

Corporate Social Responsibility and Sustainability Report

2011



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To Our Customers, Workers, Stockholders and Social Partners



It's a matter of great pleasure for me to present you, for the eighth times in a row, with our Corporate Social Responsibility and Sustainability Report 2011. The publication of this memoir of activities enables us to express our deep satisfaction vis-à-vis an accumulated experience. It allows us to show a corporate managerial model based on the convergence of economic benefits, sensibility and understanding of the Venezuelan present.

This host of experiences has produced an ethical response, from a deep commitment and innovating spirit that encourages our corporate organization to join the fight against poverty and the promotion of those sectors with a unanimously acknowledged potential by the whole society.

When we started to walk through the way of Corporate Social Responsibility, we began with educational and health projects as they desperately need urgent programs to meet their needs and receive new opportunities to achieve their highest development.

Since 1998, our social investment has rose to Bs. 214,799,571 million, an amount that has allowed the creation of better conditions and opportunities for the children and adolescents who are attended to by our Social Partners, institutions which are very closely related to our organization by a strong and real commitment.

Banesco has made great efforts to design and implement a sustainable Corporate Social Program, inside and outside, which is going forward on firm steps and with high acceptance rates. For Banesco, Corporate Social Responsibility is an integral part of our organization. It's the manifestation of our flexibility as an institution and our deep roots in Venezuela as Venezuela is our great short and medium-term goal and, above all, our long-term goal, as well as our supreme asset.

Having in mind our workers' needs, in 2004 we established concrete goals for our strategic planning, so as all our workers could have access to their own houses. At the end of 2011, this program has an accumulated of 5.172 beneficiary workers, with an investment of Bs. 992,078,576.24.

Likewise, in 2011 we made great efforts to preserve unchanged our workforce, in spite of the world economic crisis, and guarantee the stability and security of our collaborators. At the end of 2011 our workforce was composed of 13.842 employees.

Regarding our customers, 2011 was the year to launch channels designed to optimize our customers' time. Therefore, we opened 6 new agencies; installed 316 Self-service Machines which recorded a monthly average of 710.841 transactions and launched our application BanescoMóvil, to make operation with smart phones.

We still are a transparent institution with our community and, for the fourth time in a row, we have made the Participative Budget with Colinas de Bello Monte Community, amounting to Bs. 407.167,08, for projects aimed to improve the quality of life of the inhabitants of Colinas de Bello Monte, the urbanization where is located our headquarter, Ciudad Banesco.

For 2012, and with the help of our collaborators, stockholders, customers, suppliers and the community, our action on the matter of Corporate Social Responsibility will continue growing and consolidating in order to provide all its stakeholders with the benefit they deserve.

Juan Carlos Escotet Rodríguez

President of the Board of Directors



Members of the Board of Directors

Juan Carlos Escotet
President

Salvador Eduardo Cores
María Josefina Fernández
Nelson Orlando Becerra
Gonzalo José Clemente
Miguel Ángel Marcano
José Rafael Padrón
Daisy Josefina Véliz
Olga Elena Marcano

Organization Profile



Banesco
BANCO UNIVERSAL



Mission, Vision and Values



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

Banesco Values

- Integrity and reliability
- Individual and social responsibility
- Innovation and quality service
- Entrepreneurship
- Interdependency and leadership
- Personal updating and excellence
- Diversity and adaptability

Main Impacts, Risks and Opportunities



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

Additionally, it has produced programs which are directly related to the development of the core capacity of our Human Capital and Corporate Social Responsibility in order to ensure the business alignment with the sustainability vision. Banesco Banco Universal, C.A. is aware that to be able to achieve a positive impact on the population, the bankarization process must be sustainable from an economic and financial perspective

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

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 stakeholders about all the Organizations' projects. Therefore, we have embarked on actions to develop a strategy addresses to their relevant topics (See chapters *Stockholders* pg. 19, *Human Capital* pg. 21, *Social Action in the Community* pg. 43, *Our Social Partners* pg 39, *Our Suppliers* pg 39 and *Our Customers* pg 50)

Direct Tangible Value

The Economic Value Generated (EVG) at 2011 year-end closed at Bs. 7,677,21 million, accounting for an increase of 22.44% against Bs. 6,273.08 million the previous year.

In 2011, around 161.22% (Bs. 7,597.57 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 2011 accounted for 0.57% of Venezuela's Gross Domestic Product (GDP), against 0.55% in 2010.

The relative participation of the Direct Tangible Value components at the end of 2011 was as follows: suppliers expenditures accounted for 95.91% of the Economic Value Distributed, staff expenditures accounted for 90.99%, while taxes accounted for 70.85%. The dividends complement was 19.91%

The Economic Value Retained (EVR) amounted to Bs. 2,576.19 million, accounting for an increase of 71.79% against the previous year.



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.

Creation of Direct Tangible Value: Detail by Stakeholders

Thousands Bs.

Stakeholder	Indicador de Valor	2011	2010
Stockholders	Dividends ⁽¹⁾	365,823	287,404
Employees	Staff Expenditures ⁽²⁾	1,671,539	1,358,001
Customers	Interest and Assimilated Charges ⁽³⁾	1,550,420	1,672,908
Suppliers	Others Overhead Expenses ⁽⁴⁾	1,761,990	1,638,965
Society	Taxes ⁽⁵⁾	1,301,671	823,574
	Resources allocated to support communities ⁽⁶⁾	11,514	14,541

(1) Source: Stockholders Management Unit.

(2) Source: Sudeban Results Statement Publication or CONRP, Transformation Expenditures (Staff Expenditures group 441).

(3) Source: Sudeban Results Statement Publication or CONRP, Public Taking Expenditures (Financial Expenditures by Takings Group 411).

(4) Source: Sudeban Results Statement Publication or CONRP, Transformation Expenditures (Staple 440 Overhead Expenditures, excluded 411 Staff Expenditures, 449-12 Contributions to the Fund of Guarantee for Deposits and Banking Protection (FOGADE), 449-13 Contributions to the Superintendency of Banks and Other Financial Institutions).

(5) Source: CONRP (Banesco Banco Universal, C.A. Financial Statements), including Income Tax (ISRL), municipal taxes and Value Added Taxes.

contributions to SUDEBAN, FOGADE, SSO, SPI, LPH, INLE and LOSEP. (Accounts 445-01 Municipal Taxes, 445-99 Others taxes and contributions.

441-22 Employer contributions, 449-12 Contributions to FOGADE, 449-13 Contributions to SUDEBAN and Other Financial Institutions, 471 Income Tax, Contributions to LOSEP, see Balance Sheet Published, Included Social Contributions to Communes and contributions to Local, according to law requirements up to 12/31/2011).

(6) Source: Sudeban Results Statement Publication or CONRP, Extraordinary Expenditures (group 450).

Economic Value Generated and Distributed

Thousands Bs.

Economic Value Generated (EVG)	2011	2010
Economic Value Generated (EVG)	7,677,219	6,273,082
Intermediation Margin ⁽⁷⁾	6,425,350	4,670,362
Net fees ⁽⁸⁾	1,172,221	1,534,872
Other ordinary income ⁽⁹⁾	178,851	159,737
Other net profits and losses ⁽¹⁰⁾	797	8,111
Economic Value Distributed (EVD)	4,745,716	4,107,944
Dividends ⁽¹⁾	365,823	287,404
Suppliers and other general expenses of administration ⁽⁴⁾	1,761,990	1,638,965
Taxes ⁽⁵⁾	1,301,671	823,574
Staff expenditures ⁽²⁾	1,671,539	1,358,001
Economic Value Retained (EVR = EVG – EVD)	2,576,196	2,165,138

(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).

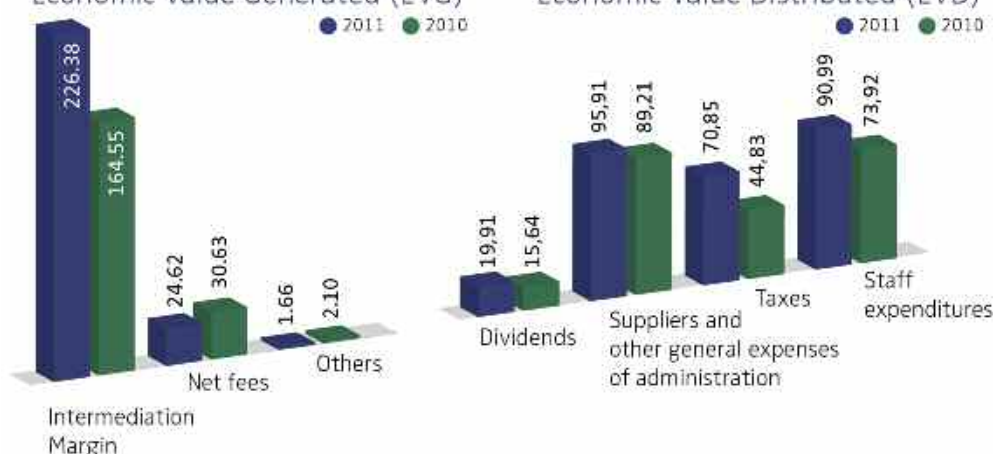
(9) Fuente: Sudeban, Income Statement for Publication or CONRP (Account 539 Various Operational Revenues).

(10) Fuente: Sudeban, Income Statement for Publication or CONRP (Account 533 Realizable Assets Revenues minus 433 Realizable Assets Expenses).

Percentage participation of the Economic Value Generated

Economic Value Generated (EVG)

Economic Value Distributed (EVD)



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 2011 year-end was up to 13,842 people: 8,882 (64.17%) women and 4,960 (35.83%) men.

According to the figures published by The Superintendency of Banks (SUDEBAN) for December 2011, Banesco's workers accounted for 18.53% of the banking system employment against the number of workers in the Venezuelan financial system for that date of 74,680 people.



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 a reduction of the quantity of suppliers hired and an increase of 28.54% of the amounts paid to these suppliers between 2010 and 2011 (see Chapter *Our Suppliers*, page 80).

Finnancial Summary

Financial Summary

Million Bs.

	2011		2010		Growth			
	1st Half	2nd. Half	1st Half	2nd. Half	II Half 2011		II Half 2011/ 2010	
					Absolute	%	Absolute	%
Total Assets	55,586	79,298	42,684	52,087	23,712	42.7%	27,211	52.2%
Liquid Assets	13,710	22,718	11,284	17,345	9,007	65.7%	5,373	31%
Investments in Securities	8,016	11,518	5,011	4,782	3,502	43.7%	6,736	140.9%
Credit Portfolio	31,741	41,905	24,589	27,654	10,164	32%	14,251	51.5%
Deposits Taking	48,101	70,752	37,175	45,832	22,650	47.1%	24,919	54.4%
Deposits in Check Accounts	32,389	48,612	21,947	28,241	16,223	50.1%	20,371	72.1%
Deposits in Saving Accounts	8,014	13,054	6,557	8,445	5,040	62.9%	4,610	54.6%
Fixed Deposits	68	491	3	11	423	619.5%	481	4541.6%
Others	7,630	8,594	8,668	9,136	964	12.6%	-542	-5.9%
Total Equity	4,880	6,208	3,809	4,235	1,328	27.2%	1,974	46.6%
Trusts Assets	7,521	8,362	6,656	7,180	841	11.2%	1,182	16.5%
Housing Mutual Fund	4,942	5,703	3,879	4,401	761	15.4%	1,302	29.6%
Financial Revenues	3,410	4,240	2,689	2,986	830	24.3%	1,254	42%
Financial Expenses	734	829	901	794	95	12.9%	35	4.4%
Gross Financial Margin	2,676	3,411	1,788	2,192	735	27.5%	1,219	55.6%
Financial Intermediation Margin	2,843	3,582	2,215	2,455	739	26%	1,127	45.9%
Transformation expenses	2,039	2,075	1,603	1,856	36	1.8%	219	11.8%
Net Result	610	1,368	403	503	757	124.1%	864	171.7%
Accumulated Agricultural Portfolio	6,293	6,675	4,525	5,350	382	6.1%	1,326	24.8%
Takings From Oficial Entities	4,209	4,302	3,159	3,517	93	2.2%	785	22.3%
Microcrédits	1,364	1,952	1,112	1,375	588	43.1%	577	42%
Commercial Credits	7,825	14,115	6,165	6,237	6,290	80.4%	7,878	126.3%
Consumption Credits	10,077	10,968	8,242	8,912	891	8.8%	2,057	23.1%
Vehicles	1,692	2,705	822	1,194	1,013	59.8%	1,511	126.5%
Crédit Cards	8,385	8,263	7,420	7,718	-122	-1.5%	546	7.1%
Mortgage Loans	4,540	5,137	3,720	4,123	597	13.1%	1,014	24.6%
Ratios								
Credit Portfolio/Gross Fixed Portfolio Provision	171.8%	235.0 %	188.90%	186.20%				
Fixed Portfolio/Gross Credit Portfolio	1.4%	1.0%	1.50%	1.30%				
Net Result/Average Asset	2.3%	3.04%	1.90%	2.10%				
Net Result / Average Equity	26.5%	39.4%	22.00%	23.60%				
Broad Liquidity	43.2%	42.1%	37.70%	43.20%				

The Internal Dimension of Our Social Responsibility

Corporate Government



Our Policy

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

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

Our Management

Banesco keeps a government structure composed of the Stockholders' Meeting, the Board of Directors, the President of the Board of Directors, the Compliance Officer for the Prevention of Capital Legitimation and Funding to Terrorism, the Internal Comptroller, as well as the Credit, Risk and Audit Committees.

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

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

Stockholders' Meeting

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

Board of Directors

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

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

Following the decision made by the Stockholders' Meeting on March 30, 2007, the number of members composing the Board of Directors was increased from a





minimum of 8 members and a maximum of 11 members to a number of members no less than 9 and no higher than 13.

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.

Banesco Banco Universal C.A. complies with Resolution N° 199.11 issued by the Superintendent of Banks and Other Financial Institutions (SUDEBAN for its Spanish acronym), dated July 14, 2011. This Resolution establishes the Guidelines to evaluate the fulfillment of the requirements of experience, honorability and solvency 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 December, 2011, the Bank created the Unit Human Capital with You, which main purpose is to provide fast and timely responses to the requirements presented by Banesco Citizens involved with Human Capital management. The requests are considered by several areas involved in their resolution and the workers get his answer through several channels designed for this purpose:

- ▶ Internal e-mail (e-mail Contigo_Capital_Humano@Banesco.com)
- ▶ Voice messages
- ▶ Intranet mail to receive the cases.

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.

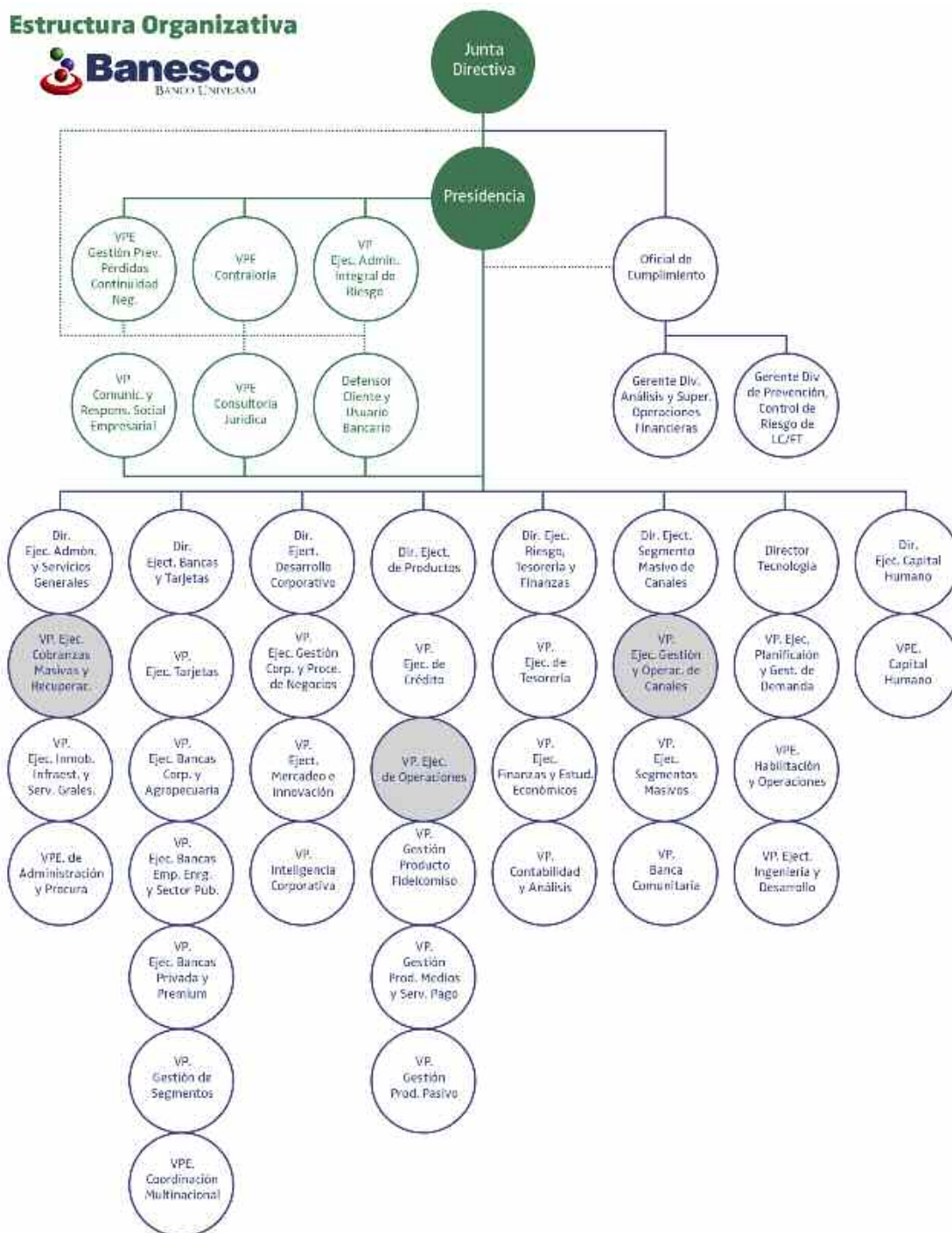
Additionally, he represents the institution and grants contracts, agreements, deals on its behalf and, in general, all kind of documents of any nature. In summary, the President of the Board of Directors carries out any administrative task entrusted to him by the Board. Along with the Board of Directors 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.

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



Workers Participation

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

Compliance Officer for the Prevention of Capital Legitimation (CL) and Terrorism Financing (TF)

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

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

Internal Comptroller

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

Thematic Committees

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

Risk Committee

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

Credit Committees

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 made by our customers, 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.

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 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.

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; b) Propose strategies to leverage our business profitability through the sale of Banesco Community Banking products and services and a timely recovery; c) Propose new products and services to expand the service offer for our present and potential customers; d) Create opportunities to exchange ideas and develop debates which favor timely decision-making processes and follow-up; e) Encourage the integration with the organizational vice-presidencies in order to consolidate team-work and support our quality service.

Quality Service Committee

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

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.



