumption per person		
	2012	2011	Var. %	2012	2011	Var. %
Water (m ³) ⁽¹⁾	198,596,68	198,596,68	(20.81)	15.15	18.12	(16.40)
Electricity Kwh (National Electric System) ¹	256,122,11	256,122,11	3.07	19.54	17.95	8.90
Electricity Kwh /self-generation	1,678	1,678	77,566.67	54.01	0.07	82,567.7
Paper (Kg) ¹	18,480	18,480	(11.74)	1.41	1.51	(6.80)
Paper(Kg) / Customers ¹	177,394	177,394	(29.92)	0.04	0.06	(33.33)
Waste	2012	2011	Var. %	2012	2011	Var. %
Paper recycled (Kg) Administrative offices ²	23,780	70,868	(66.44)	6.56	19.54	(66.44)
Paper recycled (Kg) Warehouses ¹	261,558	28,818	807.62	19.96	2.08	858.66
Paper recycled (Kg) Total	285,338	99,686	186.24	21.77	7.20	202.33
Toner and/or Cartridges ¹⁻³	376	661	(43.12)	0.03	0.05	(39.92)
Electric and Electronic Waste (Kg) ¹	1,953.00	4,967.27	(60.68)	0.15	0.36	(58.47)
Greenhouse emissions	2012	2011	Var. %	2012	2011	Var. %
Co ² Emissions from diesel machines ²	400,248	520,200	(23.06)	128.86	157.35	(18.10)
Co ² Emissions from employees vehicles ²	423,221.50	463,488.80	(8.69)	116.72	140.20	(16.75)
Co ² Total Emissions ²	823,469.50	983,688.80	(16.29)	227.10	297.55	(23.68)

1. National Totals, taking as the basis 13,105 workers in 2012 and 13,842 workers in 2011.

2. Ciudad Banesco and El Rosal Tower 3,626 workers.

3. Donated to Fundana.

4. Own generation in Ciudad Banesco, taking as a basis 3,106 workers in 2012 and 3,306 workers in 2011.

5. Ciudad Banesco consumption only, taking as a basis 3,106 workers at that complex.

BANESCO OPERATIONS WITH ENVIRONMENTAL IMPACT

◆ **Products and services:** In the feasibility studies applied by our Organization to the credits for construction, we underline the following aspects related to the environment:

We verify that the project has all the permits granted by the corresponding authorities, particularly those related to environmental impact, which are mandatory by law for all the building projects: housing, industrial warehouses, hotels, factories, shopping malls, among others.

—In relation to the service of current water supply, it has to be sure that the project counts on the service capacities and the required stability in terms of delivery. If the project cannot ensure the service delivery and the builder proposes a deep well as a solution, the builder shall include an official certification issued by the Venezuelan Ministry of Environment authorizing the deep well and certifying that the water is suitable for human consumption.

—Generally, the results are requested after the diagnosis: purity and mineral composition, among others.

—Regarding waterworks, besides requesting the required legal permits issued by the Ministry of Environment, a series of inspections are also carried out in order to determine that no environmental damages could result from the project location. The condominium or land documents are also reviewed to verify that they include maintenance commitments for wells and waterworks.

—Generally, we support traditional construction systems. When a project is based on non-traditional constructive systems we verify that they have been previously tested and adjusted to the Venezuelan regulations.

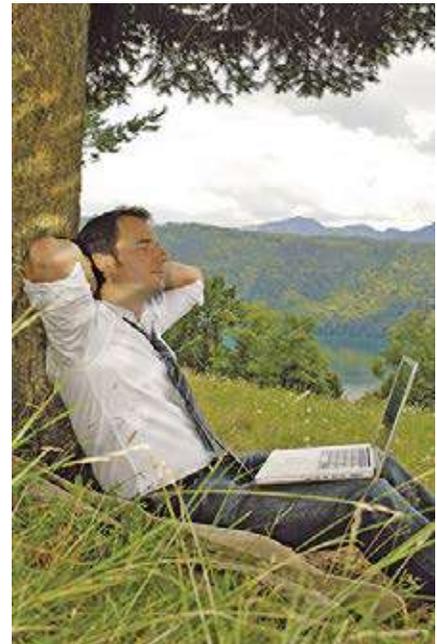
—Toilettes sets of faucets are automated, that is, the sinks, WC and urinals are automatically activated and only use the required amount of water.

—Technical suitability certificates issued by renowned institutions (National Institute of Structural Models) or others are required. Likewise, the constructive elements should not include high content of polymers, acetates or asbestos.

—The projects must comply with the standard distances in relation to tributaries, high-tension towers and protection zones, as well as with the urban equipment rules for a decent habitat.

—When the projects are conceived to be located on coastal areas, they must comply with the special rules for this type of works both, tourism or housing facilities.

—During the construction process, a Banesco's engineer inspector performs a monthly supervision to prevent unexpected environmental



The projects must comply with the standard distances in relation to tributaries, high-tension towers and protection zones, as well as with the urban equipment rules for a decent habitat.



We integrated the Commercial Web Credit Workflow with the Electronic Management of Documents system to obtain a single electronic and digitalized file of the customer.

damages and check industrial security measures to protect the workers involved.

—Last, but not least, we try to ensure that the financed projects count on the fitness certificate before the opening of the sales process.

- ◆ **Products Transportation:** Banesco Banco Universal, C.A. does not cause measurable environmental impact for this activity, as the products transported by the bank to its nationwide agencies network are office stationary, printed documents, as well as technology equipment and consumables.
- ◆ **Personnel Transportation:** Our employees use their own vehicles as their transportation means to go to Banesco, go back home and reach different administrative facilities in the capital region. When the staff has to go to an event outside the organization, Banesco covers the expenses incurred for that movement and, if necessary, it hires transportation services. The workers at El Rosal Tower are provided with transportation from El Rosal to Ciudad Banesco and for those workers who want to have lunch at the headquarter's cafeteria. Night workers at Ciudad Banesco count on transportation to Plaza Venezuela subway station.
- ◆ **Branches Opening:** Banesco does not carry out previous environmental impact studies in the areas where we open branches, unless the municipal authorities indicate otherwise and provided that these studies are specific depending on the works to be executed.
- ◆ **Paper Consumption For Printed Documents And Photocopies:** We integrated the Commercial Web Credit Workflow with the Electronic Management of Documents system to obtain a single electronic and digitalized file of the customer. This allows a minimum use of paper in our business processes and a faster response for our customers' credit requests.



- ◆ **Donation Of Furniture And Computers Discarded:** The obsolete furniture and computers that are no longer used at our facilities are donated, that is they are re-used by their beneficiaries. Therefore, they do not produce direct environmental impacts even though they could contain hazardous substances.

STEPS TAKEN TO REDUCE OUR ENVIRONMENTAL IMPACT

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

- ◆ Most of our building facade is a low-reflection green curtain wall, which along with other elements composes a comfortable labor environment and reduces air conditioning consumption.
- ◆ The building is controlled by a software that provides an integral management for all the commands of our CCTV, the security and electro-mechanics access controls (air conditioning, elevators, escalators and lightning), producing a higher efficiency in terms of energy consumption and security.
- ◆ The building is fitted out with “smart” elevators and they take the standby mode when they are out of use for a given period of time.
- ◆ Toilets sets of faucets are automated, that is, the sinks, WC and urinals are automatically activated and only use the required amount of water.
- ◆ We continue with the concept of Open Space at our administrative offices (Ciudad Banesco and El Rosal) with the creation of open plants and spaces that encourage teamwork and direct communication, improving the supervisory role and the well functioning of air conditioning and lights.
- ◆ Our food services supplier at Ciudad Banesco, Restoven, uses biodegradable cleaning products produced by Ecolab.
- ◆ We have implemented measures to reduce energy consumption at Ciudad Banesco and other administrative facilities, such as: the adjustment of the electric power in our offices, implantation of presence detectors, self-regulating light screens and replacement of equipment (elevators, refrigeration machines) for more efficient machines.
- ◆ We maintain the control over lightning schedules at offices and parking lots.
- ◆ Organization of time of operation for air conditioning at the branches, avoiding discomfort.
- ◆ Optimization of operation time for escalators.
- ◆ Lights are partially turned off at the general areas in our headquarters.
- ◆ Banesco Banco Universal, C.A. has not been fined or sued due to violations of national or local environmental regulations whatsoever.



@Baneskin Invited his followers to perform environmental advice and tips under the label #BaneskinVerde.