Communications Committee

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

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

Auditing Committee

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

In 2011, 405 Attention Points were reviewed, that is 93% of Banesco Banco Universal, C.A. branches for that period. The review considered aspects such as operating risk, prevention of capital legitimation and terrorism financing. Likewise, 66 administrative areas were reviewed, accounting for 80% of the Bank's central areas.

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.

Sustainability and Responsibility Committee

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

Ethics and Conduct Committee

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

Code of Ethics and Conduct

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

In 2011, the Ethics Committee reviewed 327 cases, against 342 cases the previous year.



For Banesco Banco Universal C.A., the ethical conduct of the organization and its staff is a matter of paramount importance and it is included as a value of our Social Responsibility Policy





Our Policy on Ethics, Human Rights, Regulation, Unions and Corporate Participation

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 2011, the organization adopted the following measures:

- ▶ 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.
- ▶ Divuligation of the Global Compact Ten Principles through our media (blog).

Regulation, Unions and Corporate Participation

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

Banesco participates and is also an active member of the following bodies:

- ▶ Central Bank of Venezuela (BCV): Operations Committee and Cash at a regional level, 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 and Inter-banking Transfers Committee
 - Taxes Committee
 - Swift Corporation

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 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.

Integral System for the Prevention and Control of Capital Legitimation 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° 38.388 of the Bolivarian Republic of Venezuela, dated March 17, 2010, and reprinted in the Official Gazette N° 39.494 of the Bolivarian Republic of Venezuela, dated August 24, 2010, Resolution N° 427 dated August 13, 2010, which establishes the "Rules Related to the Administration and Fiscalization of the Risks related to Prevention, Control and Fiscalization of the Capital Legitimation Operations and Terrorism Financing by the Superintendent of Banks and Other Financial Institutions".

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.

In this sense, in 2011 and 2010, the Board of Directors prepared, adjusted and approved the documents listed below, according to the new requirements established by the Regulating Body in Resolution N° 119-10, as well as the new official letters and/or notifications related to the matter:

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

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

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

Banesco Banco Universal, C.A., as an Obligated Entity, is taking the necessary steps in order to strengthen its Integral System for Risk Management of Capital Legitimation and Terrorism Financing, taking into consideration the observations made by the External Auditors and the Regulating Body through its official letters and notifications".



Distribution of the Enforcement Employees



By December 31, 2011, the Board of Directors has designated 419 Enforcement Employees nation wide 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 CL/TF in each area under their responsibility.
- ▶ Apply and supervise the rules, policies and procedures of Prevention and Control of the CL/TF activities in each area under their responsibility.
- ▶ Advise and support the staff under their responsibility in relation to the prevention and control procedures and the rules in force for the matter.

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 Directive and Executive Thematic Committees, which support the management of the Board of Directors and its Executive Direction for the benefit and protection of its stockholders, customers and employees' interests.

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

Our Stockholders



Our Policy

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

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

We count on a wide base of individuals who enjoy the benefits of a high profitability and solvency.

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

Each year we celebrate two Ordinary General Assemblies. In 2011 these 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 in order to offer an improved service to our users. Here they can get all the required information about their investments: states of account of their dividends (historic registry), claims, external auditing certifications, stocks transfer in case of death or divorce, guarantee, reports delivery at request and everything related to their stocks.



Month	2011	2010
February	38,141.65	39,862.85
May	37,880.54	39,556.86
August	36,672.90	38,141.65
November	36,672.90	38,141.65

Preferred Stocks

At the end of 2011, Banesco had 40,070 stockholders: 34,191 were the owners of preferred stocks, while 5,879 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 2011 and 2010 and expresses in bolivars.



At the end of 2011, Banesco had 40,070 stockholders: 34,191 were the owners of preferred stocks, while 5,879 owned common stocks.

Dialogue with our Stockholders

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

- ▶ Stockholders' 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
- ▶ Branches network.





Transparency in the flow of information to our stockholders is one of the principles we have adopted

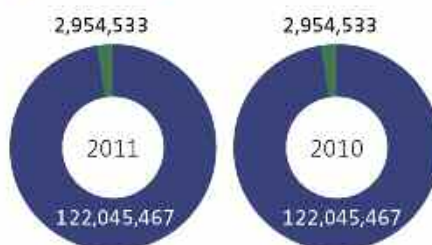
Basic Traits

Capital Stock (Bs.)



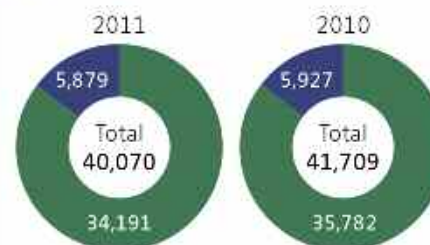
Shares

● Circulation ● Treasury



Number of shares

● Preferred ● Common



Dividends *

	2011	2010
In cash (Bs.)	150,000,000	125,000,000
Benefit per share	1.55	1.48
In cash (Bs.)	175,000,000	60,000,000
Benefit per share	1.80	0.71
In cash (Bs.)	-	60,000,000
Benefit per share	-	0.61
In shares	-	79,000,000
Benefit per share	-	0.093
In shares	-	46,000,000
Benefit per share	-	0.049
Dividends Preferred Shares	-	-
In cash (Bs.)	40,678,888.89	42,404,166.67

* The amounts were paid in the corresponding years.

Our Human Capital



Our Policy

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

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

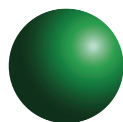
In this sense, the policy on the matter of Human Capital favors significant levels of development, competitive remuneration, individual and team motivation to achievement, as well as the protection and well-being for our workforce, with the firm belief that our workers are the fundamental axis of the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

Our Management

In 2011, we made efforts to protect our employees' payroll, in spite of the world economic crisis, guaranteeing the stability and safety of our collaborators and we also filled vacancies. At the closing day of the 2011 fiscal year, Banesco's payroll was composed of 13,842 employees, 0.91% 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 2011, 89.53% of our Human Capital, that is 12,393 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, 82.34% of our workers are fixed employees. 62.20% of them are women and the personnel filling the base positions accounts for 39.39% of the total payroll.



Distribution per age rank and gender

Age	2011			2010			Variation		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
15 - 17*	93	49	142	122	72	194	(23.77%)	(31.94%)	(26.80%)
18 - 25	1,704	887	2,591	1,759	1,008	2,767	(3.13%)	(12.00%)	(6.36%)
26 - 30	2,526	1,226	3,752	2,574	1,335	3,909	(1.86%)	(8.16%)	(4.02%)
31 - 35	1,906	997	2,903	1,799	962	2,761	5.95%	3.64%	5.14%
36 - 40	1,226	712	1,938	1,189	736	1,925	3.11%	(3.26%)	0.68%
41 - 45	701	508	1,209	670	536	1,206	4.63%	(5.22%)	0.25%
46 - 50	399	363	762	391	341	732	2.05%	6.45%	4.10%
51 - 55	211	143	354	174	125	299	21.26%	14.40%	18.39%
56 - 60	80	50	130	75	50	125	6.67%	0.00%	4.00%
61 - 65	31	17	48	25	14	39	24.00%	21.43%	23.08%
68 - 70	3	8	11	4	5	9	(25.00%)	60.00%	22.22%
71 - 75	1	0	1	2	0	2	(50.00%)	0.00%	(50.00%)
> 75	1	0	1	1	0	1	0.00%	0.00%	0.00%
Total	8,882	4,960	13,842	8,785	5,184		1.10%	(4.32%)	(0.91%)

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



Distribution per age and position category

Level/Age Groups	2011						2010					
	15-17*	18-30	31-40	41-50	> 50	Total	15-17*	18-30	31-40	41-50	> 50	Total
Base	142	3,594	1,245	407	148	5,536	194	3,833	1,199	431	139	5,796
Professional and Technicians	-	2,529	2,353	579	135	5,596	-	2,614	2,165	553	112	5,444
Supervisory	-	168	736	473	99	1,476	-	191	850	469	78	1,588
Managerial	-	52	499	448	136	1,135	-	38	461	421	124	1,044
Vice-Presidents	-	-	8	59	22	89	-	-	11	57	19	87
Directors	-	-	-	5	4	9	-	-	-	7	2	9
President	-	-	-	-	1	1	-	-	-	-	1	1
Total	142	6,343	4,841	1,971	545	13,842	194	6,676	4,686	1,938	475	13,969

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

Distribution per gender and position category

Level/Age Groups	2011			2010			Variation		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Base	3,431	2,105	5,536	3,487	2,309	5,796	(1.61)	(8.83)	(4.49)
Professional and Techn.	3,896	1,700	5,596	3,746	1,698	5,444	4.00	0.12	2.79
Supervisory	783	693	1,476	853	735	1,588	(8.21)	(5.71)	(7.05)
Managerial	720	415	1,135	648	396	1,044	11.11	4.80	8.72
Vice-Presidents	49	40	89	48	39	87	2.08	2.56	2.30
Directors	3	6	9	3	6	9	0	0	0
President	0	1	1	0	1	1	0	0	0
Total	8,882	4,960	13,842	8,785	5,184	13,969	1.10	(4.32)	(0.91)

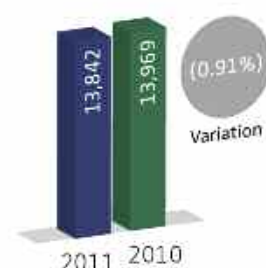
Distribution per type of contractual relation and gender

Level	2011		2010		Variation	
	Female	Male	Female	Male	Female	Male
Trainees	364	171	410	206	(11.22)	(16.99)
Under Contract	1,315	594	854	474	53.98	25.32
Fixed employees	7,203	4,195	7,521	4,504	(4.23)	(6.86)
Total per Gender	8,882	4,960	8,785	5,184	1.10	(4.32)
Total General	13,842		13,969		(0.91)	

Principales Indicadores

Workers

Total Workers



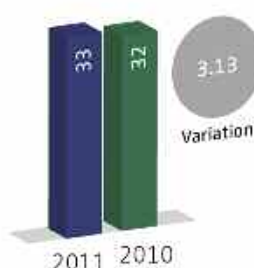
Distribution per Gender

● 2011 ● 2010 ● Variation



Average Age

● 2011 ● 2010



Seniority

● 2011 ● 2010





National Distribution

Banesco has carried out a territorial division based on its business strategy. As a result, Banesco is an important employment source at the different regions of the country. 82.34% of our payroll is composed of fixed employees. This percentage recorded an important reduction in comparison to 2010, as during this period the Bank hired base staff with a view to become fixed employees in a year. The high turnover of this segment explains the reduction.

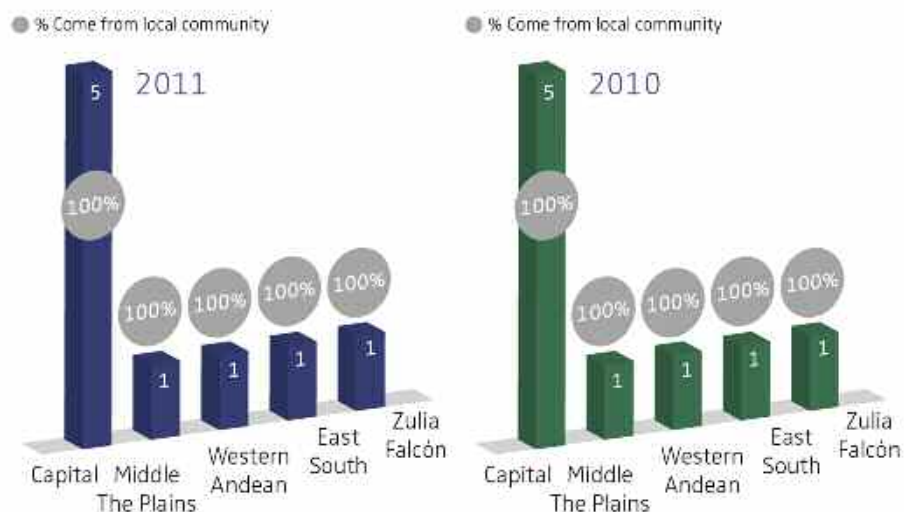
The Executive Vice-Presidency of Human Capital has a presence at the main Venezuelan cities, with a team of integral advisors, expert people in Human Capital management.

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

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

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.

Vice-Presidents of the Network



National Distribution

Region	2011		2010		Variation	
	Workers	% of Total	Workers	% of Total	Workers	% of Total
Capital	8,217	59.36%	8,364	59.88%	(147)	(1.76)
Middle-The Plains	1,721	12.43%	1,686	12.07%	35	2.08
Western-Andean	1,343	9.70%	1,410	10.09%	(67)	(4.75)
East-South	1,399	10.11%	1,390	9.95%	9	0.65
Zulia – Falcón	1,162	8.39%	1,119	8.01%	43	3.84
General Total	13,842	100%	13,969	100%	(127)	(0.91)



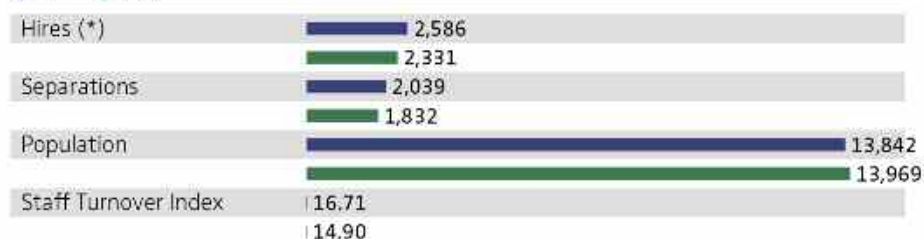
Hires and Separations Patterns

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 2010 to 2011, the index went from 14.90% to 16.71%, showing that the labor stability of our Human Capital has been preserved against the figures of the previous year.

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

Turnover Index

● 2011 ● 2010



The Staff Turnover Index is calculated with the following formula: $[(\text{hires} + \text{separations}) / 2] / \text{population at year-end}$
 (*) Workers promoted to fixed employees and contracts renewed not included.

Staff Turnover Index per Region 2011

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

Staff Turnover Index per Region 2010

Region	Population	Hires + Sep.	Turnover Index
Middle-Tha Plains	1,686	585	17.35%
Metropolitan	8,364	2,443	14.60%
Western-Andean	1,410	416	14.75%
Zulia - Falcón	1,119	313	13.99%
East-South	1,390	406	14.60%
Total	13,969	4,163	14.90%

Staff Turnover Index per region, age and gender 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%	0%	17.90%	22.45%	8.15%	5.81%	8.02%	5.95%	7.14%	2.50%
Zulia - Falcón	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%

Staff Turnover Index per region, age and gender 2010

Region	<18		18-30		31-40		41-50		>50	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Middle-The Plains	71.43%	133.33%	22.86%	32.83%	9.40%	11.80%	4.39%	4.46%	-	6.82%
Metropolitan	71.08%	62.71%	23.87%	28.20%	7.60%	9.92%	4.63%	5.25%	5.36%	8.41%
Western-Andean	325.00%	-	22.68%	19.66%	10.60%	7.46%	2.60%	6.33%	5.56%	5.26%
Zulia - Falcón	106.25%	200.00%	23.46%	25.90%	8.10%	9.80%	3.33%	3.13%	5.56%	8.70%
East-South	64.29%	88.89%	23.88%	23.24%	8.31%	12.34%	4.30%	4.09%	2.08%	11.76%

Staff Turnover Index per region, age and gender 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%
Zulia - Falcón	750	412	251	116	16.73%	14.08%
East-South	961	438	256	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 2010

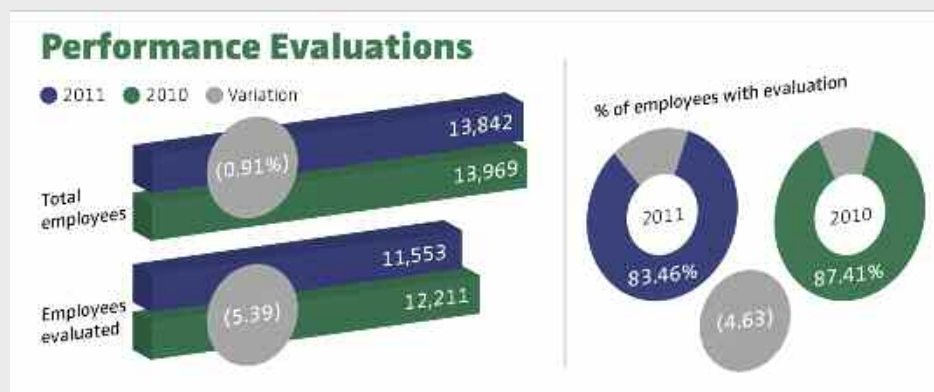
Region	Population		Hires + Separations		Turnover %	
	Female	Male	Female	Male	Female	Male
Middle-The Plains	1,115	571	240	212	10.76%	18.56%
Metropolitan	5,259	3,105	1,394	981	13.25%	15.8%
Western-Andean	789	621	182	203	11.53%	16.34%
Zulia - Falcón	696	423	130	114	9.34%	13.48%
East-South	926	464	192	86	10.37%	9.27%
Total	8,785	5,184	2,138	1,596	12.17%	15.39%



Performance Evaluation

In order to cover the Performance Evaluation cycle 2011, the following activities were carried out:

- In 2011 we conducted for the first time the evaluation of quantitative goals for all the Bank population. Up to 2010, only the executive, managerial and supervisory and professional staff recorded their goals in the SAP tool and their performance was evaluated on this base.
- A total of 11,553 Citizens were submitted to performance evaluations in 2011, accounting for 83.46% 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.



Job promotions

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 2011 we promoted 1,136 workers as the primary source to fill vacancies.

Promotions

Direction	2011	2010	Var.
President of Board of Directors Office	10	3	233
Exe. Dir. Administration and Gen. Services	66	116	313
Exe. Dir. Banking and Cards	101	71	42
Multinational Exe. Dir. Of Human Capital	10	0	100
Exe. Dir. Corporate Development	26	52	(50)
Exe. Dir. Of Products	93	41	127
Exe. Dir. Treasury and Finance	52	8	550
Exe. Dir. Massive Segments and Channels	669	378	77
Exe. Dir. Corporate Services	17	17	0
Exe. Dir. Of Technology	92	31	197
Total Job Promotions	1,136	617	84

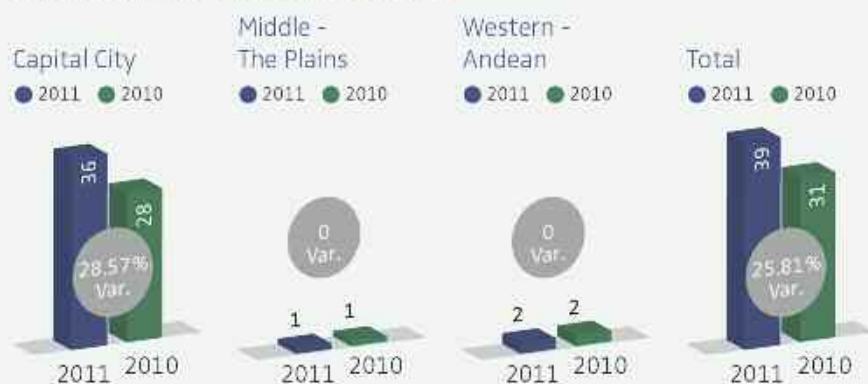
Remunerations Policy

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 2011 Banesco Citizens received an average wage increase of 38%, this is 8 percentage points higher than the Peer Group increase and above the inflation rate. This wage increase was granted into two parts: 15% during the first half and 20% during the second half of the year.

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

Level/Age Groups	Workers Trained			Men Hours			Average Hours		
	2011	2010	Var. %	2011	2010	Var. %	2011	2010	Var. %
Base	5,267	4,843	8.75	147,639	127,010	16.24	28.03	26.23	6.88
Professional and Technicians	4,957	5,186	(4.42)	143,803	188,525	(23.72)	29.01	36.35	(20.20)
Supervisory	1,546	1,597	(3.19)	46,165	75,184	(38.60)	29.86	47.08	(36.57)
Managerial	1,223	983	24.42	53,842	47,268	13.91	44.02	48.09	(8.44)
Vice-Presidents	76	33	130.30	678	394	72.08	8.92	11.94	(25.28)
Directors	3	0	100	33	0	100	11	0	100
Total	13,072	12,646	3.40	392,160	438,381	(10.54)	30	34.68	(13.49)

Training*

Description	Hours /Men trained		
	2011	2010	Var. %
Banking, Finance and Insurance	176,098	0	100
Managerial Competences	10,554	373,555	(3,439.46)
Management Control	1,624	0	100
Personal Development	39,750	0	100
Specialized	25,870	0	100
Laws and Regulations	54,140	64,826	(19.74)
Marketing, Sales and Services	70,818	0	100
Industrial and Physical Safety	1,656	0	100
Technology and Information Safety	12,650	0	100
Total Hours /men trained	392,160	438,381	(11.79)
Total Workers	13,842	13,969	(0.92)
Average Hours of Training	30%	34.68%	(15.60)
Total Workers Trained	13,072	12,590	3.83
% of Workers Trained	94.44%	90.13%	4.78

*Excluding congresses, national and international events



SAP – HCM PHASE II

2011 was the consolidation year of the “Employee Self-Service Portal”. Today, this portal provide our employees 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.



Training and Workshops on Operating Risk

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

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

Inductions on Operating Risk to New Employees

	Number of sessions	Number of participants
2011	24	1,295
2010	60	1,661
Variation	(60%)	(22.03%)

On the other hand, the Bank offered 21 specialized training this year which were attended by 329 people.

Specialized Workshops on Operating Risk

Areas	2011		2010	
	Training	Participants	Training	Participants
Management Div. Operating Services and Collection	-	-	3	23
Business Process	-	-	9	90
VP Community Banking	2	89	1	9
Prevention of Capital Legitimation	-	-	2	14
Management Div. Electronic Banking	-	-	2	13
Management Div. Operations applied to Channels/Payment means	-	-	2	12
VP of Liquidation Operations	8	82	-	-
VP. Excellence Services, CH.	3	24	-	-
VP. International Trustfunds Custody, VP Trustfund	3	71	-	-
Products Management	-	-	-	-
Executive VP Integral Risk Management	1	21	-	-
Executive VP Corporate Management and Business Processes	1	16	-	-
VP Strategic Management	1	9	-	-
VP Products Management	1	4	-	-
Other units	1	13	-	-
Total	21	329	19	161

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.

Budget for Training of Operating Risk Delegates

2011 Goal

Guarantee the effectiveness of risk management in our business key areas.

2010 Goal

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



• In 2011, this activity did not created costs for the organization, as it was developed by Human Capital facilitators who were trained for this purpose in 2010.

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 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.

Training on Prevention and Control of Capital Legitimation and Terrorism Financing

	Number of workers			Amount Bs.		
	2011	2010	Var. %	2011	2010	Var. %
New Employees	1,368	1,047	30.66	(1)	(2)	
Active staff	9,348	8,266	13.09	1,158,227.44	247,475.17	368.02
Total	10,716	9,313	15.06	1,158,227.44	247,475.17	368.02

(1) The training offered to our new employees for the year 2011 was dictated by the Unit of Prevention and Control of Capital Legitimation and Terrorism Financing, contrary to the updating conducted for our external staff.

(2) The cost associated to training programs for new employees were charged to different costs centers due to changes applied to our structure in 2010. For this reason, it was impossible to calculate the costs for this period of time. For 2011, the area in charge will be taken the corresponding provisions in this sense.



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

Indicator	2011	2010	Var. %
Hours of training on Human Rights	6,421	7,059	(9.04)
Number of people trained on Human Rights	1,390	1,211	(14.78)
Total workers	13,842	13,969	(0.91)
% of workers trained on Human Rights	10.04	8.67	15.83

Security Staff Trained on Human Rights

Indicator	2011	2010	Var. %
Security staff trained on Human Rights	68	43	58.14
Total Security Area Employees	89	102	(12.75)
% of staff trained on Human Rights	76.40%	42.16%	81.21%

Development of Competences

All Banesco's employees participated, including executives, managers, professionals and the base, with a 86% share of the 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.

Likewise, we launched our Virtual Learning Platform to encourage the development of competences and knowledge which are crucial for every employee, according to his role for a successful performance.

Internships Program

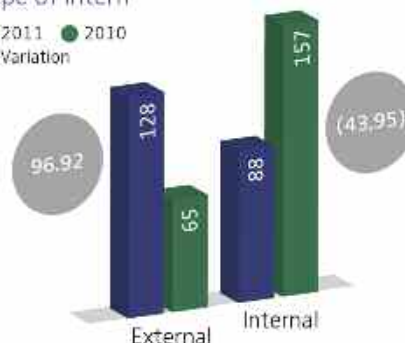
Banesco Banco Universal, C.A. Internships Program allows the early recruitment of talents to be incorporated into our Organization in order to foster their long-term development within the Bank.

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. The Ministry of Higher Education, along with the Institutions of Higher, Technical and University Education, establish the duration of these internships, which shall not be under 240 hours according to the regulations of the Internships National Program. Besides, we assign a mentor to each intern.

Internships Program

Type of Intern

● 2011 ● 2010
● Variation



QUALITY OF LIFE, FREE TIME AND PERSONAL DEVELOPMENT

In 2011, we developed a series of recreational, cultural and sports activities in the framework of our Plan Quality of Life. These activities contribute 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.

Free Time Activities

Activity	Beneficiaries	Scope	Investment
Sports and recreational activities (tonification)	687	National	291,939.20
Permanent training on several disciplines	491	Caracas, Maracaibo and Los Andes	357,551.60
Mini-Olympic Games	3,110	National	2,292,709.03
Sports Tournaments	1,701	Regions Middle-The Plains; Caracas, Western - Andean, East-South and Zulia-Falcón	3,121,622.02
Vacation Plan	1,486	National	5,169,709.71
Theater/plays presentations (1)	694	Caracas	195,776.00
Gastronomical Culture Workshops	163	Caracas	26,604.96

(1) 15 workers were trained and they staged the plays

Salud Laboral

Labor Health Indicators

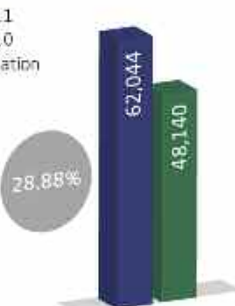
Absenteeism Rate

● 2011
● 2010
● Variation



Total days of medical leave

● 2011
● 2010
● Variation



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.

We encourage the prevention of risky incidents, within and outside our facilities, through lectures and training on the matters of health and work environment.

Likewise, we publish our bulletin boards "Labor Safety and Health up to day" at all our branches.

Labor Safety Activities 2011

Activity	Workshops / Lectures	Nº of Participants
Lectures on physical and Industrial Security to our new employees	24	1,493
Workshop "The LOPCYMAT 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

Labor Safety Activities 2010

Activity	Workshops / Lectures	Nº of Participants
Workshop "The LOPCYMAT and Our Responsibility"	10	1,004
Lecture "When the Earth Shakes" "Prevention Depends on You" and "Development of Healthy Life Styles"	3	224
Induction on Hygiene and Industrial Security to our new employees	34	-
Lecture about Use and Manipulation of Fire Extinguisher	119	-
Induction lectures on Hygiene and Industrial Security for branches officers	11	168

LABOR RELATIONS

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

The Basic Insurance Policy covering for Hospitalization and Surgery rose from Bs. 25,000 to Bs. 30,000, and for Maternity it was increased from Bs. 10,000 to Bs. 20,000, as of November 2011.

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

At the end of 2011, 13,208 employees were protected under our Collective Bargain, accounting for 95.42% of all the workers of Banesco Banco Universal.

Workers under Collective Bargain

Program	2011	2010	Var. %
Total employees	13,842	13,969	(0.91%)
Workers under Collective Bargain	13,208	13,250	(0.32%)
% Workers under Collective Bargain	95.42%	94.85%	0.60%



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

At the end of 2011, 13,208 employees were protected under our Collective Bargain, accounting for 95.42% of all the workers of Banesco Banco Universal.

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 provides all the conveniences, so as its workers could exert all these rights, as a legitimate expression of freedom to develop the activities they deem appropriate for their interests, without any restriction, but those established by the Law. A proof of this was the affiliation, at the end of December 2011, of 13,208 workers to SITRABANESCO, the Nation Union of Workers of Banesco Banco Universal, C.A, Financial Group. This union gathers 95.42% of our total payroll. Another example of freedom of association is the fact that the right of our workers to celebrate and negotiate Collective Bargains is guaranteed. In fact, several Collective Bargains have been subscribed with SITRABANESCO.

Steps taken to deal with corruption incidents

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

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

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

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

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





Equal opportunities and non-discrimination

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

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

Relation between Base Wage and Gender, detailed by professional level

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

Relation between Base Wage and Gender

Men and Women

Indicator	2011	2010
Base	1	1.01
Professional and Technicians	1.17	1.14
Supervisory and Managerial	0.98	0.92
Managerial (*)	1.04	0
Vice Presidents	0.93	0.97
Directors	0.79	0.63

(*) Category separated in 2011

Child Exploitation

The very nature of the banking business demands activities and functions that would hardly favor or allow child exploitation. Only our INCE's trainees are under-age. These apprentices devote most of their time to educational activities on the matters of administration and accounting and their activities are regulated and supervised by the INCE. Therefore, no risk incidents of child exploitation have been identified within the organization.

Forced Labor

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

BENEFITS GRANTED TO OUR WORKERS

Our benefits program covers all the staff, including those employees under part-time contracts or temporary workers, mainly those benefits related to food, health and housing.

Contractual Benefits

Contractual Benefits	Investment (Bs.)			N° beneficiaries		
	2011	2010	Var. (%)	2011	2010	Var. (%)
Contribution to Saving Fund	53,277,697.57	42,636,038.57	24.96	13,978	13,157	6.24
Contribution to Relatives for Employee Death	229,710.00	84,768.00	170.99	9	6	50.00
Contribution for School Supplies	490,800.00	502,500.00	(2.33)	3,851	3,735	3.11
Scholarships	135,240.00	144,000.00	(6.08)	136	200	(32.00)
Contribution to tellers and promoters	772,610.30	754,065.50	2.46	4,946	4,515	9.55
Contribution for Death of Direct Relatives	24,480.00	23,040.00	6.25	102	96	6.25
Contribution to Mothers' Day	241,850.00	226,800.00	6.64	4,837	4,535	6.66
Marriage Bonus	27,720.00	30,120.00	(7.97)	198	217	(8.76)
Birth Bonus	85,760.00	107,200.00	(20.00)	530	657	(19.33)
Christmas Toys	4,340,000.00	4,265,560.23	1.75	8,680	8,408	3.24
Acknowledgment Policy – Seniority Acknowledgments	3,202,830.91	781,609.65	309.77	2,164	1,545	40.06
HCM Insurance ⁽¹⁾	120,652,945.45	110,055,424.41	9.63	36,985	36,385	1.65
Family Subsidy	235,035.00	228,290.00	2.95	3,520	3,394	3.71
Uniforms and equipment	7,566,852.84	13,080,059.76	(42.15)	3,628	5,562	(34.77)
Vacations and Vacation Bonus	32,984,203.17	29,831,550.93	10.57	10,539	13,055	(19.27)
Total	224,267,735.24	202,751,027.05	10.61	94,103	95,767	(1.74)

(1) Applies to workers and family

Non-Contractual Benefits

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

Non-Contractual Benefits

Actividad	Investment (Bs.)			N° of beneficiaries		
	2011	2010	Var. (%)	2011	2010	Var. (%)
Unsecured Loan for Housing	11,571,058.00	6,695,000.00	72.83	462	400	15.50
Parking subsidy	570,000.00	360,000.00	58.33	215	847	(74.62)
Cafeteria subsidy	17,279,269.11	15,338,587.00	12.65	6,932	4,176	66.00
Medical service	1,205,304.00	838,013.00	43.83	5,851	6,467	(9.53)
Medical Assistance for Extreme Diseases	326,007.00	305,465.00	6.72	22	30	(26.66)
Total	30,951,638.11	23,537,065.00	31.50			



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 a seniority above a year in the organization should have a house of their own. At the end of 2011, this program reached to a total accumulated investment of 992,078,576.24 for the benefit of 5,172 workers.

Tu Casa Program

Program	Investment (Bs.)		Nro. of beneficiaries	
	2011	2010	2011	2010
Mortgage credit for housing acquisition	150,903,127.70	129,541,917.56	583	681
Mortgage credit for housing revamping	13,977,283.55	16,330,145.75	117	168
Total	164,880,411.25	145,872,063.31	700	849

Legal Obligations

Legal Obligations	Investment (Bs.)			Nº of Beneficiaries		
	2011	2010	Var. (%)	2011	2010	Var. (%)
Nurseries	9,890,084.52	7,559,434.65	30.83	1,837	932	97.10
Inces	15,981,266.45	11,635,315.83	37.35	535	616	(13.15)
Food coupons	78,695,571.13	61,750,291.15	27.44	12,485	12,590	(0.83)
Employment Law	12,042,055.81	9,782,893.83	23.09	13,842	13,963	(0.87)
Housing and Habitat Law	19,320,803.62	14,934,928.80	29.37	13,842	13,963	(0.87)
Mandatory Social Security	54,254,097.77	44,224,132.95	22.68	13,842	13,963	(0.87)
Training on Prevention of Capital Legitimation	-	247,475.17	(100.00)	10,716	9,313	15.06
Totals	190,183,879.30	150,134,472.38	26.68			

Other Benefits Granted to our Employees

	Investment (Bs.)			Nº. of Beneficiaries		
	2011	2010	Var. (%)	2011	2010	Var. (%)
Contribution for medical emergencies from the Saving Fund	444,859.13	213,483.54	108.38	44	32	37.50
Banesco Banco Universal, C.A. Credit for Vehicles	68,291,000.00	53,897.000	26.70	797	837	(4.78)
Vacation Plan for the children of the employees	5,169,709.71	3,745,006.49	38.04	1,486	1,266	17.38
Sports and Recreational Activities	3,413,561.22	807,764.75	322.59	2,879	783	267.69
Mini- Olympic Games ⁽¹⁾	2,292,709.03	0	100	3,110	0	100.00
Promotion to Sports (Permanent Training) ⁽²⁾	357,551.60	0	100	491	0	100.00
Education and training programs	14,579,637.38	8,711,391.43	67.36	13,072	10,363	(100.00)
Cultural Activities ⁽²⁾	222,380.96	0	100	1,777		100.00
Totales	94,771,409.03	177,012,539.60	(46.46)			

Preferred Stocks

In 2008, the Board of Directors made the decision of granting preferred stocks to Banesco's employees at the base, professional and technician levels who were active employees at May 1, 2008. This benefit to acknowledge their work and commitment to the organization was granted to a total of 8,910 workers, accounting for 70% of Banesco's staff. Under this benefit, they received the dividends corresponding to these actions between 2009 and 2011.

Employees Satisfaction Index

Program	Score	
	2011	2010
Cafeteria	6.85	6.61
National Mini-Olympic Games	9.71	0
Todo Ticket Juguetes (toys) ⁽¹⁾	7.78	7.79
Vacation Plan	8.51	8.50
Collective Health Insurance Policy ⁽¹⁾	7.31	7.10
Satisfaction Index	8.36	7.50

(1) The general result of this measurement was 8.36, where 1 means "Dreadful" and 10 "Excellent".

Organizational Climate Study

In 2009, the Organizational Climate Study in Banesco BBU was conducted and its results were presented in 2010. Based on these results, mainly the aspects evaluated, Banesco decided to prepare an instruments adjusted to the needs of our Organizations and its subsidiaries, to diagnose not only the organizational climate but those aspects associated with our organizational culture.

In this sense, we designed an evaluation tool in 2011. This tool is composed of 67 items, divided into 2 modules, 40 items for Culture Module and 27 items for Climate Module. These modules reflect the most relevant areas and dimensions of workers' life within our organization and the spots were they could get the most according to our realities as Banesco citizens. This toll will be applied in 2012.

Internal Communications Management

These are our internal communication channels:

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



Satisfaction of Our Staff with Our Internal Communications

The VP of Corporate Intelligence conducted the Channels Survey in 2011 in order to measure the satisfaction level of our staff in relation to our internal communications.

At 2011 year-end, the satisfaction level with our internal communications was 8.7 points, measured with a 1-10 scale. The survey was carried out with a sample of 765 subjects, a ± 3.4 error margin and 95% or reliability.

This value is slightly above the one recorded in 2010 (8.4 points) and it's the highest value recorded during the last 7 years reviewed.



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 inclusion, relevance and response capacity.

This first meeting was attended by Banesco Banco Universal, C.A President and its Human Capital Director, who listened to the participants' requirements in relation to the topic exposed: a proper knowledge of the Ethics Code; individual developments plans for employees; wage levels and incentives, based on criteria such as business sustainability, equality and justice according to achievements and merits.

All along 2011 last quarter, the bank provides 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.

This dialogue will continue in 2012, with the incorporation of a new stakeholders group.



The External Dimension of Our Social Responsibility



Banesco
BANCO UNIVERSAL

Our Social Partners



Our Policy

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

The Social Partners concept involves a medium and long-term relationship which guarantees the continuity of the projects, so as the contributions could be more than mere aids, 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.

Our Management

Banesco Banco Universal, C.A. supports 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. These institutions are our Social Partners.

In 2011 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, Andrés Bello Catholic University (UCAB), Venezuelan Association of Catholic Education (AVEC), Venezuelan Foundation against Infantile Paralysis, "Asociación Audaz" for the Guidance and Support of People with Special Needs (Apoye), Salesian Women Civil Association, State-Foundation for the National Systems of Youth and Children Orchestras of Venezuela (Fesnojiv), Always Friends Civil Association and Los Roques Scientific Foundation.