Manuel Miguel Contreras, @ManuelMiguelC was the winner with advice

#BaneskinVerde Baneskin The horns do not open new pathways. Avoids use as a “complaint” and It contributes to the environment. The noise pollutes”





BANESCO WITH YOU AND THE PLANET

In 2012, Banesco Banco Universal, C.A. ratified its commitment with the environment and joined “The Hour of the Planet Venezuela, an event held on March 26, from 8:30 pm to 9:30 p.m. During the event, all the lights of Banesco main headquarter were turned off: Ciudad Banesco and El Rosal Towers. We also launched an internal campaign to strengthen Banesco Citizens’ commitment to the preservation of the planet as a collective responsibility.

DONATION OF FURNITURE AND DISCARDED COMPUTERS

Several years ago, Banesco Banco Universal, C.A. adopted as a policy the donation of used furniture and computers that are discarded from our branches to non-profit or social organizations.

In 2012, Banesco donated a total of 90,640.03 Kg. (9,963 units) of computers and related accessories. The Bank did not donate furniture during this period

Donation of computers discarded

Institution	2012	
	Units	Kilograms
Center of Children development	1	26
Ecoreciclaje	4,333	1,953
Alzheimer Foundation	4	76
Fundesmar	320	6,080
Metropolitan Biblic Institute	6	114
Individual (*)	8	152
Renacer	4,879	74,411
Kamarata Residence	2	38
Cruz Del Valle Rodriguez School	40	760
Nueva Caracas National School	20	380
Fe Y Alegría, Petare school	50	950
Francisco De Miranda school	50	950
Gabriela Mistral, San Bernardino school	24	456
Mi Mundo Estudiantil school	40	760
Virgen De Las Mercedes school	40	760
El Naranjal school	50	950
Nicanor Bolet Peraza school	6	114
Baudilio Lara school	40	760
Simón Bolívar Experimental University	50	950
Total	9,963	90,640

Institution	2011	
	Units	Kilograms
Renacer	1.766	33.246
Giraluna Initial Education Center	4	76
Manuel Ricardo Yáñez National Initial Education Center	4	76
Individual (*)	3	64
Doña Concepción School	40	760
Total	1.817	34.222



* This donation corresponds to 4 individuals

Donation of Furniture 2011

Institution	Units	Kg
Don Bosco Civil Association	13,249	23,731
CICPC	17	460
National College of Journalists	27	700
Canaima School	455	4,550
Siembra de Venezuela Foundation	15	330
Venezuelan Foundation against Infantile Paralysis	1	20
Bolivarian National Guard	15	280
Indepabis	12	180
Transplant National Organization of Venezuela	2	80
Justice Palace	10	200
Individual	29	570
Bolivarian National Police	14	295
Renacer	6,262	64,870
Total	20,108	96,266

OTHER ACTIONS

In 2012, Banesco Banco Universal, C.A. has not financed infrastructure national or international projects for renewable energy generation.

Banesco Banco Universal, C.A., always abiding by the relevant regulations, has revamped its administrative offices and branches in order to minimize the impact of our activities on the environment.

Similarly, our organization keeps a strict control of the materials and equipment installed at our branches, so as they comply with the legal requirements applicable to design, manufacturing and commercialization.

The Medical service located at Ciudad Banesco does not produce sanitary biological waste, as the medical care provided by this unit is focused on primary attention and it only uses dispensable material. Emergencies are sent to health centers closer to our headquarters.

CORPORATE VOLUNTEERS

In 2012, our Environmental Volunteers carried out several activities in order to help to take care of the environment. They also developed educational activities for an efficient use of natural resources. (See chapter Corporate Volunteers, 56)



ELECTRONIC MANAGEMENT OF DOCUMENTS

The aim of our area Gelecon (Electronic Management of Documents) is to use paper only to compose files, avoiding the duplication of unnecessary copies and speeding up work flows in the Organization. The incorporation of core areas of the Bank into the Gelecon curves paper consumption, encourages the optimization of the space and a better organization in terms of files custody.

Electronic management of documents



OUR SUPPLIERS



To make a purchase, at least three different budgets are required.

Afterwards, the budgets are analyzed and the Bank selects the best offer in terms of price, response time and quality product.

OUR MANAGEMENT

In 2012, Banesco Banco Universal, C.A. has commercial relations with 1,996 suppliers, a 2.43% increase against 2011. Regarding the purchase volume, we negotiated Bs. 2,584 million, accounting for a 18.84% increase against the previous year.

As of 2012, Banesco has included in its contracts with its main suppliers a clause that commits them to respect and comply with the 10 Principles of the UN Global Compact of which Banesco Banco Universal, C.A. has been a member since 2008.

OUR POLICY TO HIRE SUPPLIERS

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

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

Number of suppliers

Denomination	N° Suppliers		% over total suppliers	
	2012	2011	2012	2011
Equipment, articles and office furniture	41	46	2.05	
Hardware, Software and technology	84	78	4.21	
Printed papers and Value Paper	9	12	0.45	
Debit/Credit Cards	3	3	0.15	
Other equipment	2	4	0.10	
Maintenance and constructions	159	173	7.97	
Marketing and Publicity	162	191	8.12	
Professional fees and Consultory	327	298	16.38	
Equipment leasing	13	13	0.65	
Condos and Rents	504	383	25.25	
Trainings	76	59	3.81	
Other Services	239	181	11.97	
Services	349	292	17.48	
Human Capital	28	20	1.40	
Total	1,996	1,753	100.00	

Amount Paid to Suppliers

Denomination	Number of Suppliers		% of total amount paid	
	2012	2011	2012	2011
Equipment, articles and office furniture	92,683,992.82	50,141,676.73	3.59	2.31
Hardware, Software and technology	569,383,188.18	588,063,234.32	22.03	27.03
Printed papers and Value Paper	48,321,200.33	47,775,924.47	1.87	2.2
Debit/Credit Cards	11,513,941.30	25,129,388.70	0.45	1.16
Other equipment	2,169,193.33	2,418,137.80	0.08	0.11
Maintenance and constructions	224,240,090.73	205,504,512.66	8.67	9.45
Marketing and Publicity	142,309,568.50	68,872,637.11	5.51	3.17
Professional fees and Consultory	267,023,488.83	195,677,898.06	10.33	9
Equipment leasing	7,035,698.16	10,783,577.50	0.27	0.5
Condos and Rents	220,205,139.82	124,900,463.51	8.52	5.74
Trainings	16,854,950.71	12,502,327.36	0.65	0.57
Other Services	84,086,692.60	27,250,557.00	3.25	1.25
Services	656,984,431.43	661,301,009.37	25.42	30.4
Human Capital	242,176,277.18	154,884,106.95	9.37	7.12
Total	2,584,987,854.00	2,175,205,452.00	100.00	100.00

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

Depending on the good or service to be contracted, the analysis includes a visit to the plant of the company in order to validate its installed capacity and if it has available the inventories and stocks to produce. The purchases, according to their amounts, are presented for their review and approval by the corresponding autonomy.

THE MOST SIGNIFICANT SUPPLIERS PER REGION

The most significant suppliers per region

Capital Region	Suppliers		Amount Bs.			% over total	
	2012	2011	2012	2011	Var. %	2012	2011
Service							
Hardware, Software and Technology	37	43	325,572,852.82	581,816,052.24	(44.04)	27.52	36.89
Professional fees and Consultory	263	74	247,029,635.27	189,882,650.55	30.10	20.88	12.04
Maintenances	117	134	18,332,477.01	178,345,184.37	(89.72)	1.55	11.31
Services	161	144	591,947,557.17	627,201,970.53	(5.62)	50.04	39.77
Total	578	395	1,182,882,522.27	1,577,245,857.69	(25.00)	100	100

Región Oriente - Sur	Suppliers		Amount Bs.			% over total	
	2012	2011	2012	2011	Var. %	2012	2011
Service							
Condos and Rents	59	37	19,871,266.01	10,350,972.72	91.97	46.12	46.12
Maintenances	13	14	14,073,715.77	6,785,762.78	107.4	30.23	30.23
Services	52	46	6,752,412.69	5,307,618.10	27.22	23.65	23.65
Total	124	97	40,697,394.47	22,444,353.60	81.33	100	100

Middle-The Plains Region	Suppliers		Amount Bs.			% over total	
	2012	2011	2012	2011	Var. %	2012	2011
Service							
Condos and Rents	91	55	31,999,121.31	8,069,150.91	296.56	44.29	29.46
Equipment, articles and office furniture	1	3	3,078,136.32	2,370,296.32	29.86	4.26	8.65
Maintenances	11	8	6,362,076.26	3,459,120.16	83.92	8.81	12.63
Services	49	24	30,806,155.81	13,494,579.57	128.29	42.64	49.26
Total	152	90	72,245,489.70	27,393,146.96	16.37	100	100

Western-North Region	Suppliers		Amount Bs.			% over total	
	2012	2011	2012	2011	Var. %	2012	2011
Service							
Condos and Rents	99	77	25,547,415.45	16,438,964.88	55.41	41.83	33.79
Maintenances	17	17	20,431,721.29	16,914,445.35	20.79	33.46	34.77
Services	80	78	15,092,013.16	15,296,841.17	(1.34)	24.71	31.44
Total	196	172	61,071,149.90	48,650,251.40	25.53	100	100



SUPPLIERS DISTRIBUTION

Suppliers distribution

	Number of suppliers		% over total		Amount paid		% over total	
	2012	2011	2012	2011	2012	2011	2012	2011
Local Suppliers	1,874	1,701	93.89	97.03	2,560,938,986.83	2,141,342,210	99.00	98.44
Non-Local Suppliers	54	52	6.11	2.97	24,048,867.17	33,863,241	1.00	1.56
Total	1,996	1,753	100	100	2,584,987,854	2,175,205,452	100	100



ALLIANCES

Our suppliers are aware about the importance of creating alliances to mitigate social problems and offer a higher quality of life to the citizens.

Depending on the good or service to be contracted, the analysis includes a visit to the plant of the company in order to validate its installed capacity and if it has available the inventories and stocks to produce.

Our suppliers social investment

2012		2011	
Alliance	Investment	Alliance	Investment
Salesian Ladies- Creole Balls Tournament	15,000.00	Salesian Ladies: Maniapure Project	50,000.00
Francesas "Petanque"			
La Trinidad Medical Center	6,274.02	La Trinidad Medical Center	6,840
Fundana - VIII Auction for the Benefit of The Toddlers of Fundana	4,500.00	Salesian Ladies: "La Sopa del Amigo Taribero" Project	106,000.00
Procter & Gamble - "Solidarity Week"	11,305.80	Procter & Gamble	6,321.89
		Andrés Bello Catholic University	73,920.05
Total	37,079.82	Total	243,081.94



El Comité de Procura es un organismo de coordinación organizacional que permite promover el diseño óptimo de las operaciones de procura, entre las cuales se enmarca cualquier evento de adquisición de bienes o servicios y su negociación

DIALOGUE WITH OUR SUPPLIERS

During 2012, we continued the dialogue with this stakeholder, through a survey sent to 593 suppliers. From the total of surveys sent, we only received back 14.33% surveys with answers.

The questions were the following:

- ◆ Please, value your satisfaction level of your relationship with Banesco Banco Universal in relation to transparency.
- ◆ Please, value your satisfaction level with Banesco Banco Universal in relation to prompt payment.
- ◆ Please, value your satisfaction level of your relationship with Banesco Banco Universal in relation to Online Services.
- ◆ Please, value your satisfaction level of your relationship with Banesco Banco Universal in relation to Treatment or Customized Attention.
- ◆ Has your company been certified by an environmental or social standard? (for example, ISO 9000, ISO 14000 o SA8000, etc.).
- ◆ Does your company have a policy on Human Rights in place? Please, explain.
- ◆ Is your company willing to participate in CSR activities along with Banesco?

El resultado de su nivel de satisfacción de su relación con el Banco en 2012 fue el siguiente

Aspect evaluated	2012	2011
Transparency	3.4	4.47
Timely Payment	2.2	4.08
Satisfaction with Online Services	2.7	4.14
Satisfaction with treatment or customized attention	3.7	4.35
Average	3	4.26

PROCUREMENT COMMITTEE

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

Objective

Safeguarding the fulfillment of the Organization's purchase and hire rules and processes and making the related decisions within its autonomy level, through mechanisms that guarantee transparency in the selection of the best options offered by the suppliers, evaluating the quality of the goods

STEERING COMMITTEE

Actions In The Search Of An Efficient Management Of Operations

- ◆ Creation of electronic folder 'Procurement Committee Operations'
- ◆ Creation of the Corporate Suppliers Registry
- ◆ Creation and implantation of the Committee
- ◆ Preparation of Satisfaction Surveys
- ◆ Preparation of operating indicators of Procurement Management
- ◆ Re-implantation of the SAP-MM Module for the automation of the purchase process.

and and/or services offered in order to satisfy the organizational needs and improve the relations with our suppliers.

Roles and member of the procurement committee

Following we present the various committees which have different approval limits, according to the autonomy established for each one of them.

Procurement Operating Committee

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

Procurement Thematic Committee

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

Committee powers

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

OUR COMMITMENT TO THE AUTHORITIES



OUR POLICY

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

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

OUR MANAGEMENT

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

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

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

For 2011, according to the changes established by the rules regulating this matter, it is agreed that the funds corresponding to these contributions will be transferred to the National Fund of Science, Technology and Innovation (Fonacit)

Taxes for own operations

Thousands Bs. ● 2012 ● 2011

	2012 / 2011	Variation	Total
Income Tax ⁽¹⁾	131,900.00	100%	359,888.32
Tax on Economic Activities	205,496.00	47.10%	
Value Added Tax	139,696.35	235,337.00 8.33%	576,339.63
Tax on Commercial Publicity and Urban Real Estate	3,607.00	217,231.84 21.85%	
	2,960.13		Variation 23.49%

(1) Corresponds to the Income Tax (ISLR for its Spanish acronym) from the previous year and paid in 2012.

Legal contributions

Thousand Bs. ● 2012 ● 2011

Contribution to FONACIT*	2012 / 2011		Variation %
Technology Projects ⁽¹⁾	40,951.96	33,747.00	21.35
Workers' Food Law	2012 / 2011		Variation %
Workers' Food Law ⁽²⁾	144,650.89	82,044.02	76.31
Parafiscal Contributions	2012 / 2011		Variation %
Law of Housing and Habitat	22,888.42	19,320.80	18.47
Mandatory Social Security	64,079.95	54,259.09	18.10
Employment Law	14,115.34	12,042.23	17.22
INCES	17,861.01	15,981.26	11.76
Contributions to FOGADE, SUDEBAN, the National Organization Against Drugs-ONA, and Social contribution to Communes, Law on Sports	2012 / 2011		Variation %
FOGADE	992,498.05	621,459.31	59.67
SUDEBAN	89,668.37	59,048.96	51.85
Projects of application LOSEP - ONA	56,380.82	21,595.43	161.08
SAFONACC ⁽²⁾	274,198.28	104,329.00	162.82
Law on Sports	50,533.00	0	100.00

(1) For 2011, according to the changes established by the rules regulating this matter, it is agreed that the funds corresponding to these contributions will be transferred to the National Fund of Science, Technology and Innovation (FONACIT), which decides over the projects to be funded, based on the guidelines and priorities defined in the National Plan of Economic and Social Development of the Nation, as well as the ethical implications and the potential cultural, social, environmental and economic impact of such projects. For the year 2010, the Bank presented projects of its own which decision in terms of investment was an internal decision. These projects were presented later with a reduced amount to be contributed.

(2) Corresponds to the contribution established in the Decree with Rank, Value and Force of Law for the Partial reform of the Law for the Institutions of the Banking Sector, published in the Official Gazette N° 39.627, dated March 2nd, 2011. This contribution is managed by the Autonomous Service National Fund for Community Councils (SAFONACC), which has as main activity the administration of the resources allocated to Community Councils, financing community, productive and social projects of the Popular Power on their financial components.

State-run Portfolios

Modality	Amount Reached (thousand Bs.)		% Required		% Maintained	
	2012	2011	2012	2011	2012	2011
Tourism	262,810	871,915	3.00	3.00	3.25	3.38
Micro-entrepreneurs	3,697,461	3,808,165	3.00	3.00	6.88	6.00
Agricultural	4,047,720	6,675,164	24.00	24.00	28.09	25.88
Manufacture	4,306,070	1,952,190	10.00	10.00	10.04	13.14
Mortgage, Own Resources (long-term)	2,610,266	4,217,845	5.10	5.00	6.82	8.18
Mortgage, Own Resources (short-term)	2,922,429	1,900,765	9.90	7.00	6.09	6.71

OBJECT, OPERATIONS AND LEGAL FRAMEWORK

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

Universal Banks abide by their By-Laws; the Decree with Rank, Value and Force of Law for the Partial Reform on the Law of Banks and Other Financial Institutions; the Superintendent of the Banking System Institutions; the Trust Funds Law (partially revoked); regulations and instructions enacted by the SUDEBAN and the Venezuelan Central Bank.