Our Social Partners

Organization / Institution	Project	2011	2010	Var. %
Fe y Alegría	Construction and procurement for University Institutions	1,481,640	1,481,460	0.012
"Don Bosco Houses" Civil Assoc.	ARIS Project	693,127	3,871	17,805.63
Fundana	Maintenance fee of The Toddlers Villages	-	180,000	(100)
The Children Museum Foundation	Development of Web page	6,000	4,000	50
UCAB	Contribution for the Andrés Bello Scholarships Program	300,000	-	
	Contribution for the payment of 5 scholarships	27,350	20,750	31.80
	Contribution for the Chair of Imagination and Literary Genders	100,000	-	100
	Others	20,000	9,587	108.61
AVEC	Consolidation of educational and recreational programs	1,000,000	1,000,000	0
Venezuelan Foundation Against Infantile Paralysis	Building of roof for the Waiting Room of the Hospital	-	800,000	(100)
Apoye Civil Association	50% of the headquarters rent	39,000	51,000	-23.53
Salesian Women Civil Association		250,000	250,000	0
Fesnojiv	Program to Consolidate Work Training			
	Contribution to the Great National Tour of the Simón Bolívar Latin Caribbean Orchestra	1,000,000	-	100
	Construction of the new facilities for the Center of Social Action for Music	-	1,863,000	(100)
	Sponsorship concert of West Eastern Divan Orchestra	-	260,696	(100)
Always Friends Civil Association	Scholarships, wages, labor training	50,000	-	100
Los Roques Scientific Foundation	Education and Environment Program	50,000	50,000	0
Total Bs.		5,017,117	5,974,364	-16.02

All along 2011, Banesco Banco Universal, C.A has maintained a fluent and permanent dialogue with these institutions, through meetings, interviews and activities that have allowed us to identify new opportunities to cooperate and participate to meet the needs of society.

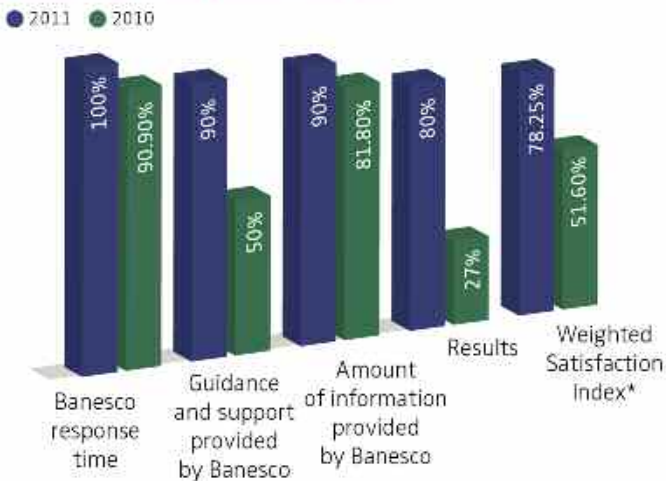
Our activities catalogue includes the permanent support that Banesco has granted for years to these institutions as integral parts of our Corporate Social Responsibility Program.

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 access to primary education.

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 provides timely and detailed information about the progress of our joint initiatives, as well as about the investment and the fulfillment of our recommendations for the successful conclusion of these projects, correcting potential deviations and building indicators to gauge the social impact of these initiatives.

Satisfaction Indicators



* This indicator was calculated with the answers of 8 Social Partners



Results of the projects made with our Social Partners

Partner	Project	Description	Direct beneficiaries		Indirect beneficiaries		Status		Final Execution	Impact Territorial	% executed
			2011	2010	2011	2010	2011	2010			
Fe y Alegría	Construction of the Library of San Francisco Institute of Fe y Alegría.	Construction of a library that allows the San Francisco Institute of Fe y Alegría provide spaces for research, both for the internal community as externa.	2,522 people.	8,187 direct beneficiaries will IUJO between Barquisimeto and Zulia state IUSF.	12,610 people. The total population of IUSF was taken and multiplied by 5.	Approx. 16,800 people (4 by direct indirect).	Construction and operation completion.	Construction completed in 2009 currently in operation.	Information pending.	San Francisco municipality, Zulia state and Barquisimeto Lara state.	100%
B.C. Don Bosco House Network	Building a Network of Drugs	Integral Education Project on Prevention of drug and psychotropic substances, alcohol and snuff.	425 children and adolescents benefit from talleres. Personal vacation plans and beneficiaries: 90.	425 children and adolescents benefit from talleres. Personal vacation plans and beneficiaries: 90.	30 people (family).	30 people (family).	Lifelong execution.	Lifelong execution.	Lifelong execution.	Homeland	90%
	Mobile Unit "Bosco Bus"	Care and social reintegration of children and adolescents at risk and street.	7 kids, 50 teens.	There was no contribution in 2010.	They did not report.	There was no contribution in 2010.	Lifelong execution.	There was no contribution in 2010.	Lifelong execution.	Caracas Metropolitan Area (Municipality: Libertador, Chacao and Sucre), San Felix; El Tigre; Puerto La Cruz; Acarigua; San Cristobal; Merida and Catia La Mar.	100%
Fundana	The Villas of Chiquiticos	Maintenance of Las Villas that function as a home for abandoned or abused infants.	There was no contribution in 2011.	120 children.	120 children.	--	Lifelong execution.	Lifelong execution.	Lifelong execution.	Capital District and Miranda State.	100%
Museum Foundation of the children	Website: Curiosikid.com	Creating Website: Curiosikid.com scientific child to learn while playing.	All children and adults visiting the page.	Information pending.	All children and adults visiting the page.	All children and adults visiting the page.	Consolidation and continuity in the program.	It was implemented to the satisfaction.	Lifelong execution.	Capital District and Miranda State.	Lifelong execution.
Universidad Católica Andrés Bello	Sponsorship Chair for the Promotion of Literature and Writing.	Course Imagination and literary genres.	Without information.	Without information.	Information pending.	Without information.	Information pending.	The second semester ended in february 2010.	Lifelong execution.	Capital District and Miranda State.	Information pending.
Asociación Venezolana Católica Educación (AVEC)	Educational Infrastructure Consolidation	Construction, repair or extension of educational spaces AVEC different centers in the country.	7,099 children and adolescents. 2,422 adults.	7,043 among children, adolescents and adults.	35,495 indirect beneficiaries.	24,715 (4,943 direct beneficiaries of 5 members of your household).	5,184 m2 restored, 15 classrooms remodeled, 3 coordination modules and bathrooms, computer rooms, 7 bathrooms areas, 1 chapel, 12 sports fields, 1 perimeter wall.	3,596 m2 restored, 18 tennis classroom ceilings remodeladas. 4 dep. Rush electric one. One connection to water network.	Lifelong execution.	Homeland	80%

Resultados de los proyectos realizados junto a nuestros Socios Sociales

Partner	Project	Description	Direct beneficiaries		Indirect beneficiaries		Status		Final Execution	Impact Territorial	% executed
			2011	2010	2011	2010	2011	2010			
Venezuelan Foundation Against Infantile Paralysis	Conditioning the general waiting room at Children's Orthopedic Hospital, Caracas.	Condition the -- General Waiting Room today "Amador Bendayan Terrace" for the volume of patients attending outpatient.	--	An estimated 252,000 patients per day attending outpatients, including 26 specialties.	--	Approx. 1,000 people between patients and companions.	--	--	It was implemented to the satisfaction.	The Hospital is the National Reference Center specializing in Orthopaedics and sees patients from all over the country.	80%
	Remodeling and technological updating of Ophthalmology at Children's Orthopedic Hospital	Provision of equipment and furnishings.	-	-	-	7,000 children and adult patients.	--	Project implemented by 80% in 2010.	--	--	100%
A.C. APOYE	Pay 50% of the venue hire.	Training and workshops académica. Terapias artistic training and training for the employment of young people with Down syndrome.	58 young	58 young	174 families, 3 direct beneficiaries per participant (and caregivers).	174 families, 3 direct beneficiaries per participant (and caregivers).	Pay 50% of the venue hire.	Pay 50% of the venue hire.	Ongoing program that requires continuity in time.	Capital District and Miranda State.	100%
B.C. Salesian Ladies	Strengthening Training for work "Don Bosco Center 88".	Train low-income youth who have dropped out of school through training programs for future inclusion in the labor market.	184 young.	198 young.	552 people, (3 Persons direct dial per student).	582 young people (3 People direct dial per student).	It was implemented to the satisfaction.	It was implemented to the satisfaction.	Ongoing program that requires continuity in time.	Capital District and Miranda State.	100%
Fundamusal	Adaptation of core infrastructure belonging to the System of Orchestras and Choirs Youth and Children Venezuela.	Improve the conditions of the infrastructure of some of the Nuclei belonging to System Orchestra and Youth and Children's Choirs in different states of Venezuela.	3,870 children and adolescents.	680 members of the National System of Youth and Children's Orchestras.	15,480 people. For every child or adolescent participant in each of the core, approximately 4 household members to which impacts the benefits received.	2,040 members of the National System of Youth and Children Orquestras.	It was implemented to the satisfaction.	It was implemented to the satisfaction.	Ongoing program that requires continuity in time.	Homeland.	100%
Fundación Científica Los Roques	Environmental education program "Scientific knowledge in hand with the community Arquipélago Park Los Roques.	Allows the interaction between the Los Roques community and the scientific society. It transmit the knowledge of cultural heritage and the archaeological past.	284 people: 238 students, 14 students of the Educational Missions 8 authorities and 24 teachers.	171 students, 22 teachers and 23 students from the Educational Missions.	852 people (three indirect beneficiaries for each direct beneficiary).	684 indirect beneficiaries (three indirect beneficiaries for each direct beneficiary).	It was implemented to the satisfaction.	Consolidation and continuity of the program.	Ongoing program that requires continuity in time.	Federal Unit, Los Roques Archipelago.	100%

Social Action in the Community



Our Policy

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

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

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

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

Our Management

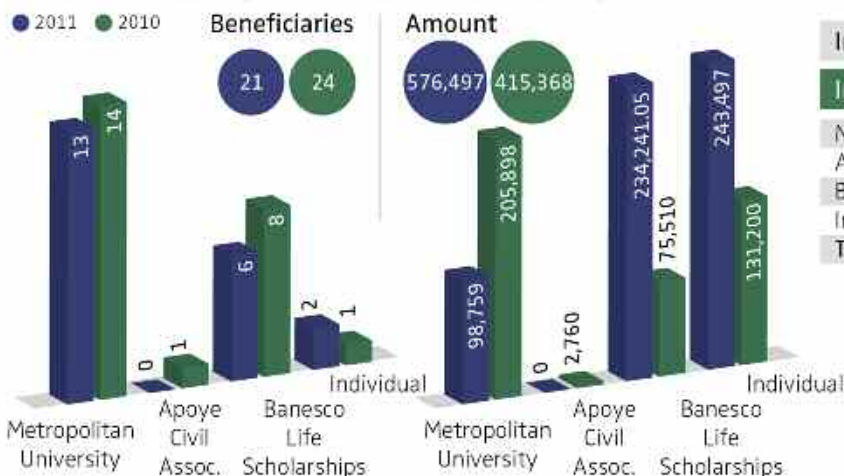
- We granted study scholarships to 22 people. Six of them also enjoy the benefit of Banesco Life Scholarships. This initiative was launched in 1996, when we decided to provide our current account holders affiliated to any of Banesco Plans with the opportunity to participate in quarterly draws which prize will be a study scholarship named “Banesco Scholarship”. This scholarship covers all the academic expenses from pre-school to higher education, and even post-graduate studies. The beneficiary can also transfer the scholarship to his relatives.
- Ciudad Banesco has also been the scene of different activities organized by our Social Partners and other institutions and organizations, which have a positive impact on the community.
- Our branches network has become the promotion engine for our Social Partners’ initiatives. Banesco supports them with annual raffles to raise funds in order to finance social projects.



Banesco social action has many faces that reflect our goal of including those sectors deprived from education and health



Banesco Study and Life Scholarships



Institution	Variación %	
Institución	Monto	Beneficiarios
Metropolitan University	(52.03)	(7.14)
Apoye Civil Assoc.	(100)	(100)
Banesco Life Scholarships	210.21	(25.00)
Individual	85.59	100
Total	38.79	(12.50)



Collection for Raffles carried out by our Social Partners

Organization / Institution	Project	2011	2010	Var. %
Venezuelan Foundation against Infantile Paralysis	Súper Bingo de la Bondad	333,772.14	351,298	(4.99)
Fe y Alegría	Fe y Alegría raffle	132,000.00	317,538	(58.43)
Children with AIDS Foundation	The Good Samaritan – Foundation Children with AIDS	443,700.00	152,363	191.21
Anti-Cancer Society	Gran Bono de la Salud	1,488,327.00	1,060,528	40.34
Fundana	Fundana Auction	2,407,000.00	774,714	210.70
Total Bs.		4,804,799.14	2,656,441.01	80.87

Ciudad Banesco Events 2011

2011

Institution	Activity	Montos
Bello Monte Community	Preparation of projects with Bello Monte Community	1,837.10
Lisbeth Salas	Rafael Cadenas ' book launch	94,908.13
Step by Step Foundation	Exhibition – Respecting Differences	4,043.75
	Photographic Exhibition "Here we are"	10,313.90
Caracas Press Club	Toast of Caracas Press Club	866.20
Ediciones B	Launch of the book "Lucia la pelota con llegar al Salón de la Fama".	13,639.60
	Launch of the book "Señora Madrastra", by Flor Alicia Anzola	11,589.11
Artesano Group Foundation	Launch of Las Bases Cuantitativas	24,052.54
Baruta Mayoralty	Presentation of "Ahora Cantamos" chorus	0.00
Caracas TED	Event at Ciudad Banesco	841.40
Banesco Banco Universal, C.A	"Tania en Pelotas" theater play	11,627.56
	Presentation of "Hermanos Naturales"	70.00
	Launch of the book "Sangre en el Diván" by Ibéyise Pacheco	13.088
	EDO Exhibition	448.00
Fundana	Exhibition VII Auction	5,070.30

2010

Institution	Activity	Montos
Banesco Banco Universal	Launch of Jesús Sanoja Hernández's book	12,533.44
Fundana	Fundana VI Auction	562.50
Ximena Borges	Ximena Borges recital	21,168.00
Venamcham	CSR Special Events	6,020.16
Venezuela without Boundaries F.	Resources granted for the Bank of Projects	983.50
Simón Bolívar University	Launch of Poetry Papyrus Collection	15,502.01
Bello Monte Community	Participative Budget 2010	432.72
Banesco Banco Universal	Press conference for Bicentennial Conquest	3,150.00
Avesid	Sponsorship for the XIII International Congress on Down Syndrome	0.00*
Total		60,352.33

* This activity did not produce expenses 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 2011 amounts to Bs. 1,756,960.00 for projects to be developed in and by the community.

To distribute the funds, the community organizations and authorities are convened. They are the Neighbours Assoc., Communitu 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 where these representatives decide the priority and order of the works to be carried out. A total amount of Bs. 407,164.08 was granted in 2011 to develop projects to improve the quality of life of Colinas de Bello Monte residents. Here are the projects chosen:

Bello Monte Participative Budget

2011			2010	
Institution	Project	Amount	Project	Amount
Santo Domingo Foundation	Dropouts from formal educational system.	100,609.60	Dropouts from formal educational system.	129,413
	Physical Therapy and Rehabilitation for the Elder in Colinas de Bello Monte.	76,413.00	Contributions to improve infrastructure.	200,031
Step by Step Foundation	Respecting Differences.	48,755.00	Respecting Differences.	28,778
		82,850.00	Sports Scholarships Plan "Fray Martin Larrainza"	90,248
Biohabitat Civic Assoc. ACS Tech, C.A.A	Sports Scholarships Plan "Fray Martin Larrainza"		Equipment to improve security levels at Colinas de Bello Monte	42,063
CEAPUCV			Recovery of a sports field in the school	124,197
Luis Levin	First phase to recover the Ecological Garden at "Concha Acústica"	41,555.92		
	Read to Coexist			
Bank of the Book		42,051.48		
Total		407,164.08		614,730

En 2011 la discusión del presupuesto participativo contó con la moderación del sociólogo y experto en temas urbanos Omar Hernández.

Our Commitment to the Community by Area

Investment Bs.

Attention Area	2011	2010	Variation
Children under Risk, the Elder and People with Disabilities	163,073	158,953	2.59
Health	214,071	100,000	114.07
Education	2,113,912	2,302,591	(8.19)
Public entities	1,212,954	1,820,848	(33.39)
Guilds and Professional Associations	80,520	44,600	80.54
Sports	76,200	22,400	240.18
Culture	229,102	45,000	409.12
Editorial Projects	11,826	65,900	(82.05)
Others	34,624	7,680	350.83
Total	3,861,129	4,567,972	(15.47)

Social Action Banesco by regions of the country during 2011

1. Capital (Capital District, Miranda and Vargas)

B.C. Apoye	39,000
B.C. Salesian Ladies	250,000
B.C. Guataca	1,200
B.C. Don Bosco House Network	693,127
B.C. forever Friends	50,000
B.C. Venezuela without Limits	20,000
ABC Prodein (Santa Maria City School Petare-CISAMA)	25,000
Anda	739
AVESID	61,585
Scholarships	576,497
National Center for Competitiveness	8,125
Club Social y Deportivo Hebraica Center	20,000
National Association of Journalists	5,600
Bello Monte Community	442,235
Cyngular	19,040
Ediciones B	576
Empleate.com	6,720
Fedeagro	10,000
FUDEP	63,624
Foundation Friends of the Elderly	31,488
Foundation Friends of Children with Cancer	100,000
Cardioamigos Foundation	30,000
Gumilla Foundation Center	1,250
Los Roques Scientific Foundation	50,000
Cultural and Sports Foundation Fundahisof	35,000
Canaima School Educational Foundation	30,000
Eugenio Mendoza Foundation	43,000
Francisco Herrera Luque Foundation	9,000
Medatia Foundation	2,600
Morella Muñoz Foundation	214,102
Museum Foundation of Children	6,000
Fundación Musical Simón Bolívar	1,000,000
FundaDown Venezuela	20,000
Fundaperiodistas	20,000
Fundaupel	30,000
IESA	1,290,000
INVECAPI	18,278
Individuals	62,196
Senosayuda	31,875
UCAB - Caracas	420,000

Central University of Venezuela	35,778
Universidad Simón Bolívar	400,000
Venamcham	44,920
Water People Theater Company	11,200
YMCA	10,000
Total	6,157,853

2. Central - Los Llanos (Carabobo, Aragua, Guarico, Cojedes and Apure)

Casa Hogar Bishop González Feliciano	30,000
Particular	10,752
Total	40,752

3. Occidental - Andina (Lara, Yaracuy, Portuguesa, Mérida, Táchira, Trujillo and Barinas)

Universidad de Los Andes	45,000
Unellez	5,000
Total	50,000

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

Luis Beltrán Prieto Figueroa Foundation	3,000
Particular	11,200
Total	14,200

5. Zulia - Falcon (Zulia and Falcon)

Particular	18,480
Mayor of Zulia State	1,212,954
Museum of Contemporary Art of Zulia	40,000
UCAB - Coro	27,350
Total	1,298,784

Homeland

Avec	1,000,000
Fe y Alegría - IUJO	1,481,640
Total	2,481,640

Total National	10,032,029
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Banesco Corporate Volunteers



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.

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. Activities to raise awareness about the proper use of natural resources.



Volunteers Typology

- **Professional Volunteers:** it is composed of a team of professionals who facilitate learning experiences to our Social Partners through workshops, lectures, consultancy and organizational aspects.
- **Free time invested:** a team of volunteers that accompany the children and adolescents in need of assistance who are served by our Social Partners.
- **Group Projects:** participation in projects involving financial and human resources for each activity; fostering team work and participation. Participation is encouraged through our internal media.
- **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

● 2011 ● 2010



Our Management 2011

66.72% of our volunteers belong to the job category of professionals and technicians, in 2011.