FINES AND NON-FULFILLMENT

In 2012, Banesco Banco Universal, C.A. was not imposed with any kind of sanction whatsoever issued by the Central Bank of Venezuela or FOGADE, due to non-fulfillment of the regulations established by these regulatory bodies. Banesco was not imposed with any sanction whatsoever for non-fulfillment of the guidelines established by the rules in force in relation to free competition or anti-trust rules.

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

On the other hand, in 2012 the Institute for the Defense of People in the Access to Goods and Services (Indepabis) applied 10 sanctions to Banesco. All these sanctions have been appealed and were under the consideration of Indepabis at the end of the year.

In relation to lawsuits, contingencies, contractual and fiscal commitments, they are half-yearly showed in the Financial Statements audited by the Bank, according to the requirements of the Regulatory Body and included in the Commitments and Contingencies Notice. The bank does not expect these lawsuits, contingencies, contractual and fiscal commitments to produce any impact whatsoever on the financial statements as a whole, up to December 31, 2012 and December 31, 2011. These audited financial statements are available at the Venezuelan Banking Association Web page (www.asobanca.com.ve).



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



THE MAKING OF THE CORPORATE SOCIAL RESPONSIBILITY REPORT 2010

PRINCIPLES FOR THE DEFINITION OF THE REPORT'S CONTENTS

For Banesco Banco Universal, C.A. the making of *Corporate Responsibility and Sustainability Report 2012* aims to gather the main activities on the matter of corporate social responsibility and the relationship with each of its stakeholders (stockholders, customers, employees, suppliers and the community).

This report has been published since 2004, therefore this is our ninth edition, corresponding to the period from January 1st to December 31st 2012. The present report, as the previous ones, underlines the relevant aspects of the year 2012, the extent to which the Bank kept its commitments and its goals for the following year. The Report is written in Spanish and English (since 2007, the English version is published only in our Internet site). The reports corresponding to 2006 to 2010 can be found at <http://www.banesco.com/descargas/somos-banesco>. Likewise, the 2009 Report can be found in our Banesco Blog at <http://blog.banesco.com/rse/>.

The structure of these reports follows the recommendations of the Guide for the Elaboration of Sustainability Reports and Sector Supplement for Financial Systems, issued by the Global Reporting Initiative (GRI) RG, version 3.0/FSSS Final Version. Our *2007 Corporate Social Responsibility and Sustainability Report* was the first one to be certified by the Global Reporting Initiative; with the 'Application Level B+', while the 2008, 2009, 2010 and 2011 reports achieved the 'A+ GRI Checked Level', the highest possible. We should underline that as the new GRI Supplement for the Financial Sector entered into force as of January 1st, 2010, the present report includes 'FS' performance indicators.

The strategic planning program of the Corporate Social Responsibility (CSR) is prepared by Banesco Banco Universal, C.A. VP of Communications and Social Corporate Responsibility which leads the CSR practices and it is the contact point for the matters related to the content of the present report. This VP directly reports to the Board of Directors.



Our 2007 *Corporate Social Responsibility and Sustainability Report* was the first one to be certified by the Global Reporting Initiative; with the 'Application Level B+', while the 2008, 2009, 2010 and 2011 reports achieved the 'A+ GRI Checked Level', the highest possible.



The materiality of the information is expressed by the indicators, which reflect the significant impacts of our organization on the economic, social and environmental fields.

We have followed the same plan of the previous years to display the present report, which has been organized into two big blocks: the internal and external dimension of our Corporate Social responsibility, with specific chapter for each stakeholder. We also report the interactions with these stakeholders in 2012 and 2011, particularly statistical data (surveys and focus groups).

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

- ◆ Financial inclusion (bankarization) as a means to fight poverty.
- ◆ Our emphasis to the support our Social Partners who work to improve the coverage of education and health services.
- ◆ The value attached to the organization's human capital, which is reflected on wages above the minimum wage established by law, promotions, continuous training, support programs to buy houses, among others.
- ◆ The organization's impact on the creation of direct jobs at the different regions of the country, indirect jobs through the regional distribution of its suppliers, opportunities and regional services for the customers and regional donations.

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

In relation to the scope, the report includes all the aspects that were deduced as relevant for each stakeholders group, based on the internal knowledge of them, as a formal consultation process was not opened.

The coverage of this report only includes Banesco Banco Universal, C.A. in Venezuela. The materiality of the information is expressed by the indicators, which reflect the significant impacts of our organization on the economic, social and environmental fields.

Thanks to the standardization of the data collection process, this year we observed a more fluent process at the moment of getting information from the different areas.

PRINCIPLES TO DEFINE THE QUALITY OF THE REPORT'S CONTENTS

In order to ensure the quality of the information displayed in this report, Banesco Banco Universal, C.A. watched over the enforcement of the principles to define the quality of the report elaboration, which are established in the Guide for the Elaboration of Sustainability Reports and Sector Supplement for Financial Services, issued by the Global Reporting Initiative (GRI) RG, version 3.0/FSSS Final Version.

To meet the principle of Balance, Banesco ensures the transparency of all the data displayed all along the report. Currently, Banesco has no internal or external auditing in place to evaluate the extent of the policies and procedures implanted for the management of social and environmental risk. This Organization is concerned with the short-term establishment of the appropriate processes and corresponding auditing processes to evaluate these risks.

The figures here reported were displayed into detail for 2012 and 2011, with their respective variation rates. This allows to compare the performance between the two periods.

With a view to guaranteeing the Precision of the Information, this report has used the GRI's technical protocols in order to understand and formulate the quantitative and qualitative indicators presented in this report. In general, the quantitative indicators are reported along with the variables that are the origin of their calculation. This, in turn, makes easier to understand how they are obtained.

The data reported correspond to the Organizations' records stored in its different systems or internal mechanisms. In general terms, they correspond to information published and reported to regulatory bodies, that is, it is information that can be completely verified.

As we have already indicated, this is a yearly report. Another of our premises is clarity and we can see this in all the relevant elements of this report. They are legible, expressed with a single language; figures and graphics can be easily seen and it is composed of a manageable number of pages.

To guarantee the reliability of the information displayed and the processes followed in the making of this report, every internal source is documented for each aspect reported and submitted to the verification of external auditors before its publication.

For the year that ended on December 31st 2012, the Performance Indicators included in the Guide for the Elaboration of Sustainability Reports Version 3.0 have been submitted to a review by our external auditors Márquez, Perdomo & Asociados (Members of Crowe Horwath International), who are also external auditor of our Bank.



To guarantee the reliability of the information displayed and the processes followed in the making of this report, every internal source is documented for each aspect reported and submitted to the verification of external auditors before its publication.