The average of hours of work per volunteer was unchanged at 4.92 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 training of volunteers, with a total amount of 1,617 hours.

Several rounds of debate were carried out to write Banesco Corporate Volunteers Policy. The paper will be delivered in 2012.

Distribution of Volunteers by job levels/hours

December 31	2011	2010	
Job Category	% of total	% of total	Var. %
Apprentices/Interns/Thesis students	2	5	(60.00)
Base	83	72	15.28
Professional and Technicians	393	279	40.86
Supervisory and Managerial	107	152	(29.61)
Vice Presidents	4	6	(33.33)

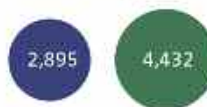
● 2011 ● 2010

Total volunteers



Variation
(14.59)%

Total men/hours



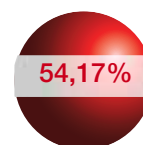
Variation
(34.68)%

Annual average
hours per volunteer



Variation
(42.92)%

Corporate
Volunteers
Investment



Volunteers Training

During 2011, the hours devoted to train our volunteers rose by 54.29% in order to provide them with the tools that enable them to offer an improved participation in the development of the relevant activities.

Activities with our Social Partners



Social Partners

Fundana

Activities

- ▶ Activities Fundana head-quarters and logistical support in event of the institution
- ▶ Activity "Friends of Nature"

Children's Orthopedic Hospital

- ▶ Storytelling for children in hospital
- ▶ Activity "Friends of Nature"

Fe y Alegría

- ▶ Training Workshops for students in various areas of IUJO
- ▶ Supplementary Training Workshop on Institutions of Higher Education Maracaibo, Caracas and Barquisimeto.

Otras Actividades

- ▶ Support for Other Institutions

Beneficiaries

2011

200

100

240

680

2010

800

500

350

450

Our Customers



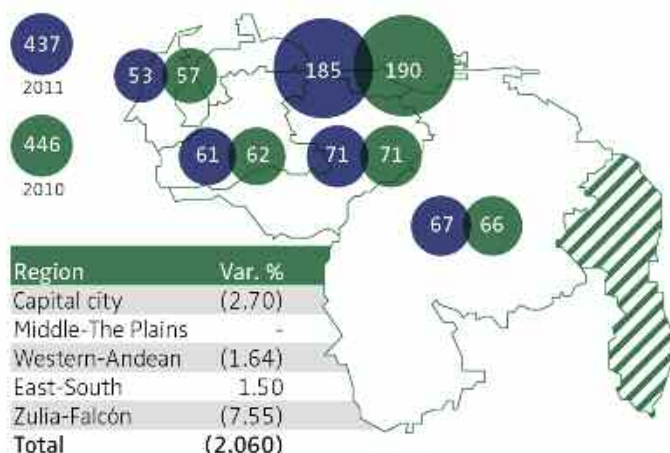
Our Policy

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

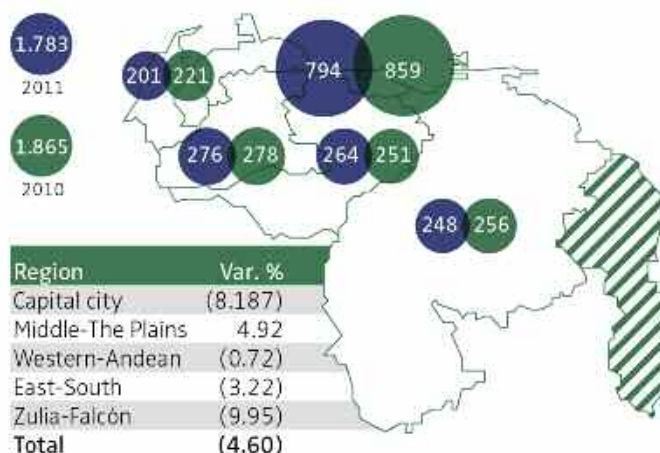
Service Points, Points of Sale, ATMs, Self-Service and Checkbooks Dispensers

- Inauguration of 6 new branches: Mercado de Chacao, La Vela Mall in Margarita Island, World Trade Center Valencia Branch, Parque del Este Mall, Embotelladora Carabobo II and Banesco Express World Trade Center Valencia for a total of 437 service points nationwide to serve more than 5 million customers.
- 54,748 Points of Sale, through which a monthly average of 15.1 million transactions area carried out.
- 1,783 ATMs, through which a monthly average of 10.6 million transactions were processed.
- We still are the leaders in transactions as acquiring of the networks Suiche 7B and Conexus.
- 316 Self-Service machines, which recorded a monthly average of 710,841 transactions.
- 241 checkbooks dispensers, through which a monthly average of 128,462 transactions were carried out.

Service Points



ATM's



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

Number of customers

(at December 31)

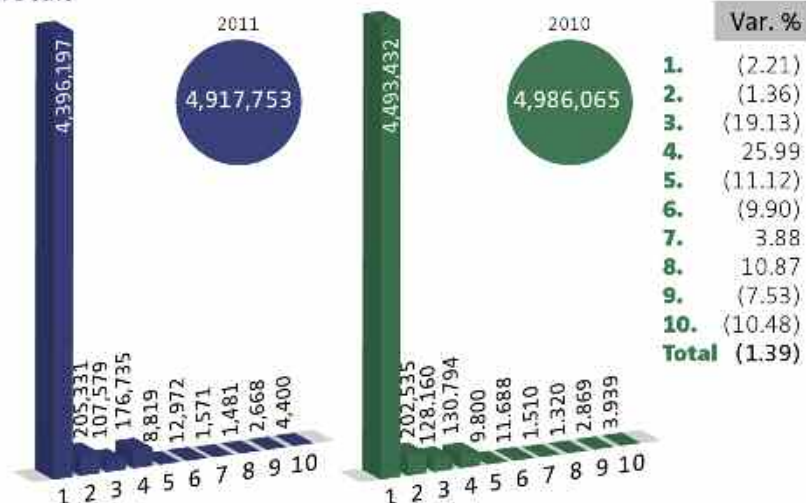
Banking	2011	2010	Var. %
Branches Network	3,722,032	3,315,571	(1.91)
SMEs	191,697	186,963	2.47
Premium Segment	54,053	60,103	(11.19)
Community Banking	176,735	130,794	25.99
Private Banking	4,188	4,483	(7.04)
Enterprises Banking	8,860	7,390	16.60
Corporate Banking	768	698	9.11
Energy Banking	987	833	15.60
Public Sector Banking	584	627	(7.36)
Agricultural Banking	3,149	2,772	11.98
Total	4,185,053	4,210,240	(0.60)

Details of Account per Banking

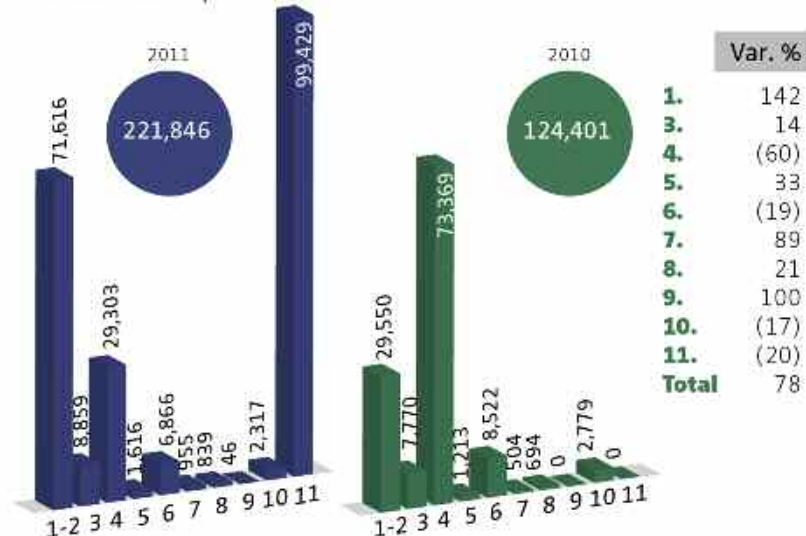
(at December 31)

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. Extracredit (First time published in this report)

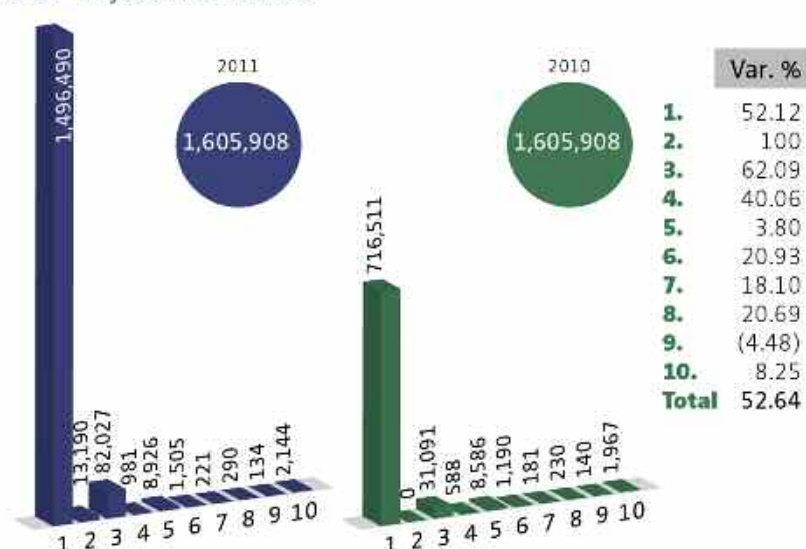
Totals



Total Credits Liquidated



Total Tarjetas de Crédito



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

Other Important Products

- Trust Funds
- Insurance

ELECTRONIC BANKING

Electronic Channels

During 2011, Banesco Banco Universal, C.A. implemented new services to our Electronic and Virtual Banking, such as: appointment service + CADIVI folder, electronic state of account, new functionalities of Banca Móvil (consultation of currency exchange operations, Movilnet payment and recharge), Banesco Móvil SMS and increase of the daily amount of cash that can be withdrawn from our ATMS to Bs. 1.200. All these improvements mean a wider range of options for our customers and their transactions.

BanescoMóvil with different platforms and new functionalities

Since 2010, this application is available for mobile devices. The application allows the customer to carry out a series of operations with his cell phone. The new service BanescoMóvil SMS was launched and implemented in 2011, so now our customers can make financial operations with just a SMS sent to 22626 from their cell phones.

During 2011, a total of 204,710 new customers were affiliated to this service that ended the year with 371,893 users and 1.05 million transactions.

Regarding BanescoMóvil application, in 2011 it was downloaded 1.74 million times and 18.22 million transactions were processed through this channel.

BanescoMóvil allows the customer to carry out the following operations:

- Balance Account Inquiry and Account Movements.
- Balance of Credit Card and Credit Card Movements (cardholder).
- Foreign Currency Inquiry.
- CANTV service statement.
- Transfers to the same account holder in Banesco.
- Payment of Credit Card of Banesco cardholder.
- Transfers to third parties in Banesco.
- Payment of Third Parties' Credit Cards in Banesco.
- CANTV service payment.
- Consultation of Service Commands.
- Consultation Identifiers (Accounts/ Credit Cards).
- "Where is Banesco" Functionality (geolocalization of Banesco branches from a mobile device).
- New functionalities for Banesco-Móvil: Movilnet Payment/recharge
- The application BB is among the 10 most popular at the world level in financial applications for BlackBerry.

“

At the end of 2011, Banesco had replaced more than 1,700,000 Debit Cards y more than 419,352 Credit Cards.





Call Center (CAT)

In 2011, this service managed a monthly average of 49.76 million calls. Regarding transactions, the monthly average managed by this channel in 2011 was 15.19 million transactions and managed resources for a total amount of Bs. 13.55 million:

- ▶ Customer affiliations, Movistar payment and recharge.
- ▶ Consultation of credit card limit.
- ▶ Customized service for Platinum and Premium customers, through 0500BANCO24.
- ▶ Automation of the Authorization Service for Travel Agencies.
- ▶ Automatic security block of Debit Card, through the automated system just with a telephone call.
- ▶ Temporary block of your debit card (Virtual Lock)

BanescoOnline

This service closed the year 2011 with 2,638,644 customers affiliated, accounting for the incorporation of 323,590 customers to this channel.

The monthly average of transactions carried out through this channel was of 46.33 million, while the volume managed per business was of Bs. 205.90 million.

Some of the advantages of Banesconline are the following:

- ▶ Data updating
- ▶ Credit card activation
- ▶ Securities
- ▶ Consultation and payment of credits
- ▶ Payment of credit overdue installments and cancelations
- ▶ Inquiry of Promissory notes and agricultural credit in the option "Credit Consultation".
- ▶ Appointments + CADIVI folders
- ▶ Credit functionalities (Partial and total repayment)

New Chip Technology

Ratifying our leadership in technology and having in mind our commitment to guarantee safe transactions, in 2011 Banesco launched debit and credit cards with a special chip incorporated.

This innovation allows us to provide our customers with a security circle when they use their cards at the points of sale and ATMs operating under this new technology and guarantee 100% safe transactions.

At the end of 2011, our institution had replaced more than 1,700,000 debit cards and more than 419,352 credit cards. Regarding the migration of devices to the chip technology, 40,194 devices have been migrated.

Internet Bonds Purchase

Having in mind the comfort and self-management of our customers, Banesco Banco Universal, C.A. has been offering, since March 2011, a service to purchase Securities via Internet.

This service is addressed to natural persons interested on purchasing Securities in primary issuance and it includes the purchase order collocation and consultation.

Sight Deposits for Customers of our Private and Premium Banking

Customers of our Private and Premium Banking have at their disposal a product called Sight Deposits. The product allows our customer to make sight placements with a maturity under 30 days, enough mobility to dispose of their money when they need to do it and a very attractive interest rate.

New Developments

In 2011, Banesco Banco Universal, C.A. implanted and expanded the use of several functionalities related to electronic payment, such as:

- ▶ Improvement of the multiple statement and standard statement, in order to:
 - Produce and export the statement for ranks of over a day.
 - Incorporation of new customer selection attributes for the Configuration option in the configurable fields of the statement.
 - Incorporation of the Multicash export format to the multiple statement.
 - Incorporation of additional informational into Excel and PDF export formats.
 - Retry of payment for sent files/Payroll payment and Suppliers.





The best technology to serve our Organization and Customers

In 2011, Banesco Banco Universal, C.A. continued with the implementation of the ITIL Configuration Process, which allows the efficient control of those assets and elements involved in Banesco technological infrastructure. Likewise, this process provides reliable and updated information about the components required to execute the business processes.

This, in turn, favors the development of more efficient informatics services and improves the identification of impacts before platform changes, as well as the resolution of incidents and implementation of fast and safe solutions. With this new process, Banesco goes forward with the implementation of the best international practices for the management and administration of the information technology

We also implanted the Core Standard pilot for collection services. The purpose of this innovation is to centralize in a single module the simple, standard and fast activation parameters involved in collection transactions under a multichannel vision with a view to reduce the response times for our Commercial Associates.

Also in 2011, the Bank carried out the technological migration from the application Frame Relay to Metroethernet. This new application has provided 150 branches with a more robust telecommunication media, allowing the immediate, reliable and complete transmission of data, as the information is sent via wide band.

CREDIT AND DEBIT CARDS

Debit Cards Issuance Business

Banesco Banco Universal, C.A. keeps its leadership in the market of Sales with Debit Cards, with a 24.9% share market at the end of the year 2011.

Likewise, we finished successfully the Campaign of Replacement of Debit cards with magnetic strip for Chip Technology (EMV). This improvement allows a higher security level for electronic transactions made through our POS and ATMs.

Credit Cards Issuance Business

In 2011, Banesco Banco Universal, C.A. kept its leadership in the Venezuelan market of Credit Cards, with a 25.12% market share.

The credit card portfolio grew by 7 percentage points against 2010. Sales with credit cards rose by 32%, while payment with credit cards grew by 40%. Delinquency went down by 7 percentage points against the previous year.

To complement our varied strategies and encourage our customers' fidelity and good credit records, Banesco Banco Universal, C.A. carried out several processes to increase credit levels. These increases favored above 770.000 cardholders and consolidated even more the financial relation with our customers and their loyalty.

Our customers were able to enjoy the following benefits:

- MasterCard Wendy's.
- MasterCard, Your luck is on the way.
- Enjoy the best of Miami with MasterCard Black, Platinum and Gold.
- Priceless Moments Miami Christmas with MasterCard Black, Platinum and Gold.
- Amex Selects, with American Express for all our customers.
- Cinex Go Visa Experience, for Signature and Platinum.
- Teatrex Go Visa Experience, for Signature and Platinum.
- Discounts for MasterCard customers with Avis.
- Unforgettable end of the year with MasterCard and Maestro.



INTERNATIONAL OPERATIONS AND CUSTODY

Foreign Trade

Banesco Banco Universal, C.A. has continued to grow in terms of Letters of Credit to support our customers to import the goods required to develop their economic activity.

International Events

As it was the case in previous years, in 2011 Banesco had an active participation in the Latin American Congress of Foreign Trade and the Annual Meeting of the Latin American Federation of Banks, to encourage our activity in the field of foreign trade and strengthen our relations with our main correspondent banks. We also attended the Annual Meeting of the Institute of International Finance, a unique global institution with more than 450 world banks and financial institutions as affiliates. This meeting was held in Washington DC and was attended by the highest representatives of renowned financial and multilateral organizations such as the International Monetary Fund and World Bank. The event was an ideal scene to know and evaluate the global economic perspectives, in the short and medium-term.

Securities and Bonds Custody

In 2011, the Bank processed a total of 103,636 operations of sale and transfer of securities in foreign currency, corresponding to the portfolio of custody to third parties.

Cash Management

At the end of the second half of the year 2011, the technological tool SAP-CMO was implemented to optimize the use of cash at the central level, the branches network and ATMs. This tool will favor an efficient management of these flows, as well as a significant saving in terms of the costs associated to the mobilization of cash.

LOSSES PREVENTION MANAGEMENT AND BUSINESS CONTINUITY

In 2011, the evolution of our integration process and permanent search of synergies went forward with a view to add value to our stockholders. To do so, we conceived a medium-term strategy based on the concept of Convergence as the next step to an enhanced and deeper maturity that seeks to optimize the efficiency of our processes and articulations with the rest of the areas collaborating with our institution.

The main achievements of our management are the following:

Losses Prevention:

- ▶ 100% migration of Banesco ATMs, Points of Sales and Merchant Devices to the chip technology, all along with the business areas in charge of the EMV Project (Chip Technology, Products and Channels).
- ▶ Continuation, development and application of prevention plans that seek the optimization of controls of the Points of Sale located at the affiliated commercial outlets.
- ▶ Increase of overall security in transactions with checks, with the application of very effective activities coordinated and focused on the Compensation process.
- ▶ Effective and efficient reinforcement of security levels at the branches network, with the classification and procurement of those branches and according to their specific risk levels.
- ▶ Increase of BanescOnline security levels, with the implementation of the Dynamic Key Project and actions developed by the Center of Security Operations to guarantee service simplicity and convenience for our customers.