Commitments

Area	Main action lines 2012	Commitments 2013
Corporate Government	<ul style="list-style-type: none"> > Introduction of changes into the structure of the Steering and Executive Committees in terms of: rationalization, integration, objectives and management reports presentation. 	<ul style="list-style-type: none"> > Create a Corporate Government site in Google to organize in this site all the information related to the functioning and performance management of the different instances of the Corporate Government (Board of Directors, Executive Committees, Thematic Committees) of Banesco Banco Universal, C.A. > Update the members of each Thematic and Executive Committee to include or exclude participants. > Continue with the Survey on the Maturity Level of the Corporate Government.
Stockholders	<ul style="list-style-type: none"> > Evaluation of different offers from suppliers to implant a system to provide attention to our stockholders. 	<ul style="list-style-type: none"> > Create a section devoted to stockholders in Banesco Banco Universal, C.A. Web page. > Abide by the Venezuelan legislation and carry out a dialogue with the stockholders through quarterly meetings.
Human Capital	<ul style="list-style-type: none"> > Strengthening of our program Your House with Banesco, increasing the amount of the Mortgage Credit for employees, as well as the amount of the Unsecured Loans. > Launch of the Virtual Learning tool for all our collaborators. > We kept the agreements with different university institutions for our human capital recruitment campaigns. > Foundation of the Theater and Chorus Group and the Runners Club of Banesco Banco Universal C.A. > Homologation of the posts category, which were put in 6 bands. > Launch of the process of Knowledge Evaluation. > First celebration of the Multinational Synergy Meetings. > Refresh of Banesco Values and the Code of Ethics. 	<ul style="list-style-type: none"> > Continue with the program Your House with Banesco, by increasing the amounts of unsecured loans and granting new mortgage credit to our employees. > Strengthening the Virtual Learning platform, including new modules in our Portals of Risk and Quality Service. To launch a platform of the module corresponding to the Program of Money Laundering Prevention. > Reinforce and expand the agreements with academic institutions for our recruitment campaigns. > Incorporate new graduates in order to create a seedbed of talents and encourage the education and development of our staff. > Go deeper into the identification of Banesco Citizens with our corporate values. > Ejecutar planes de sucesion para ejecutivos, gerentes y supervisores. > Strengthening the attention channel "Human Capital with You".
Volunteers	<ul style="list-style-type: none"> > Incorporation of the recycling workshops into Banesco Volunteers education process. > We carried out campaigns to protect the environment, through our Environmental Volunteers. > Development of activities to encourage reading among the children. > Provide support to our social partners with activities celebrated at their headquarters. > Continuity of the Program for Complementary Education, addressed to Fe y Alegria higher education students. > Strengthening of Corporate Volunteers education on the matter of prevention. > Strengthening of our Corporate Volunteers at the different regions. 	<ul style="list-style-type: none"> > Continue with the education of our Corporate Volunteers in topics such as leadership, team work and effective communication. > Incorporation of the Corporate Volunteers into the program of Micro-entrepreneurs education. > Increase the participation of the Corporate Volunteers into the cultural activities carried out by Banesco Banco Universal, C.A. > Continue with the visits to the headquarters of our Social Partners. > Strengthening Banesco Volunteers presence at the main regions of the country.
Social Partners	<ul style="list-style-type: none"> > We kept unchanged our policy of permanent support to our Social Partners. > Monthly meetings of the Communications and Social Responsibility Committee to maintain aligned the CSR and business strategy. > Visits to our Social Partners headquarters. 	<ul style="list-style-type: none"> > Keep the support to our Social Partners' projects that are in tune with our Corporate Social responsibility policy. > Strengthening our relationships with our Social Partner, incorporating them into business activities. > Continue with the monthly meetings celebrated by the Communications and Social Responsibility Committee.
Community	<ul style="list-style-type: none"> > We continued the dialogue with Bello Monte community, the neighborhood where is located our headquarters. > Inauguration of a new space at our El Rosal headquarters, where we carry out several activities for the community. 	<ul style="list-style-type: none"> > Continue the dialogue with Bello Monte community through the participative budget. > Continue with the development of cultural activities at our administrative venues.

Commitments

Area	Main action lines 2012	Commitments 2013
	<ul style="list-style-type: none"> > Celebration of cultural activities at our administrative venues for the community. > Free-cost concerts all over the country. > Along with the Community Banking, we massified the program of Education for Entrepreneurs, hand in hand with one of our Social Partners. > Celebration of the fourth edition of Words for Venezuela. 	<ul style="list-style-type: none"> > Establish new alliances to increase the number of the beneficiaries of the program of Education for Entrepreneurs. > Continue encouraging cultural activities in all the regions of the country. > Prepare a monthly digital bulletin with the CSR initiatives of Banesco Banco Universal, C.A. and addressed to our customers and acquaintances.
Customers	<ul style="list-style-type: none"> > We went deeper in knowing our customers' profile in order to improve the delivery of products and services adjusted to their needs. > We emphasized quality service and operational excellence, leading to a higher satisfaction level of our customers. > Expansion of BanescoMóvil functionalities for Windows Phone devices. > Expansion of our services offer through BanescOnline. > Massification of multifunctional equipment. > We provided guidelines to our customers through the Virtual promoter. > Relaunch of Banesco Banco Universal, C.A. Web page. > Redefinition of our natural customers' segmentation for the Premium and Private Banking customers. 	<ul style="list-style-type: none"> > Remodeling of 140 branches nationwide in order to massify the new attention model through multifunctional machines and service lobbies. > Go deeper into the knowledge of our customers' profiles in order to improve the delivery of products and services adjusted to the needs of each segment, emphasizing our operational excellence. > Developing a tool that allows the customer to block his debit card from his cell phone. > Providing high standards of security, with the incorporation of a new system to reinforce access to our Internet Banking and Phone Banking.
Community Banking	<ul style="list-style-type: none"> > We added new products and services to our portfolio. > Inauguration of five new Community Branches. > Massification of the Program of Education for Entrepreneurs. 	<ul style="list-style-type: none"> > Increase our customers' satisfaction levels by adding new products and services to our portfolio. > Opening two new Community Branches to expand our services to low income zones in our country. > Incorporate new financial services in the channel Non-Banking Correspondent. > Develop Banesco Móvil SMS in order to increase financial inclusion and the penetration of banking services into low income segments of the population. > Expand the Banking via Internet in order to increase our services offer to our Community Banking customers. > Continue with the Community Cinema. > Continue with our Community Tours.
Environmental	<ul style="list-style-type: none"> > Strengthening of our plan to reduce electric power consumption. > Strengthening of our program to recycle paper. > We have continued digitalizing our files. > Incorporate the option Electronic Account Statement into Banesconline for customers with current account and debit card in order to reduce paper consumption. 	<ul style="list-style-type: none"> > Replacement of old air conditioning equipment in 100 branches all over the country. > Replacement of the air conditioning chillers at Bella Vista Tower, in Maracaibo city. > Incorporation of new material to our recycling efforts at our headquarters. > Strengthening the delivery of the Electronic Account Statement through Banesconline for customers with current account and credit card in order to reduce paper consumption.
Suppliers	<ul style="list-style-type: none"> > We carried out a re-engineering process in the area of processes, quality control and contracts, among others. > Incorporation of a clause in the contracts with our main suppliers in order to encourage the 10 tenets of the World Global Compact. 	<ul style="list-style-type: none"> > Incorporate in all the files of our suppliers a letter of acceptance and fulfillment of the Ten Tenets of the World Compact clauses. > General updating of our suppliers files.
Authorities	<ul style="list-style-type: none"> > We celebrated meetings with the Sudeban in order to review processes and improve them, according to the rules in force. > We were able to achieve all the amounts required for state-run portfolios. 	<ul style="list-style-type: none"> > Continue abiding by Venezuela's legal framework.



BANESCO BANCO UNIVERSAL, C.A.

SOCIAL BALANCE ACCUMULATED 1998 • 2012

Stated in VEF

Description	2012	Accumulated 1998 - 2012
SOCIAL INVESTMENT		
Application Banesco Resources	66,041,528	247,342,045
Fe y Alegría	—	23,237,019
Microentrepreneurs Training Program	2,044,219	2,044,219
Simón Bolívar Music Foundation	1,024,640	11,878,305
Association of Venezuelan Catholic Education (AVEC)	1,000,000	8,036,091
Institute of Advanced Studies in Administration (IESA)	1,290,000	3,870,000
Universities and Other Institutions	545,000	7,618,976
Banesco Life-Long Scholarships -	173,450	2,221,628
Other Education Institutes and Organizations	126,000	2,471,761
Venezuelan Foundation against Child Paralysis	925,840	2,619,759
Other Health and Medical Care Organizations	572,936	2,650,388
FUNDANA	180,000	1,905,254
Civil Association Don Bosco Houses Network	658,900	2,823,232
Salesian Ladies Civil Association	275,000	1,854,441
Attendance to the childhood and people with special necessities	65,500	2,442,440
Toys donation to the communities	278,222	3,386,673
Editorial Projects	1,311,188	6,433,543
Other contributions	817,577	8,780,957
Solidarity (Capital and Regional)	964,666	5,138,558
Events for the Community	6,114,071	9,421,472
Investment in works in Colinas de Bello Monte	497,455	3,888,987
Mayoralties, regional governments and other State Organizations	593,275	6,378,983
Non-Contractual Social Benefits for Banesco Employees	48,484,065	127,182,257
Corporate Volunteering Contribution	212,924	857,102
Application of Article 96 (LOCTISEP) (2004-2009)	—	33,612,457
Total Social Investment	66,154,928	247,342,045
Contracted Commitments	5,550,000	5,550,000
GENERAL TOTAL SOCIAL INVESTMENT PLUS COMMITMENTS MADE	71,704,928	296,504,502