- Implementation of new text messages (SMS), such as credit cards payments that notify about operations carried out in real time in order to offer additional information about the transactions carried out by our customers and prevent losses at channels and products.
- Effectiveness levels in relation to our management services remained above 97%. This means that we are among the highest international standards in terms of Call Center service at the Center of Security Operations.
- Permanent and pro-active participation in the work sessions at the Banking Association, through proposals of labor union actions to foster collegiate solutions aimed to strengthen security levels in the sector, such as: digitalization and exchange of checks and encouragement to migrate towards a national system of a unique check for all financial institutions.

Protection Area:

- In the framework of the technological updating security plan for our branches, we have accomplished the goals established for this year, in terms of optimization and renovation of video and alarm systems at our branches. Besides, as a result of an evaluation of their risk levels, some of the branches were fitted with lock doors to improve their security levels.
- Educational campaigns, trainings, lectures and health special events to prevent diseases and labor accidents and to raise awareness among our employees. As a result of these campaigns and our proactive management, the index of medical leaves went down to levels that can be compared with those established by the WHO. This, in turn, increased the amount of hours devoted by our employees to their tasks, reduced work absences and favored a healthier and more productive staff in 2011.
- Strict surveillance to guarantee the application of the rules on prevention, conditions and work environment, along with ergonomic evaluations, support to optimize the work environment and better conditions for the tasks assigned to our employees.

Losses Control:

- We are still focused on the optimization of synergies with the rest of the value chain, implementing timely solutions and the effective reduction of security gaps in order to minimize the recurrence of events.
- Permanent strengthening of our System of Ethics and Conduct, through the effective follow-up of cases in order to guarantee transparent and fair results.
- We look to develop stronger relationships with the official entities, so as our organization could have more opportunities that favor the achievement of our goals and objectives, in the framework of our managerial purposes.

Business Continuity:

- A series of actions were carried out to optimize the electric and technological infrastructure that supports key business processes or the core mission. Associated continuity processes were also built and updated, based on scenarios related to the climate about the product, as well as the business' needs. Concurrently, electricity self-generation projects have been expanded and, as a result they have produced higher levels of autonomy and reliability at our branches.
- The contingency plan for the Internet Banking platform has been reinforced, according to the goals and regulations, as well as the established rules.

- The activities related to the monitoring and production of Truncation (checks compensation) were carried out through the monitoring and follow-up of all the project phases. As a result, the project was efficiently stabilized, controlled and managed and the customers' risks were reduced in relation to the services operations.
- The contingency or high availability simulations were successfully conducted in order to guarantee the access to the services in case of major failure in the production environment and business core operations. Besides, important improvements have been achieved in the field of incidents and problems management, as well as more timely recovery times during the simulations conducted.

SECURITY RULES FOR ELECTRONIC BANKING

Project “A dynamic password for operations”

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

Optimization for the Management of fake web pages (Phishing)

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

Extended Digital Certificates (Green Bar)

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

Incorporation of images for Internet Transactions

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



SMS System

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

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

McAfee Security Certification

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



BRANCHES ADJUSTMENT TO THE NEEDS OF PEOPLE WITH DISABILITIES

Our head office, Ciudad Banesco, has been furnished with the necessary adjustments to provide a comfortable service to people with disabilities: ramps, special toilets for men and women, parking special points, Braille systems and digitalized voice at the elevators.

In 2011, special ramps were built at the following branches: El Limón, Tinaquillo, Tucacas, El Vigía, Las Mercedes del Llano, Villa de Cura and Atagracia de Orituco.



SPECIALIZED SEGMENTS

Legal Persons

The management of 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 2011, our Corporate Banking focused 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 with new collocations of Cash Management Products, financing and higher volumes of imports (CADIVI), managed through the bank.

As a result of this strategy applied during the first half of 2011, our Corporate Banking grew 16.01% in terms of total takings and 25% on its credit portfolio, against December 2010.

It also provided a direct contribution to meet the required percentages for the credit portfolio, focused on trade, industrial and manufacturing sectors, with 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 18.3% of the credit portfolio globally, against December 2010.



Energy Banking

The Energy Banking results were particularly successful in terms of passive and active staples, with a coordinated business management and an optimal performance of a team composed of 56 professionals who provide a specialized service on 9 points nationwide. This banking recorded a successful closing at the end of the year with the main players in the oil sector, a right strategy addressed to the electricity emergency and its chain value.

The achievements of this banking were the following:

- Passive grew by 38%, against 2010.
- Active grew by 29%, against 2010.
- Reduction of the delinquency index to 0%, thanks to plans tailored-made for the sector players and their works (payments and billing).



In the agribusiness sector, Banesco fostered the banking transactional business and the highest imports volume management through the bank.

- In the electric sector, our leadership keeps unchanged in the service of Payment to National Suppliers within the private banking, as well as the distribution of Labor Liabilities payment for several financial entities. In this sense, Banesco is their main bank for its quality service and overall performance.
- Development of the chain value in the Electric Sector, where we are providing support to the main players of the different thermoelectric generation projects, granting credits for a total of Bs. 565 million and recording a 123% increase in the sector.
- The different leverages used to achieve growth in the electric sector are the following: credits, inclusion of different channels and payments distribution, contracts domiciliation and collection via e-channels, where we have recorded a 28% increase. In this case, Banesco accounts for 40% of the electric sector total collection.

Public Sector Banking

The banking responsible for providing service to the governmental entities was focused on tax and fees collection services for mayoralties and Autonomous Institutions ascribed to the central government, keeping its diversification strategy towards regional and local governments.

Sucre, Libertador, Iribarren, Maturín and Girardot are among the new mayoralties that started to collect their taxes and fees through Banesco Banco Universal, C.A.

Banesco has been incorporating 21 POS nationwide for the Income Tax campaigns carried out by SENIAT at their main regional offices. In this sense, Banesco service has provided this institution with efficiency and a better collection service, as well as more easiness for our customers in relations to the Income Tax collection. This year, Banesco was considered as the only private bank to support the central government on this matter.

The attention model was improved with the creation of 2 territorial managements. In the field of Centralized Management, Banesco reinforced and improved the customized service to Ministries and ascribed entities, while in the decentralized area we improved the service points in the regions where Banesco records an evident growth, such as Andean and Westerns regions.

During 2011 second-half, Banesco kept its diversification strategy for this portfolio, fostering the collection service offer (taxes, employer's contributions, state and municipal fees), payments to third-parties and domiciliations, among others.



Agricultural Banking

This banking was focused not only on complying with the associated rules in force, but also on providing an expanded and integral service to our customers in order to support them in case of climate eventualities and grant financing to small producers in the framework of the Agricultural Law of AgroVenezuela Mission. Banesco Agricultural Banking was also focused on serving the value chain in the agricultural circuit of the food sector, such as the needs of primary producers, the agricultural industry and commercialization for both working capital and investment projects to improve installed capacity.

In the agricultural sector, Banesco encouraged the transactional business of the banking and a higher management of imports volumes. The banking grew 85.2% in terms of total capture and 21.47% in credits, against December 2010.

Massive Segments and SMEs

During the year considered, this banking consolidated its commitment to gain new customers and achieve goals, through the development of campaigns focused on credit cards, passive capture, implementation of actions to leverage transactions migration in order to provide quality service to the branches. In this field, we managed more than 600.000 customers.

We provide service to all the customers in the Natural Persons segment: promotion and massive C and D, as well as Legal Persons of the SME sector, through our branches network that guarantees a permanent improvement of our quality service, satisfaction, loyalty and profitability (see Chapter Community Banking, page XX).

COMMUNITY BANKING

See chapter "Community Banking", pp. 70.

TRUST FUNDS

The Trust Fund portfolio was of Bs. 8,362 billion at the end of December 2011, with an assets increase of Bs. 1.182 billion against 2010 year-end, accounting for a 16.46% variation.

The Trust Fund portfolio is composed as follows: Bs. 3,856.16 billion correspond to private sector assets (46% of the portfolio) and Bs. 4,506.26 billion correspond to resources coming from the State (54% of portfolio), centralized and decentralized entities.

A total of 225 new trust funds were created in 2011, represented by Bs. 757.84 million. As a result, the Trust Funds Portfolio is composed of 5,884 plans, 3,239 of them are Administration Trust Funds, 1,716 Collective Trust Funds, 903 Investment Funds and 26 Guarantee Trust Funds.



Trust Funds Portfolio

Amount Bs.

Segments	2011	2010	Var. %
Massive Segments (Red)	1,896,201,217.59	1,353,080,819.29	28.64
SMEs	15,502,948.21	12,987,158.27	16.22
Premium Segment	32,278,957.15	24,235,431.63	24.92
Private Banking	298,734,335.29	13,418,000.87	95.51
Enterprises Banking	847,588,914.83	687,334,680.94	18.91
Corporate Banking	438,561,526.81	267,627,125.78	38.98
Energy Banking	616,706,747.03	521,199,882.84	15.49
Public Sector Banking	3,987,275,839.52	4,099,722,979.17	(2.82)
Agricultural Banking	24,895,809.09	8,941,457.17	64.08
Sub-Total per segments	8,157,746,295.5	6,988,547,535.96	14.33
Non-Assigned to segments	204,536,507.69	191,893,850.65	6.18
Total	8,362,282,803.21	7,180,441,386.61	14.13

Specialized Banking Branches

● 2011 ● 2010 ● Variation

Region	Private			Corpora.			Public S.			Energy			Agricult.			Enterpr.		
	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Capital	1	1	-	1	1	-	-	1	-	-	1	-	-	1	-	-	1	-
Middle-The Plains	-	2	-	-	1	-	-	1	-	-	1	-	-	4	-	-	2	-
Western-Andean	-	3	-	-	-	-	-	2	-	-	0	-	-	5	-	-	3	-
Eastern-South	-	3	-	-	-	-	-	2	-	-	4	-	-	0	-	-	4	-
Zulia - Falcón	-	1	-	-	-	-	-	1	-	-	3	-	-	3	-	-	2	-
Total	1	10	-	-	2	-	-	7	-	-	9	-	-	13	-	-	12	-

MANAGEMENT QUALITY

Committed to our customers' satisfaction with the service Banesco Brand

In 2011, Banesco improved the corporate KPI analysis (Key Performance Indicators), with the incorporation of more sophisticated statistical models that allow to measure relations and impacts between the service components and customers' satisfaction.

In October 2011, Bureau Veritas Multinational certified the Programs to Measure Quality and Customers' Satisfaction at Banesco branches and commercial outlets under the ISO 9001:2008 standard. With the corresponding follow-up audit, the multinational validated the System of Quality Management implanted by our Corporate Intelligence VP and certified that Banesco complies with all requirements established by this international standard.



171 Banesco branches nationwide were submitted to Service Audit. The level of Managerial Efficiency was 92.09%, while Users' Satisfaction level with the branches was 8.6/10 points

Program of Services Audit (ADS) in the Branches Network

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

The ADS program is a part of the System of Quality Management certified under the ISO 90001:2000 international standard, which is based on the fulfillment of the requirements demanded by the customer, through procedures developed and controlled under a permanent improvement schema. In October 2011, Banesco complied with the 1st Follow-up Audit of the two audits planned for this second cycle of certification. The firm in charge of the certification process was Bureau Veritas, a world-class French company, based in Venezuela during the last 22 years.

171 Banesco branches nationwide were submitted to Service Audit. The level of Managerial Efficiency was 92.09%, while Users' Satisfaction level with the branches was 8.6/10 points (2.420 customers were interviewed).

A series of measurements were established regarding time to provide solutions and service availability, understanding that final quality is supported by our commitment in the involved areas and the internal team work.

For 2011 the evaluation structure was the same. The Physical Audit and Satisfaction Survey have been conducted as usual. However, the auditors managed separated indicators and evaluation scales for each process and they discarded the traditional composed indicator. The introduction of these changes seeks a clearer identification of the goals and aspects improved for both processes.

ADS Program – 2011 Results

Physical Audit Process
Score (%) E.E.



Physical Audit Process
Score (%) D.G.



Satisfaction Survey Process
Score (Points)



TECHNICAL DATASHEET Sample: Physical Audit: 171 branches / Satisfaction Survey: 9,185 customers • General error margin (Satisfaction Survey): 1% Reliability (Satisfaction Survey): 95%

Services Audit – Average Score

Scale 1 - 10 pts

e-Channels	2011	2010
Consultation Self-services	9.2	8.95
ATMs and Deposit Self-services	9.04	9.1
Phone Banking Branch	9.03	9.03
ATMs	9.06	8.95
General Time	2011	2010
Waiting	8.34	8.7
Operation	9.08	9.37
Total	8.26	8.66

Bank Services	2011	2010
Branch service	8.89	9.17
Others aspects evaluated*	2011	2010
Bank General Service	9.04	9.11

* Not considered to evaluate the branch

“Mystery Buyer” Program

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

The aspects to be evaluated are the following: treatment of customers, what level of knowledge they manage in relation to the features, benefits, conditions and requirements of the evaluated products and 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.

In 2011, the general score was 68.73%. This score accounts for a “Medium-Low” evaluation level, with a 6.9 points drop against the previous evaluation. The aspect “treatment of customers” is the main strength of the organization (81.54%). However, it decreased by 3.76 points against 2010. The conducts proposed as opportunities to improve are the following: “The treatment does not add value” and “Invited the customer to have a sit”.

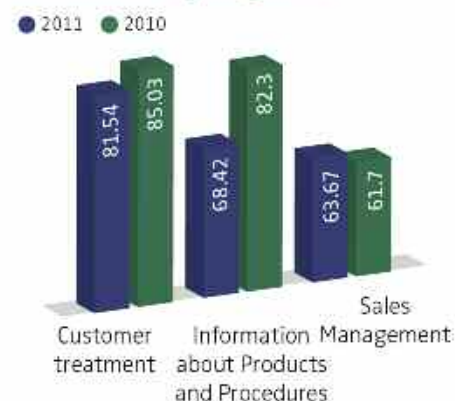
The “Management of Information” of the products recorded 68.42%, accounting for a “Medium-Low” level, with a 14 points drop against the previous year. The best opportunities to improve were identified in relation to the topic “Credit” and “Plans”.

Although the aspect “Process of Sales” is still located at the “Medium-Low” evaluation level (63.67%), it improved its performance for the second year in a row (1.97 points).

190 promoters nationwide were submitted to this evaluation. The total amount of promoters who reached to the top score (100%) went down by 4 points against the previous year, while the amount of promoters who reached to the lowest score (75%) decreased by 18 points in 2011.

The average service time in the promotion area was 49 minutes, while the longest service time reported was 3 hours and 43 minutes.

Results of the Mystery Customer program





Innovation Macro-process

In 2011 Banesco developed strategies to strengthening the Innovator DNA and standardize follow-up instruments focused on Innovation, all this in the framework of the Innovation Macro-process methodology.

Regarding the Innovator DNA, Banesco fostered “Open Innovation” within the organization, celebrating 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.

Likewise, we created the “Innovas Network”, 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.

These initiatives are part of our process of “Managing Ideas”, which is also included in our Innovation Macro-Process.

In relation to the standardization of follow-up instruments applied to innovation, we have established “success indicators” in order to monitor the launch of products and services to the market, as well as “Analysis of Products Life Cycle” to evaluate their performance.

The “success indicator” was established to measure, directly or indirectly, the most relevant components of the products and services launched in order to express the performance level according to three perspectives: Financial (including delinquency, when applicable), Quality and Capacity. This indicator is measured on a monthly basis during the stabilization phase and favors the identification of early alerts to apply timely corrective measures.

The “Analysis of Products Life Cycle” is based on Arthur D. Little methodology of portfolio evaluation. This approach is focused on the Competitive Position and Maturity Degree of the Bank Financial Products, particularly: passive, credit, credit cards and trusts. This indicator is measured on an annual basis and allows the establishment of strategic actions associated to the portfolio, such as:

- Incorporation of improvements in the actual conditions of products.
- Evaluation of potential packaging.
- Evaluation of possible simplification of the products portfolio.

These instruments are involved in the process of “Making Follow-up”, which is a part of the Innovation Macro-Process.

Additionally, it's important to mention that the Corporate Innovation area now has an advisory role to support and make follow-up to the application of the Innovation Macro-Process, which is addressed to the administrators of products, segments and channels. This practice was complemented with specific audits in order to guarantee the application of the Innovation Macro-Process and the associated agreements of service, developing a tool similar to a checklist to validate the execution of the different processes, according to the innovation methodology.

Conflicts Reduction and Customers' Loyalty

Since 2008, Banesco Banco Universal, C.A. has been using a technological tool, called SIR by its Spanish acronym (Integral System of Requests) to manage every request introduced by our customers and users by the several attention channels, such as: BanescOnline, branches network, call center and administrative offices. The purpose is to be able to offer an efficient and timely response, and aligned with the relevant regulations.

“

In 2011 Banesco developed strategies to strengthening the Innovator DNA and standardize follow-up instruments focused on Innovation.

In 2011, Banesco managed 140,090 financial requirements for a global amount of Bs. 150,947,583.28. The final decision of the bank favored 76.57% of these applications (107,270 requirements), with Bs. 119,404.934.20 reimbursed.

During the same period, 996,091 service requirements were managed (customers' data updating, increase of credit cards limit, replacement of credit cards, among others) associated with the post-sale of our products and services.

Quality Service Evaluation

Following our business strategy based on service, in 2011 the Bank conducted the corresponding market programs and studies in order to monitor the service and the needs of the customers, focused on the main channel and Points of Service, such as: Auditing for Branches Service (171 branches evaluated) and Phone Banking monitoring, Satisfaction Survey among branches users, Satisfaction with Premium and Private Banking, among others.

Dialogue with Stakeholders

Natural Persons

● 2011 ● 2010

Focus Groups/ Interviews/ Surveys	Amount	Participants	Segments
Satisfaction Study Banesco Community Banking	1	500	C y D
Phone Banking	1	4,959	Massive
Private Banking	1	3,524	Private Banking
Premium Banking	1	402	Customers
	1	800	Premium Customers
Share of Natural Segments	1	400	
	1	450	
Tracking Publicity TI/T4	1	1,750	Massive
Brand Equity Study	1	1,200	Natural
	1	2,700	
Internal Communications Evaluation	1	2,820	Massive
	1	1,825	
Customer Satisfaction	1	1,800	Banesco Employees
	1	1,825	
Commercial Customers	1	1,621	Massive
	1	9,185	
	1	11,176	
	1	540	Massive
	1	540	



Awards and Accolades 2011

Kimberly Clark Foundation The Good Samaritan – Children with AIDS	World Recycling Day Acknowledgement to Banesco Banco Universal and its staff for their support to the fight against AIDS	May September
Los Roques Scientific Foundation	Plaque for our contribution to the Environmental Educational Program	December



Messages

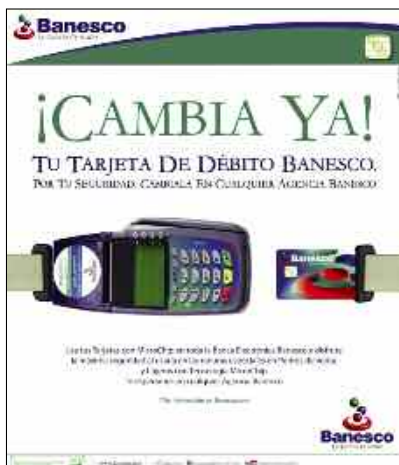
In Banesco Banco Universal, C.A. we make every effort to guarantee that our messages reach the final customer/user with simplicity, efficiency and in line with the realities of the offer or service, always taking care of what we offer.

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.

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 the required information to SUDEBAN, within the five days after the date of the launch to the market.

This information shall contain:

- 1) Denomination, description and characteristics of the new financial instrument or product.
- 2) Type of modification of the preexistent product.
- 3) Analysis of the economic-financial impact on the promoting institution.
- 4) Benefits for the public users.
- 5) Detailed report of the risk analysis for depositors and financiers of the financial instrument or product.



The advertisement used to introduce products to the market shall be clear in terms of purpose, description and benefits (interest rate, etc.). It must be expressed with understandable and clearly readable terms. In case of unfulfillment of notification within the 5 days established, the SUDEBAN is entitled to suspend or forbid such publicity, according to the General Law for Banks. This in turn, could lead to additional sanctions.

The advertisement shall contain information in the official language and it must be accurate, understandable and true. It shall not encourage violence, discrimination or produce harm to environmental and moral values.

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. Publicity shall contain information in the official language and it must be accurate, understandable and true. It shall not encourage violence, discrimination or produce harm to environmental and moral values. INDEPABIS is entitled to sanction goods suppliers and service providers when they violate these regulations.

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. Publicity must be integrated into the economic, cultural and educational development of the population. It shall not establish unfair competition, disrespect the dignity of the person, favor or encourage discriminations, or induce to illegal activities.

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. This involves a justification of such increase and/or establishment of each fee, tariff or late fee. The justification must be structured as follows:

Qualitative Aspects

- ▶ Description of the fee, tariff or late fee.
- ▶ Current and additional benefit (if applicable) for the customer.
- ▶ The Bank opinion about the customers' perception regarding the increase, which must be expressed as "very sensible", "sensible" or "not much sensible".

Quantitative Aspects

- ▶ Number of customers who will be charged or who will charge the tariff, fee or late fee.
- ▶ Number of transactions per month with the Banks' network and the interbanking network.
- ▶ Number of transactions per month (in case of Internet or others channels use).
- ▶ Detailed cost structure for each fee, tariff or late fee, identifying: direct and indirect costs and any other cost.
- ▶ Comparative information of the fee, tariff or late fee in relation to the market.

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 the unfulfillment responsibility of Banesco Banco Universal, C.A. 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 ALIANCES 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. It 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.

Your Company can Take a Great Leap

This promotion is addressed to our legal person customers in our SMES and Massive Segment, who can be the winners of advertising and free training for their businesses. 5 customers were the winners, those who were able to accumulated the highest amount of points associated to the increase of their average balance in their current accounts.

Plans with You Banesco for Natural Persons

"Ask for your Combination of Account + Credit Card", this was the campaign slogan to launch Banesco Plans. With a refreshed image, new positioning and a novel promise of offering a combination of Account + Credit Card.

Plan your Business for Legal Persons

In order to offer a fast and timely service to liquidity needs or inventory reposition for the SMEs, we has launched our campaign "Plan your Business", which counted on our product Multicredits 48-hour as the leading role. The product offers to the buyer companies up to Bs. 800,000 of financing, with a promotional offer of three months and installments of 12-18 months.

Your shopping for free in Christmas, with Banesco Lucky Ticket

In Christmas, 5,000 Banesco customers were de winners of this promotion, just passing their debit cards by Banesco points of sale, in the framework of our permanent program Banesco Lucky Ticket. Likewise, the Bank created a promotion addressed to the commercial outlets, with cash prizes for sellers and branches managers, according to the amount of consumptions managed through Banesco Points of Sale.

Timely Payment Program: "Buy in Christmas and pay in Carnivals"

This promotion allowed our customers to buy in December and pay their purchases in February.

More than 11,000 customers were the winners of the equivalent to Bs. 2,520 in prizes granted, thanks to the permanent programs that encourage the use and timely payment of their products.

Presence at nationwide events

- ▶ Hebraica 2011 Triathlon
- ▶ Corporate Social Responsibility Symposium
- ▶ Automarket Caracas First Edition
- ▶ Exhibition "Expo Talento" 2011 USB
- ▶ Fedegro Sponsorship
- ▶ UCAB Employment fair
- ▶ Canadian Chamber Sponsorship
- ▶ British
- ▶ Margarita Triathlon
- ▶ Caracas TEK
- ▶ Caracas TECH
- ▶ Ansa
- ▶ Automarket Caracas

Other promotions in Alliance with Visa, Mastercard and American Express:

- ▶ Use your Visa cards and you will be able to see the new stars. Five customers were the winners and they travelled to Bogotá to attend the Sub20 Soccer Cup.
- ▶ UEFA Champions League MasterCard, 2 customers travelled to Spain to attend a Champions game.
- ▶ Your MasterCard Credit Card and Maestro Debit Cards can send you directly to the finals of the America Cup! The 3 winners travelled to Argentina to attend the finals.
- ▶ Your MasterCard invites you to the Jazz Concert at the Lincoln Center. The winner customer travelled to New York
- ▶ Your international shopping can be for free, with an Amex prize for 325 Banesco customers who were reimbursed for their purchases abroad.

Open Innovation

We encourage Open Innovation through the development of challenges addressed to Banesco Citizens, with a view to get strategic value ideas. Banesco has created an "Ideas Space" which received 1,069 initiatives from 800 participant employees.

Likewise, we accreted an internal innovators network in the framework of our Ideas Space. The network is composed of employees who have demonstrated a recurrent interest in cooperating with this kind of campaigns. The "Innovas Network" closed 2011 with 250 employees who participated in the challenge of produce ideas to create "Memorable Experiences in Customers". The network received 24 ideas with potential to be implemented. We also went beyond Banesco's borders to listen to the ideas of external groups.

We leveraged ourselves on "Worthidea", a platform from a Spain company in order to take the challenge of "Migrations of transactions to electronic channels" and we received 45 innovating proposals.

Likewise, we designed a Web site which will be implemented later. This will be a place of encounter beyond the 2.0, where people who think "outside the box" and see always to the future could exchange ideas and interesting topics related to innovation. This space would be launched in 2012, in the framework of *Blogósfera Banesco*.

The ideas received compose Banesco Bank of Ideas, which are evaluated by multitasking teams so as they could be implemented in the short run.

CAMPAIGNS AND 2.0 PLATFORMS

Banesco Face

Through the novel conquest Banesco Face, we offered the public with the possibility of participating via social networks and live the experience of becoming the stars of these digital spaces.

Hundreds of videos, lots of creativeness, conversations, a jury composed of renowned personalities and the discovery of a group of boys and girls with high potential to participate as ambassadors of our brand in this new space of exchange, made of this initiative a case of success among the digital communities.

Campaign Tales and Fables in 140 Characters

Addressed to the community interested in writing and reading with a strong presence in the social networks, @Banesco (Banesco Banco Universal, C.A. official Twitter account) launched the conquest "Tales and Fables in 140 Characters". To participate, Twitter users had to follow the profile @Banesco and write from their accounts a poem or tale in just 140 characters.



SOCIAL NETWORK

In 2011, 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 Banescoenimagenes

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

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 2011, our blogs received more than 150.360 visits.



Through Twitter, Facebook, Youtube and blogs, our followers were able to interact with us, get first-hand information and participate in several promotions

Social Networks

	2011	2010
@Banesco	91,621	34,789
@Baneskin	14,994	5,916
Banesco Banco Universal	21,403	8,634
Baneskin	14,994	86
Palabras para Venezuela	1,497	
Suscriptores	1,532	254

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.

\$75.000 in prizes!

Banesco Banco Universal, C.A handed out US\$75,000 in prizes to the winners of the conquest "A dreamed year", a promotion created for the users of our Internet banking and e-banking with the purpose to educate family and friends in relation to the migration of their transactions from the branches towards this varied offer of transactional mechanisms that make their lives easier and allows them to a friendly 24.-hour access to their accounts from any place. These transactions carried out through any of these channels (ATM, Internet, BanescoMóvil or Phone Banking) give points to the users to get the prize.



Community Banking

Now the bank goes to you!



Banesco Community Banking (BCB) is a Banesco initiative on the matter of microfinance in order to meet the economic needs of the low-income segments.

BCB has displayed its Community Branches at the different popular areas of our country, so that potential and current customers can have an easy access to know its products portfolio, open a Community Account, get affiliated to the plan Saving Step by Step or request a Loan to Work.

BCB branches are very similar to our conventional branches. They do not manage cash and operate under a simple and close structure that breaks the paradigm of the traditional distant banking.

At the end of 2011, Banesco has 20 Community Agencies located at: La Vega, Antimano, San Martín, Petare, Catia, El Cementerio, Santa Teresa, Maiquetía, Higerote, Guarenas, Valencia (2), Puerto Cabello, Los Roques, Cúa, Aragua (2), Barquisimeto, Portuguesa and Maracaibo.

The establishment of strategic alliances with commercial chains and outlets, where BCB customers can carry out financial operations within the borders of their communities, has been one cornerstone of success. These service points are known as Service Bars and PosWeb.

The Service Bars are customized attention points where the user can make deposits, cash withdrawal, request banking references, and make affiliations to a the plan Saving Step by Step, open community accounts and make account balance consultations. Additionally, the user can request the visit of a community advisor for those entrepreneurs interested on acquiring a Loan to Work.

The Posweb is an electronic point attended to by the owners of the commercial outlets. Here, BCB customers can make deposits, withdrawals, balance consultation and the last movements in accounts.

Besides, 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).



Main indicators

Stakeholders	2011	2010	Var. %
Bancarization (% of customers who received a first-time credit)	37%	39%	(5.13)
Customers served*	176,735	130,794	35.12
Working-class neighborhoods served	4,146	2,550	62.59
New community branches	3 (Maracaibo Gran Bazar, Maracay Gran Bazar 2 (Palo Negro and Barquisimeto) and Community Bus in Portuguesa state)		50
Attention channels: Service Bars	74	55	34.55
Attention channels: PosWeb	143	105	36.19
Human Resources	542	365	48.49

* Accumulated

Our Team

BCB success is the result of teamwork, with all our workers provide quality service and make our customers feel as if they were at home.

Staff per region

	2011	2010	Var. %
Middle-The Plains (Carabobo - Aragua)	151	110	37.27
Metropolitan Region (Otto Capital, Miranda, Vargas, Federal Entities)	279	245	13.88
Western-Andan (Lara, Zulia)	91	20	355
Total	521	375	38.93

Our products

Community Account ● 2011 ● 2010

Accumulated Closing	Var. %
Community Accounts	35.12
Account balance (M Bs.)	82.83

Accumulated Closing	Var. %
Community Accounts	23.89
Account balance (M Bs.)	83.83

Saving Step by Step ● 2011 ● 2010

Accumulated Closing	Var. %
Nº Affiliations	40.36
Account balance (M Bs.)	43.76

Accumulated Closing	Var. %
Nº Affiliations	13.96
Account balance (M Bs.)	43.76

Loan to Work ● 2011 ● 2010

Accumulated Closing	Var. %
Nº of loans granted	39.94
Amounts liquidated (MBs.)	76.55

Accumulated Closing	Var. %
Nº of loans granted	24.23
Amounts liquidated (MBs.)	77.04

Morosidad 2011: 0.65% 2010: 2.16% Var. %: (153.85)%

Loans for Education / School Credit Cards ● 2011 ● 2010

		Var. %
School Credit Cards delivered	981	62.95
	602	
Amount of granted credit:	3,248	82.26
(M Bs.)	1,782	

Credit Help ● 2011 ● 2010

		Var. %
Nº of Credit Help	54	100
	0	
Amount of the granted credit (M Bs.)	901	100
	0	

Training and certification program

Service area	2011	2010	Var. %
Technical knowledge	177	94	88.30
Capacities to manage people	123	93	32.26
Cardinal Capacities	337	245	37.55
Regulatory	471	0	100
Encouragement of Values and Code of Ethics	355	0	100
Total Participants	1,463	432	238.66

Certification programs

Number of people

	2011	2010	Var. %
Training of advisors, coordinators and supervisors	73	52	40.38
Training of promoters and analysts	49	31	58.06
Induction for collection executives	0	2	(100)
Total Participants	122	85	43.53
Total Programs	13	9	44.44

Our 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 (popular an informal saving schemes) through which the customer decides how and how much to save, according to his possibilities.
- Loan to Work:** this is a productive credit which amount going from Bs. 3.000 up to Bs. 1.000.000. It is traditionally known as microcredit.
- Credit Help:** this product was created by BCB with a view to encourage our entrepreneurs under risk circumstances, due to natural disasters.
- 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.



Training Program for Micro-entrepreneurs

In November, Banesco Community Banking held a graduation ceremony for the IV Edition of its Training Program for Micro-entrepreneurs in Carabobo state. The program seeks to strengthen the knowledge of a group of entrepreneurs from this state, 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.

BCB developed this activity with the support of Instituto Venezolano de Capacitación Profesional de la Iglesia (INVECAPI), Fomento del Desarrollo Popular (FUDEP) and Microsoft Venezuela. This was a month and a half program, divided into three modules: Values for Life; Administrative and Managerial and Technologic. Finally, entrepreneurs were visited at their work places to provide them with technical advice.

Evaluation of BCB Customers Satisfaction

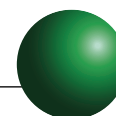
Each year we carry out an external consultation to develop the satisfaction survey of Banesco Community Banking in order to identify opportunities to improve for our general processes, offers and products.

The results of this study were as follows:

- BCB customers' general satisfaction level was 9.58 with a 1 to 10 scale.
- Using the same scale to evaluate products, services and service channels, the average score for each of them was: 9.48 for the products; 9.33 for services and 9.04 for service channels. The final satisfaction level index was 9.3.
- Family and friends references (41%) show an important increase for last years, and these are the most effective communication channels in order to display BCB offer of products and services, along with newspapers (77%) and radio (56%). The latter and Service Bars are considered as the most useful of all means.
- 93% of the subjects interviewed said they started relations with BCB for passive and/or credit products (30%).
- *The attributes by which BCB is well known are the following:* profitability; easiness and fast service to request credits, a portfolio of products and differentiation level in relation to other brands.
- *Average, Top Box and Botton Box:* the total evaluation obtained for these metrics is among the referential ranks. For Community Branch, Phone Banking and Products Portfolio, most of the customers granted a score between 7.8 and 9 points.

Technical Datasheet

- **Universe:** 131.637 BCB active customers.
- **Random Sample:** 500 interviews to active customers.
- **Scope:** 9 zones of BCB attention.
- **Instrument:** questionnaire structured according to the study objectives.
- **Collection Technique:** phone interviews.
- **Date of the Field:** September-October 2011.
- **Firm:** Vp. Inteligencia Corporativa.



Awards to reward everyone's effort

In 2011 we rewarded 120 customers of our Community Branches: La Vega, Cúa, Puerto Cabello and Valencia, for their excellent payment record and zero delinquency. Banesco Community Banking carried out the campaign Timely Payment, where the winners received Bs. 500.00 to be exchanged at Practimercados Día Día.

Likewise, commercial outlets affiliated in Palo Negro area, El Cementerio, Valencia, Antímamo, Cúa and La Vega were also rewarded for presenting the highest number of transactions and a stronger commitment with BCB and their community.

Finally, as a Corporate Social responsibility initiative, in December, Banesco Banco Universal and Community Banking joined efforts with the Foundation "Santa in the Streets", an activity for the benefit of over 15 thousand people living in the streets or belonging to the neediest segments in Caracas, thanks to the participation of more than 900 volunteers who collected 1,850 toys, as well as clothes and food.

Acknowledgements for Banesco Community Banking

In March, we made the formal announcement of the approval of a financing plan for Bs. \$500.000 granted by the Inter American Development Bank (IDB), the Multilateral Fund of Investments (FOMIN) and the Andean Corporation of Development (CAF) for the development of the Project "Financial services by cellular phone for the bancarized population", the winner idea of the "Technological Program for Financial Inclusion".

In April, Claudia Valladares, the VP of Banesco Community Banking, was acknowledged as Outstanding Social Entrepreneur by the World Economic Forum and Schwab Foundation for Social Entrepreneurship, an event about Latin America held in Rio de Janeiro, Brazil.

On the other hand, two micro-entrepreneurs, Alberlis Torres from Valencia and the owner of a sale of appliances and lingerie, and Lenis Gil from Antímamo, owner of the spa SPAC NAILEN NAILS 15, received the 2011 Citibank Award in the categories of trade and services, respectively, as a training course for "High Impact Subsistence", given by the AVINA organization.



Community Breakfasts and Tours

In 2011, Banesco Community Banking carried out 5 Community Breakfast at Ciudad Banesco. There, the families shared their achievements and expectations in a pleasant and different environment.

For Banesco Community Banking it's of paramount importance to celebrate these meetings, because they allows our organization to received first-hand information and opinions from our work team, we provide answers to certain doubts and get a closer view of our employees' labor experience.

In June, 22 Banesco Vice Presidents and Managers participated in the Community Tour, held at the Community Branches of Petare and El Cementerio.

During the tour, our service model was closely observed and we shared experiences with some of our customers and allies.

Community Cinema

In 2011, BCB projected a total of 4 films in popular areas of Caracas (Plaza Bríon in Chacaíto and Plaza La Candelaria) and Miranda (Petare historic center). On the other hand, BCB continued to promote its products with 13 special rounds in communities located at El Cementerio, Cúa, Petare, Catia, Maiquetía, Los Teques, La Vega, and Antímamo, where it has a presence. BCB delivered promotional materials in these communities and answered the questions of potential customers.

For more information, please go to www.bancacomunitaria.com



Our Environmental Commitment



Our Policy

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

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

Our Management

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

By now, the only foreseeable way that the climate change could impact our organization's activities would be an increased need of air conditioning at our branches and offices, which in turn would raise energy consumption and its subsequent emissions. These consequences have not been systematically identified and quantified. However, the Organization is ready to start in the medium-term the replacement of its air conditioning equipment by new units with a more efficient technology.

In 2011, we replaced two chillers at Ciudad Banesco and two more at El Rosal Towers. They were replaced by new equipment fitted with noise reduction devices, ecologic coolant and low energy consumption. We also applied some measures with a view to minimize and segregate residues, encourage a sustainable use of resources, as well as efficiency 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 2011, the following activities were carried out:

- Special containers to recover used paper were placed at strategic locations in our headquarters (Ciudad Banesco, El Rosal, La Primera and El Recreo).
- Special days were fixed to collect used paper at out warehouses in San Vicente, Los Guayos and Los Haticos headquarters in Maracaibo.
- At the end of 2011 we have recycled 99.686 Kg, with an average of 4,000 Kg per month, being February the next month with 40TN. Expressed in bolivars this accounts for an extraordinary income of Bs. 152,611.00.
- Our awareness campaign 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.



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 waters do not affect natural lands, protected spaces or with a high value in terms of biodiversity.