Board of Directors

Juan Carlos Escotet
 María Josefina Fernández
 Miguel Ángel Marcano
 Daisy Josefina Véliz
 Olga Elena Marcano
 Sergio Saggese
 Flavél Castañeda
 Oscar Doval



Information about management and/or direction approach

Topic	Description	Pages
Products Portfolio	PRODUCTS AND SERVICES IMPACT	
	Policies with specific environmental and social aspects applied to the business lines. FS1	89 - 91
	Procedures for the evaluation and control of social and environmental risks in the business lines. FS2	89 - 91
	Processes to monitor the implementation of the social and environmental requirements included in customers' contracts or transactions. FS3	89 - 91
	Processes to improve the employees' capacity to implement the environmental and social policies and procedures applied to the business lines. FS4	29, 31 - 33
	Interactions with customers/participant societies/corporate partners in relation to environmental and social risks and opportunities. FS5	41,72, 84,98
Economic Dimension	INFORMATION ABOUT MANAGEMENT APPROACH	
	Economic performance	9
	Market presence Indirect economic impact	59 - 61
Environmental Dimension	INFORMATION ABOUT MANAGEMENT APPROACH	
	Material	88
	Energy	88
	Water	88
	Bio-diversity	(1)
	Emissions, spills and residues	87
	Products and services	88
	Regulatory fulfillment	93
	Transportation	(1)
	General aspects	86 - 93
Social Dimension	LABOR PRACTICES AND ETHICS AT THE WORK PLACE. INFORMATION ABOUT THE DIRECTION APPROACH.	
	Employment	28
	Relationship Company/Workers	36 - 38
	Health and Security at work	35 - 36
	Training and Education	29, 31 - 33
	Diversity and equal opportunities	38
HUMAN RIGHTS • INFORMATION ABOUT DIRECTION APPROACH	Investment and procurement practices	94 - 95
	Non-discrimination	38
	Freedom of Association and Collective Bargain	36 - 37
	Abolition of Child exploitation	38
	Prevention of forced and obligatory work	38
	Complaints and Conciliatory procedures	15
	Security practices	35
	Aboriginal rights	(1)
	HUMAN RIGHTS • INFORMATION ABOUT DIRECTION APPROACH	Community
Corruption		37
Public Policy		(3)
Disloyal Competition Behavior		102
Regulatory fulfillment		19, 76
RESPONSIBILITY ON PRODUCTS INFORMATION ABOUT MANAGEMENT APPROACH		Customers' Health and Security
	Products and Services labelling	75 - 76
	Marketing communications	77 - 78, 80
	Customer's privacy	66
	Regulatory fulfillment	76
	RESPONSIBILITY OVER SPECIFIC PRODUCTS	Description of policies for the proper design and offer of financial services and products. FS15

(1) These aspects are not considered as priorities or relevant for the activities carried out by the Bank, thus they not accompanied here by specific management approaches.

(2) The activities of our Organization do not produce significant emissions or hazardous spills.

(3) There is not a defined policy on this matter, but the Bank analyzes each case on an individual basis, and always in the framework of the regulations in force.

Profile, strategy and organization

Topic	Description	Pages
1. Strategy and analysis	1.1 Declaration of the highest responsible of the decision-making process of the organization (general director, president or an equivalent position) over the relevance of sustainability for the organization and its strategy.	2
	1.2 Description of the main impacts, risks and opportunities in relation to sustainability.	5 - 8
2. Organization Profile	2.1 Name of the organization.	4
	2.2 Main brands, products and/or services.	60 - 64, 83
	2.3 Operational structure of the organization, included its main divisions, operating entities, subsidiaries and joint ventures.	14
	2.4 Location of the organization's headquarters.	4
	2.5 Number of countries where the organization has operations and names of the countries where it develops significant activities or those relevant specifically in relation to the sustainability aspects treated in the report.	104
	2.6 Nature of the property and legal form.	4
	2.7 Markets served (including its geographic details, sectors supplied and type of customers/beneficiaries).	59, 60
	2.8 Dimensions of the informant organization, including: <ul style="list-style-type: none"> • Number of employees • Net sales (for private sector organizations) or net income (for public sector organizations) • Total capitalization, detailed in terms of debt and net assets (for private sector organizations) • Amount of the products or services provided. 	9, 21, 60
	2.9 Significant changes during the period considered by this report on the size, structure and property of the organization, including: <ul style="list-style-type: none"> • Location of the activities or changes produced, openings, closures and expansion of facilities; and • Changes on structure on the capital stock and other types of capital maintenance of these capitals and operations to modify the capital stock (for private sector organizations) 	4, 21, 19, 60, 81
	2.10 Awards and accolades received during the reported period.	75
3. Parameters of the Report	REPORT PROFILE	
	3.1 Period covered by the information in this report (for example, fiscal year, calendar year).	103
	3.2 Date of the previous report (if available).	103
	3.3 Cycle of reports presentation (annual, biennial, etc.).	103
	3.4 Contact point for questions related to the report and its content.	103
	SCOPE AND COVERAGE OF THE REPORT	
	3.5 Process to define the report content, including: <ul style="list-style-type: none"> • Determination of materiality • Priority of the aspects included in the report • Identification of the stakeholders that the organization expects to use the report. 	104
	3.6 Coverage of the report (for example, countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	104
	3.7 Indicate the existence of scope or coverage limitations of the report.	104
	3.8 The base to include in the case of joint ventures, subsidiaries, leased facilities, sub-contract activities and other entities that could have a significant impact on the comparability between periods and/or organizations.	104 - 105
	3.9 Techniques to data measurement and bases to make calculations, including hypothesis and underlying techniques to the estimations applied to the collections of indicators and other information of the report.	105
	3.10 Description of the effect that could have the reformulation of the information belonging to previous reports, along with the reasons for this reformulation (for example, mergers and acquisitions, change of the information periods, nature of the business or valuation methods).	(1)
	3.11 Significant changes related to previous periods in terms of the scope, coverage or valuation methods applied in the report.	(1)
	3.12 Table indicating the location of the basic contents of the report.	109 - 111
	VERIFICATION	
	3.13 Current policy and practice for external verification of the report. If the verification statement in the sustainability report does not include it, it will be necessary to explain the scope and base of any other external verification existent. Likewise, it should be clarified the relation between the informant organization and the supplier or suppliers of the verification.	105

Profile, strategy and organization

Topic	Description	Pages
4. Government, commitments and stakeholders participation	GOVERNMENT	
	4.1 The structure of the organization's government, including the committees of the highest government body responsible of tasks such as the definition of the strategy or supervision of the organization.	11 - 16
	4.2 Indicate if the president of the highest government body also occupies an executive position. (if so, indicate his function within the direction of the organization and the reasons justifying that position).	13
	4.3 For those organizations with an unitary steering structure, it shall be indicated the number of members of the highest government body who are independent or non-executive.	11, 12
	4.4 Mechanisms of the stockholders and employees to communicate recommendations or indications to the highest government body.	15, 20
	4.5 Link between the retribution of the member of the highest government body, top directors and executives (including the agreements of position abandon) and the performance of the organization (including its social and environmental performance)	11 - 13
	4.6 Procedures implanted to avoid interest conflicts at the highest government body.	15
	4.7 Procedure to determine the capacity and experience eligible for the members of the highest government body to guide the organization's strategy in the social, environmental and economic aspects.	11 - 13
	4.8 Declarations of mission and values developed internally, codes of conduct and relevant principles for economic, environmental and social performance, and their implementation state.	4, 15
	4.9 Procedures of the highest government body to supervise the identification and management by the organization, the economic, social and environmental performance, including related risks and opportunities, as well as the adherence or fulfillment of the standards agree upon at international instances, codes of conduct and principles.	6 - 8, 15
4.10 Procedures to evaluate the performance of the highest government body, particularly its environmental, economic and social performance.	16	
	COMMITMENT TO EXTERNAL INITIATIVES	
	4.11 Description of how the organization has adopted a precautionary plan or principle.	5, 15 - 16
	4.12 Social, environmental and economic principles or programs externally developed, as well as any other initiative subscribed or approved by the organization.	15 - 16
	4.13 Main association to which the organization is affiliated (such as sectorial associations) and/or national and international entities supported by the organization and:	
	<ul style="list-style-type: none"> • If it is present in government bodies. • If it participates in projects or committees • If it provides significant funds exceeding the obligations of the partners • If it has strategic considerations 	17
	STAKEHOLDERS PARTICIPATION	
	4.14 Relation of stakeholders included by the organization.	5
	4.15 Base to identify and select the stakeholders with which the organization is committed.	5
	4.16 Approaches adopted for the inclusion of stakeholders, including the frequency of their participation per stakeholder type and category.	(2)
	4.17 Main concerns and interest aspects that have emerged through the stakeholders participation and the way how the organization has responded to those concerns and interests in the preparation of this report.	(3)

(1) This report does not include reformulations of information or significant changes in relation to previous reports.

(2) Stockholders 20- 21 / Human Capital 22, 41 / Social Partners 44 - 45 / Community 48 - 55, 84/ Customers 7, 59, 72 / Suppliers 94, 98 / Authorities 100.

(3) Human Capital 40 - 41/ Social Partners 44 - 45 / Customers 5- 68, 83 - 85.

Report on Applying Agreed-Upon Procedures for the Verification of
the Social Responsibility Report Performance Indicators included in
Banesco Banco Universal, C.A. 2012 Corporate Social Responsibility Report

To the Board of Directors and Stockholders of
Banesco Banco Universal, C.A.

Scope of our work

We have applied the procedures agreed-upon with you and described in the following paragraph for the review of Performance Indicators provided by the Bank for the year ended December 31, 2012, identified as **Appendix I** attached hereto, and supported by the report named “**Banesco Banco Universal, C.A. 2012 Corporate Social Responsibility Report**” issued by the Bank. The Management of the Bank is the sole responsible for the preparation of the “**Banesco Banco Universal, C.A. 2012 Corporate Social Responsibility Report**”, as well as its design, implementation and preparation processes and the presentation criteria. Our responsibility is to issue an independent report on Performance Indicators based on the processes applied to our limited review.

The scope of a limited review is substantially reduced compared to an audit or work of reasonable assurance. Therefore, we do not give an audit opinion on the “**Banesco Banco Universal, C.A. 2012 Corporate Social Responsibility Report**”.

Verification Standards and Processes

Our work was conducted in accordance with the generally accepted audit standards on reports on agreed-upon procedures, the Sustainability Reporting Guidelines and Financial Services Sector Supplement issued by “Global Reporting Initiative (GRI) RG version 3.0/ FSSS Final Version, and the review standards issued by the International Federation of Accountants for works of reviewing ISAE 3000 (International Standard on Assurance Engagements 3000) on regards to limited assurance on non-financial information.

Our review consisted on making questions to the Management and the different departments of Banesco Banco Universal, C.A. that participated in the preparation of the “**Report on Corporate Social Responsibility 2012**” and making some analysis and sampling test reviews described below:

- Meetings with Banesco Banco Universal C. A.'s staff involved in the process of compiling the information contained in the report named "**Banesco Banco Universal, C.A. 2012 Corporate Social Responsibility Report**", and in the preparation of the indicators subject to our review with the purpose to know the principles, systems and action approaches applied and obtaining the necessary support documentation for its verification.
- Analysis of the processes performed by the Bank to obtain and validate the information contained in the "**Banesco Banco Universal, C.A. 2012 Corporate Social Responsibility Report**"
- Review all steps taken to identify and consider the interest groups throughout the period by analyzing available internal information and third-party reports.
- Make sure the information contained in the "**Banesco Banco Universal, C.A. 2012 Corporate Social Responsibility Report**" does not conflict with any other relevant information submitted by Banesco Banco Universal, C.A.
- Analyze and confirm that the indicators provided by Banesco Banco Universal, C.A. include the aspects suggested by (GRI) in the Sustainability Reporting Guidelines and Financial Services Sector Supplement RG version 3.0/ FSSS Final Version, and therefore assure the relevance of the information provided regarding the situation of the Bank.
- Analyze the scope, relevance, and completeness of the information contained in the "**Banesco Banco Universal, C.A. 2012 Corporate Social Responsibility Report**" based on Banesco Banco Universal, C.A. understanding of the interest groups' requirements regarding material aspects described in section "The External Aspect of Our Social Responsibility Program".
- Verify by means of sampling test reviews the calculation of quantitative and qualitative information contained in the "**Banesco Banco Universal, C.A. 2012 Corporate Social Responsibility Report**" of the year ended December 31, 2012, and proper collection thereof from information provided by Bank's information sources.
- Review by means of analysis of internal information provided the performance of the parties involved throughout the period regarding the identification, collection of information and relationships.

Conclusions

Based on the results obtained from above "**Verification Standards and Processes**", which were agreed upon with the Management of the Bank to verify the Performance Indicators 2012 provided by you for review, included in the "**Banesco Banco Universal, C.A. 2012 Corporate Social Responsibility Report**", we found no deviation or significant omissions in the reviewed information and no aspects other than those reported in Appendix I and II hereto have been identified that make us believe the "**Banesco Banco Universal, C.A. 2012 Corporate Social Responsibility Report**" has not been prepared, in all its material aspects, in accordance with the Sustainability Reporting Guidelines and Financial Services Sector Supplement RG version 3.0/ FSSS Final version, prepared by the Global Reporting Initiative. Consequently, we give the rating **Level A +**.

Recommendations

In addition, we have presented the Vice Presidency of Communications and Corporate Social Responsibility of Banesco Banco Universal, C.A. our recommendations on areas to improve in order to consolidate processes, programs and systems related to the Social Responsibility of the Bank. The most significant recommendation is:

- Improve the reporting system of the information to be included in the Social Responsibility Report, particularly the Environmental Performance Indicators, in order to define global specific objectives that can be measured on a regular basis.

MÁRQUEZ, PERDOMO & ASOCIADOS
(MEMBER OF CROWE HORWATH INTERNATIONAL)



Samuel A. Márquez T.
Public Accountant
C.P.C. N° 21.318
S.I.B. N° CP-569
C.N.V. N° 92-2003

October 28, 2013

Performance indicators

Appendix I

	Indicator	Verification	Pages
ECONOMIC PERFORMANCE			
GRI Indicator Version 3.0			
Aspect: Economic Performance			
EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Principal	Verified	7 - 8
EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change.	Principal	Verified	86
EC3 Coverage of the organization's defined benefit plan obligations.	Principal	Verified	39 - 41
EC4 Significant financial assistance received from governments.	Principal	(1)	
Aspect: Market Presence			
EC5 Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	Additional	Verified	28
EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	Principal	Verified	94 - 98
EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	Principal	Verified	25, 27
Aspect: Indirect Economic Impacts			
EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Principal	Verified	45 - 47
EC9 Understanding and description of significant indirect economic impacts, including the extent of impacts.	Additional	Verified	46 - 47
AMBIENTAL			
GRI Indicator Version 3.0			
Aspect: Materials			
EN1 Materials used by weight or volume	Principal	Partial verified (2)	88, 92 - 93
EN2 Percentage of materials used that are recycled input materials.	Principal	Partial verified (3)	88, 92 - 93
Aspect: Energy			
EN3 Direct energy consumption by primary energy source.	Principal	Verified	88
EN4 Indirect energy consumption by primary source.	Principal	Verified	88
EN5 Energy saved due to conservation and efficiency improvements.	Additional	Verified	86 - 87
EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Additional	Verified	86 - 87
EN7 Initiatives to reduce indirect energy consumption and reductions achieved.	Additional	Verified	87
Aspect: Water			
EN8 Total water withdrawal by source.	Principal	Verified	88
EN9 Water sources significantly affected by withdrawal of water.	Additional	Verified	88
EN10 Percentage and total volume of water recycled and reused.	Additional	Verified	88
Aspecto: Biodiversidad			
EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas. Indicate the location and size of land owned, leased, managed and areas of high biodiversity value.	Principal	Verified	88
EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Principal	Verified	88
EN13 Habitats protected or restored.	Adicional	Verified	88
EN14 Strategies, current actions, and future plans for managing impacts on biodiversity.	Additional	Verified	88
EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Additional	Verified	88

Performance indicators

	Indicator	Verification	Pages
Aspect: Emissions, Effluents and Waste			
EN16 Total direct and indirect greenhouse gas emissions by weight.	Principal	Verified	88
EN17 Other relevant indirect greenhouse gas emissions by weight.	Principal	Verified	88
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved.	Additional	Verified	87, 90, 91
EN19 Emissions of ozone-depleting substances by weight.	Principal	Verified	87
EN20 NO _x , SO _x and other significant air emissions by type and weight.	Principal	Verified	87
EN21 Total water discharge by quality and destination.	Principal	Verified	88 - 89
EN22 Total weight of waste by type and disposal method.	Principal	Partial Verified (2)	88
EN23 Total number and volume of significant spills.	Principal	Verified	87
EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Additional	Verified	90
EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Additional	Verified	88
Aspect: Products and Services			
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Principal	Partial Verified (4)	89 - 92
EN27 Percentage of products sold and their packaging materials that are reclaimed by category.	Principal	Verified	92 - 93
Aspect: Compliance			
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Principal	Verified	91
Aspect: Transportation			
EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Additional	Verified	90
Aspect: General			
EN30 Total environmental protection expenditures and investments by type.	Additional	Verified	88
LABOR PRACTICES AND DECENT WORK PERFORMANCE INDICATORS			
GRI Indicator Version 3.0			
Aspect: Employment			
LA1 Total workforce by employment type, employment contract, and region.	Principal	Verified	23 - 25
LA2 Total number and rate of employee turnover by age group, gender, and region.	Principal	Verified	26 - 27
LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Additional	Verified	39 - 41
Aspect: Labor/Management Relations			
LA4 Percentage of employees covered by collective bargaining agreements.	Principal	Verified	36
LA5 Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	Principal	Verified	26
Aspect: Occupational Health and Safety			
LA6 Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Additional	Verified	35
LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Principal	Verified	35
LA8 Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Principal	Verified	29 - 36
LA9 Health and safety topics covered in formal agreements with trade unions.	Additional	Verified	36
Aspect: Training and Education			
LA10 Average hours of training per year per employee by employee category.	Principal	Verified	31 - 32
LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Additional	Verified	29 - 33
LA12 Percentage of employees receiving regular performance and career development reviews.	Additional	Verified	26

Performance indicators

	Indicator	Verification	Pages
Aspect: Diversity and Equal Opportunity			
LA13 Composition of governance bodies and breakdown of employees per category according to gender, age, minority group membership, and other indicators of diversity.	Principal	Verified	11,13, 23 - 25
LA14 Ratio of basic salary of men to women by employee category.	Principal	Verified	38
HUMAN RIGHTS			
GRI Indicator Version 3.0			
Aspect: Investment and Procurement Practice			
HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Principal	(5)	
HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Principal	Partial Verified (5)	17, 94
HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Additional	Verified	33
Aspect: Non-discrimination			
HR4 Total number of incidents of discrimination and actions taken.	Principal	Verified	38
Aspect: Freedom of Association and Collective Bargaining			
HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Principal	Verified	38
Aspect: Child Labor			
HR6 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Principal	Verified	38
Aspect: Forced and Compulsory Labor			
HR7 Operations identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of forced or compulsory labor.	Principal	Verified	38
Aspect: Security Practices			
HR8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Additional	Verified	33
Aspect: Indigenous Rights			
HR9 Total number of incidents of violations involving rights of indigenous people and actions taken.	Additional	Verified	38
SOCIETY			
GRI Indicator Version 3.0			
Aspect: Community			
S01 Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Principal	Verified	46 - 47
Aspect: Corruption			
S02 Percentage and total number of business units analyzed for risks related to corruption.	Principal	Verified	15
S03 Percentage of employees trained in organization's anti-corruption policies and procedures.	Principal	Verified	31 - 32
S04 Actions taken in response to incidents of corruption.	Principal	Verified	37
Aspect: Public Policy			
S05 Public policy positions and participation in public policy development and lobbying.	Principal	Verified	17
S06 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Additional	(6)	
Aspect: Anti-Competitive Behavior			
S07 Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	Additional	Verified	102

Performance indicators

	Indicator	Verification	Pages
Aspect: Compliance			
S08 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Principal	Verified	102
PRODUCT RESPONSIBILITY			
GRI Indicator Version 3.0			
Aspect: Customer Health and Safety			
PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Principal	Partial Verified (7)	66 - 69, 76
PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Additional	Verified	65, 76
Aspect: Product and Service Labeling			
PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Principal	Partial Verified (8)	75 - 78, 80
PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Additional	Verified	72 - 73, 75 - 76
PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Additional	Verified	72 - 73, 84, 98
Aspect: Marketing Communications			
PR6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Principal	Verified	75 - 80
PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Additional	Verified	76, 102
Aspect: Customer Privacy			
PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Additional	Verified	65, 102
Aspect: Compliance			
PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Principal	Verified	102

Page: location of the indicator in Banesco Banco Universal, C.A. Corporate Social Responsibility Report 2012.

(1) During the cycle covered by this report, we did not record any financial aid received from the government.

(2) We have not installed a systematic procedure to calculate the weight or volume of all the materials used by the Bank.

(3) The organization does not use reclaimed material. The organization has in place a donation program for furniture, computers and toner cartridges to be reused.

(4) We have not determined the extent of the environmental impact reduction as a consequence of mitigation actions adopted.

(5) The Bank has not included Human Rights clauses in its investments agreements and it does not analyze these agreements in terms of Human Rights.

(6) The Organization does not grant this kind of contributions.

(7) We take into consideration our customers' security and privacy in all our products and services. However, we do not count on a systematized procedure allowing to collecting the data, as it is explained by this indicator.

(8) We strictly comply with the rules and procedures in force to design all our products and services, but we have not in place a procedure that allows to indicate a percentage, as it is explained in this indicator.

(9) The Bank has not in place this kind of service.

(10) The Bank's assets are not currently submitted to this kind of control.

(11) The Bank will work on the procedures to identify the departments that interact with the companies to address environmental and social topics.

Verified: Quantitative and Qualitative data verification of the information given by the VP of Communications and Social Matters, as well as from the different areas of the Bank that have been reported in this Banesco Banco Universal, C.A. Corporate Social Responsibility 2012".

Partially Verified: It was not possible to verify all the information reported in the present Banesco Banco Universal, C.A. Corporate Social Responsibility 2012, related to the indicators established in the Guide for the Making of Sustainability and Financial Services Sector Supplement reports issued by the Global Reporting Initiative (GRI) Version 3.0/FSSS Final Version.

Performance indicators

Appendix II

	Indicator	Verification	Pages
FINANCIAL SERVICE SECTOR SPECIFIC PERFORMANCE INDICATORS			
Aspect: Products Portfolio			
FS6 Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector.	Principal	Verified	59 - 61, 81, 83, 101
FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	Principal	Verified	59 - 61, 83, 101
FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	Principal	(10)	
Aspect: Audit			
FS9 Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	Principal	(11)	
Aspect: Active Ownership			
FS10 Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues.	Principal	(12)	
FS11 Percentage of assets subject to positive and negative environmental or social screening.	Principal	(11)	
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.	Principal	Verified	17
FINANCIAL SERVICE SECTOR SPECIFIC ON SOCIETY PERFORMANCE INDICATORS			
Aspect: Community			
FS13 Access points in low-populated or economically disadvantaged areas by type.	Principal	Verified	25, 59, 81
FS14 Initiatives to improve access to financial services for disadvantaged people.	Principal	Verified	81 - 85
SPECIFIC PRODUCTS RESPONSIBILITY PERFORMANCE INDICATORS			
Aspect: Product and Service Labelling			
FS16 Initiatives to enhance financial literacy by type of beneficiary.	Principal	Verified	82, 85

Page: location of the Indicator in Banesco Banco Universal, C.A. Corporate Social Responsibility Report 2012.

Verified: Quantitative and Qualitative data verification of the information given by the VP of Communications and Social Matters, as well as from the different areas of the Bank that have been reported in this Banesco Banco Universal, C.A. Corporate Social Responsibility 2012".

Partially Verified: It was not possible to verify all the information reported in the present Banesco Banco Universal, C.A. Corporate Social Responsibility 2012, related to the indicators established in the Guide for the Making of Sustainability and Financial Services Sector Supplement reports issued by the Global Reporting Initiative (GRI) Version 3.0/GSSS Final Version.



Statement GRI Application Level Check

GRI hereby states that **BANESCO BANCO UNIVERSAL, C.A** has presented its report "CORPORATE SOCIAL RESPONSABILITY 2012" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 14 November 2013

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a faint, large watermark of the GRI globe logo.

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The "+" has been added to this Application Level because **BANESCO BANCO UNIVERSAL, C.A** has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

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