Environmental Indicators

Consumptions	Total Consumption			Consumption per person		
	2011	2010	Var. %	2011	2010	Var. %
Water (m ³) ⁽¹⁾	250,784.34	225,933.59	9.90	18.12	16.17	10.75
Electricity (Gigajulio) (National Electric System) ⁽¹⁾	248,503.30	251,682.28	(1.26)	17.95	18.01	(0.33)
Electricity (Gigajulio) / own generation ⁽⁴⁾	2.16	7,200	(99.97)	-	-	-
Paper (Kg) ⁽¹⁾	20,938	23,459	(12.40)	1.51	1.67	(10.40)
Paper (Kg) / Customers ⁽¹⁾	253,141	273,486	(8.03)	0.06	0.06	0
Waste						
Recycled paper (Kg) Administrative offices ⁽²⁾	70,868	-	100	5.12	-	100
Recycled Paper (Kg) Warehouses ⁽¹⁾	28,818	-	100	2.08	-	100
Recycled Paper/Papel (Kg) Total	99,686	233,330	(136.39)	7.20	-	100
Toner and/or cartridges ⁽¹⁻³⁾	661	729	(10.29)	0.05	0.18	(73.47)
Electric and electronic waste (Kg) ⁽¹⁾	4,967.27	-	100	0.36	-	100
Greenhouse emissions						
Co2 Emissions from diesel machines ⁽²⁾	520,200	1,736,254.54	(233.77)	135.71	446.68	(229.14)
Co2 Emissions from employees vehicles ⁽²⁾	463,488.80	661,279.32	(42.67)	120.92	171.66	(41.96)
Total Co2 Emisiones ⁽²⁾	983,688.80	2,397,533.86	(143.73)	256.63	616.80	(140.35)

1. National Totals, taking as the basis 13.859 workers in 2011 and 13.969 in 2010.

2. Including only Ciudad Banesco administrative offices and El Rosal (Caracas). 3,833 workers in 2011 and 3,887 workers in 2010.

3. Donated to Fundana.

4. Own generation at our headquarters in Ciudad Banesco, taking as the bases 3,306 workers in 2011 and 3,288 in 2010.

5. Consumption at Ciudad Banesco.

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.

These plants are activated if the voltage of the electric power network falls. As a result of these circumstances, in 2011 we generated 2.16 gigajulios, with a 233.33% reduction in terms of self-generation. We also recorded a 1.28% reduction in terms of external consumption against 2010.

On the other hand, Banesco Banco Universal, C.A. activities does not generate significant emissions or hazardous substances leaks.

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.
- Technical suitability certificates issued by renowned institutions (National Institute of Structural Models) or others are required. Likewise, the constructive elements should not include high content of polymers, acetates or asbestos.
- The projects must comply with the standard distances in relation to tributaries, high-tension towers and protection zones, as well as with the urban equipment rules for a decent habitat.



- ▶ When the projects are conceived to be located on coastal areas, they must comply with the special rules for this type of works both, tourism or housing facilities.
- ▶ During the construction process, a Banesco's engineer inspector performs a monthly supervision to prevent unexpected environmental damages and check industrial security measures to protect the workers involved.
- ▶ Last, but not least, we try to ensure that the financed projects count on the fitness certificate before the opening of the sales process.

PRODUCTS TRANSPORTATION: Banesco Banco Universal, C.A. does not cause measurable environmental impact for this activity, as the products transported by the bank to its nationwide agencies network are office stationary, printed documents, as well as technology equipment and consumables.

PERSONNEL TRANSPORTATION: Our employees use their own vehicles as their transportation means to go to Banesco, go back home and reach different administrative facilities in the capital region. When the staff has to go to an event outside the organization, Banesco covers the expenses incurred for that movement and, if necessary, it hires transportation services.

BRANCHES OPENING: Banesco does not carry out previous environmental impact studies in the areas where we open branches, unless the municipal authorities indicate otherwise and provided that these studies are specific depending on the works to be executed.

PAPER CONSUMPTION FOR PRINTED DOCUMENTS AND PHOTOCOPIES: We integrated the Commercial Web Credit Workflow with the Electronic Management of Documents system to obtain a single electronic and digitalized file of the customer. This allows a minimum use of paper in our business processes and a faster response for our customers' credit requests. Additionally, we implement internal communication campaigns to encourage a reasonable use of resources.

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

Steps taken to reduce our environmental impact

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

- ▶ Most of our building facade is a low-reflection green curtain wall, which along with other elements composes a comfortable labor environment and reduces air conditioning consumption.
- ▶ The building is controlled by software that provides an integral management for all the commands of our CRT, the security and electro-mechanics access controls (air conditioning, elevators, escalators and lightning), producing a higher efficiency in terms of energy consumption and security.
- ▶ The building is fitted out with "smart" elevators and they take the standby mode when they are out of use for a given period of time.
- ▶ Toilets sets of faucets are automated, that is, the sinks, WC and urinals are automatically activated and only use the required amount of water.
- ▶ We implemented the concept of Open Space 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:
 - Reduction of lightning schedules at offices and parking lots.
 - Reduction of time of operation for air conditioning at the branches, avoiding discomfort.
 - Reduction of time of operation for escalators.
 - Lights are partially turned off at our headquarters.



Banesco with You and the Planet

Banesco Banco Universal, C.A, ratified its commitment with the environment and this year it 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 2011, Banesco donated a total of 130,487.50 Kg. (21,925 units) of furniture, computers and related accessories.

In 2011, 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.

Banesco Banco Universal, C.A. has not been fined or sued due to violations of national or local environmental regulations whatsoever.

The Executive VP of Management for Real States has established and conducted actions that guarantee a lower consumption of energy, such as for example: the adjustment of the electric power at the offices and branches; implantation of presence detectors, installation of self-regulating light screens.

In 2011, 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, PAG. XX)

Donation of Discarded Furniture 2011

Institution	Units	Kg
Renacer	6,262	64,870
Don Bosco Civil Assoc. (Houses network, La Dolorita)	13,249	23,731
Individual	21	250
Canaima School	455	4,550
Journalist National Guild	27	700
CICPC	17	460
Bolivarian National Police	14	295
Individual	7	70
Individual	1	250
Justice Palace	10	200
Indepabis	12	180
Foundation "Siembra de Venezuela"	15	330
Bolivarian National Guard	15	280
National Organization Transplant of Venezuela	2	80
Venezuelan Foundation against Infantile Paralysis	1	20
Total	20,108	96,266

Donation of Discarded Furniture 2010

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

Donation of Discarded Computers

2011			2010		
Institution	Kg	Kg	Institution	Kg	Kg
Renacer	1,766	33,246	Individual	37	885
Giraluna Primary School	4	76	National Bolivarian School "25 of July"	150	2,289
Manuel Ricardo Yanez National Primary School	4	76	"Dos Lagunas" Urban Outpatients Clinic	41	448
Individual	2	38	Polytechnic Nat. Univ. for the Bolivarian Armed Forces	202	2,135
Individual	1	26	"Nazareth" Private School	81	861
Doña Concepción School	40	760	Sanitary District No. 2, Valles del Tuy	41	448
Total	1,817	34,222	Individual	1	676
			Individual	4	41.30
			Individual	4	41.30
			"San Vicente" School	121	1,274
			"Claretino" Missionary Group	161	1,687
			Individual	4	41.30
			"San Bernardino de Siena" School	101	1,067
			Artesano Group Foundation	20	206.50
			Tomas Vicente González National School	41	448
			Dr. Ramón Reinoso School	40	413
			Individual	2	26.20
			Individual	2	3.30
			Individual	2	26.20
			Total	1,055	13,017.10

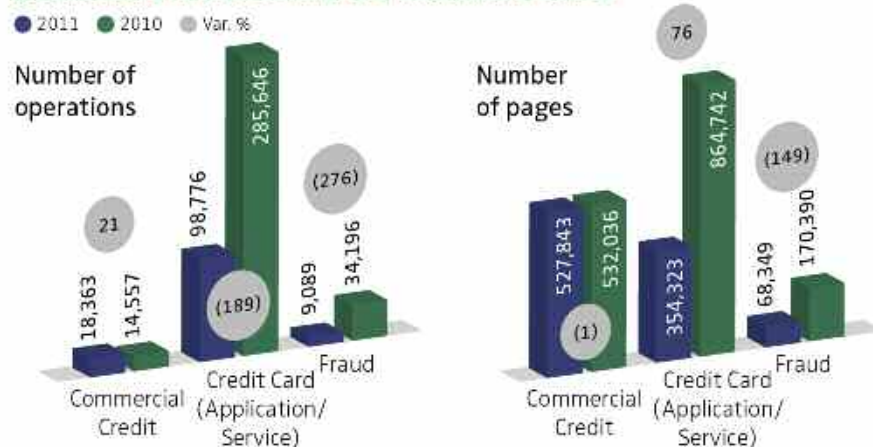
In 2011, we continued with our campaign of paper recycling and published in our internal media a series of messages to make aware our employees about the advantages of recycling and environmental preservation. Our financial activity does not imply storage or transportation of hazardous materials.

Finally, the Medical service located at Ciudad Banesco, addressed to our employees, 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.

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 use, encourages the optimization of the space and a better organization in terms of files custody.

Gestión Electrónica de Documentos



Our Suppliers



Our Management

In 2011, the Executive VP of Procurement and Management kicked off the Project Expenditures Cycle in order to design a new blueprint for the SAP tool, the system under which are recorded the movements related to the purchase process to speed up processes, improve the decision-making process, establish an improved monitoring ability for the acquisitions and strengthen the transparency of the whole process, according to the needs of our Bank. This project includes the centralization of the purchase process, billing and warehouses control.

Likewise, we recorded important savings of at least an average of Bs. 60.000.000 in the negotiations of purchase/hiring in relation to the best economic proposal received and a discount of at least 14% over the offers presented.



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

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).

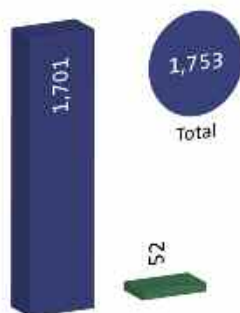
To make a purchase, at least three different budgets are required. Afterwards, the budgets are analyzed and the Bank selects the best offer in terms of price, response time and quality product.

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.

Suppliers distribution

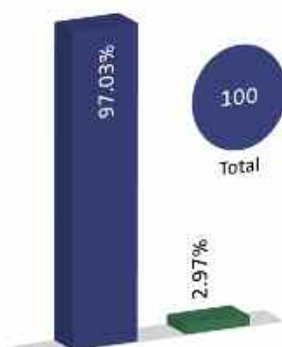
Number of suppliers

Local suppliers Non-local Suppliers



% over total

Local suppliers Non-local Suppliers



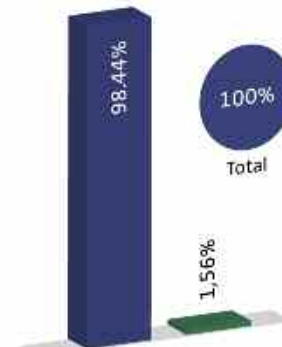
Amount Paid

Local suppliers Non-local Suppliers



% over total invoiced

Local suppliers Non-local Suppliers



Number of Suppliers

● 2011 ● 2010

Denomination		% of total
Equipment, articles and office furniture	46	2.62
	48	
Hardware, software and technology	78	4.45
	70	
Printed papers and Value Paper	12	0.68
	16	
Debit/Credit Cards	3	0.17
	3	
Other equipment	4	0.23
	1	
Maintenance and constructions	173	9.87
	168	
Marketing and Publicity	191	10.90
	180	
Professional fees and Consultory	298	17.00
	378	
Equipment leasing	13	0.74
	11	
Condos and Rents	383	21.85
	425	
Trainings	59	3.37
	55	
Other services	181	10.33
	273	
Services	292	16.66
	394	
Human Capital	20	1.14
	1	
Total	1,753 Total 2011 2,023 Total 2010	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.

Our Suppliers Social Investment

2011

Alliance	Investment
Salesian Ladies: Maniapure Project	50,000.00
La Trinidad Medical center	6,840
Salesian Ladies: Project "La Sopa del Amigo Taribero"	106,000.00
Procter & Gamble	6,321.89
Andrés Bello Catholic University (UCAB)	73,920.05
Total	243,081.94

2010

Alliance	Investment
Salesian Ladies: (several events)	43,530.90
Asodeco Sponsorship	15,000.00
Salesian Ladies: Project "La Sopa del Amigo Taribero"	82,550.00
Donation to Naiguatá School	5,000.00
Donation to victims of the heavy rains 2010	68,500.00
Total	214,580.90



Amount Paid

● 2011 ● 2010

% of total

Denominación		2011	2010
Equipment, articles and office furniture	50,141,676.73	2,31	2,50
	42,228,187.51		
Hardware, software and technology	588,063,234.32	27,03	16,47
	278,706,028.46		
Printed papers and Value Paper	47,775,924.47	2,20	2,69
	45,532,558.88		
Debit/Credit Cards	25,129,388.70	1,16	0,40
	6,747,964.69		
Other equipment	2,418,137.80	0,11	0,02
	385,336.00		
Maintenance and constructions	205,504,512.66	9,45	8,80
	148,984,129.73		
Marketing and Publicity	68,872,637.11	3,17	8,38
	141,873,851.21		
Professional fees and Consultory	195,677,898.06	9,00	9,34
	157,983,276.92		
Equipment leasing	10,783,577.50	0,50	3,70
	62,663,439.73		
Condos and Rents	124,900,463.51	5,74	7,91
	133,822,606.13		
Trainings	12,502,327.36	0,57	0,47
	7,965,244.93		
Other services	27,250,557.00	1,25	3,81
	64,521,595.77		
Services	661,301,009.37	30,40	29,42
	497,843,939.23		
Human Capital	154,884,106.95	7,12	6,08
	102,883,087.16		
Total	2,175,205,452	Total 2011	1,692,141,246.35
		Total 2010	100

Dialogue with Our Suppliers

During 2011, we continued the dialogue with this stakeholder, through a survey sent to the 400 most important suppliers. From the total of surveys sent, we only received back 8.5% 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 the following aspects of your relationship 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, such as the ISO 9000, ISO 14000 o SA8000, etc.?
- ▶ Does your company have a policy on Human Rights in place? Please, explain.
- ▶ Is your company willing to participate in CSR activities along with Banesco?

The result of your satisfaction level about your relationship with the bank in 2011 was as follows:

Transparency	4.47
Timely payment	4.08
Satisfaction with Online Services	4.14
Satisfaction with treatment or customized attention	4.35
Average	4.26

Capital Region

Service	Nº of Suppliers		Amount Bs.		Var. %	% over total invoiced	
	2011	2010	2011	2010		2011	2010
Hardware, Software and Technology	43	70	581,816,052.24	278,215,625.26	52.18%	36.89	27.02
Professional Fees and Consulting	74	329	189,882,650.55	152,569,318.78	19.65%	12.04	14.82
Maintenance and Constructions	134	126	178,345,184.37	131,610,192.32	26.20%	11.31	12.78
Services	144	186	627,201,970.53	467,266,293.00	25.50%	39.77	45.38
Total	395	711	1,577,245,857.69	1,029,661,429.36	34.72%	100	100

Eastern-South Region

Service	Nº of Suppliers		Amount Bs.		Var. %	% over total invoiced	
	2011	2010	2011	2010		2011	2010
Condos and Rents	37	51.00	10,350,972.72	11,343,627.80	-9.59%	46.12	47.77
Maintenance and Constructions	14	6.00	6,785,762.78	7,103,902.53	-4.69%	30.23	29.92
Services	46	78.00	5,307,618.10	5,299,298.69	0.16%	23.65	22.32
Total	97	135	22,444,353.60	23,746,829.02	-5.80%	100	100

Middle-The Plains Region

Service	Nº of Suppliers		Amount Bs.		Var. %	% over total invoiced	
	2011	2010	2011	2010		2011	2010
Condos and Rents	55	71	8,069,150.91	7,851,220.34	2.70%	29.46	32.96
Equipment, articles and office furniture	3	2	2,370,296.32	2,880,554.88	-21.53%	8.65	12.09
Maintenance and Constructions	8	12	3,459,120.16	2,722,221.91	21.30%	12.63	11.43
Services	24	30	13,494,579.57	10,367,922.13	23.17%	49.26	43.52
Total	90	115	27,393,146.96	23,821,919.26	13.04%	100	100

Región Zulia - Falcón

Service	Nº of Suppliers		Amount Bs.		Var. %	% over total invoiced	
	2011	2010	2011	2010		2011	2010
Condos and Rents	77	76	16,438,964.88	13,897,560.21	15.46%	33.79	38.23
Maintenance and Constructions	17	17	16,914,445.35	7,547,812.97	55.38%	34.77	20.76
Services	78	100	15,296,841.17	14,910,425.41	2.53%	31.44	41.01
Total	172	193	48,650,251.40	36,355,798.59	25.27%	100	100





The Procurement Committee is a coordination organizational body that fosters the ideal design of the procurement operations

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 involve the immediate disbursement of funds.

Objective

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

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

PROCUREMENT THEMATIC COMMITTEE

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

DIRECTORS COMMITTEE

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 to the automation of the purchase process.



Committee powers

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



Our Commitment to the Authorities



Our Policy

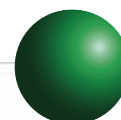
Banesco Banco Universal, C.A. is an active partner of the central government, as well as regional and local government in the development and diversification of productive activities. We continue our active work to bankarize those social groups still excluded from the financial system, as a means to strengthen the social fabric, job creation and economic growth and supporting these goals of the central government which are established in the national Constitution.

Our Management

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.



Taxes for own operations

Thousands Bs. ● 2011 ● 2010

	2011 / 2010		Variación
Tax on Economic Activities	139,696.35	114,044.43	22%
Value Added Tax	217,231.84	153,934.66	41%
Tax on Commercial Publicity	1,227.83	1,187.61	3%
Urban Real State Tax	1,732.30	2,359.87	(27)%
	359,888.32	271,526.57	33% Variation
	Total 2011		Total 2010



Object, Operations and Legal Framework

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

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

Legal Contributions

Thousands Bs. ● 2011 ● 2010

Contribution to FONACIT*	2011 / 2010		Variation
Technology projects ⁽¹⁾	33,747.00	38,361.19	(12)%
Workers' Food Law	2011 / 2010		Variation
Workers' Food Law ⁽²⁾	82,044.02	71,999.86	14%
Parafiscal Contributions	2011 / 2010		Variation
Law of Housing and Habitat	19,320.80	14,934.93	29%
Mandatory Social Security	54,259.09	44,224.13	23%
Employment Law	12,042.23	9,782.89	23%
INCES	15,981.26	11,635.32	37%
Contributions to FOGADE, SUDEBAN, the National Organization Against Drugs-ONA, and Social contribution to Communes-FONACIT	2011 / 2010		Variation
FOGADE	621,459.31		50%
	413,211.88		
SUDEBAN	59,048.96	49,119.95	20%
Projects of application LOSEP - ONA	21,595.43	9,138.65	136%
FONACIT ⁽³⁾	104,329.00		100%

(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)** Figures adjusted in 2010. **(3)** Corresponds to the contribution established in the Decree with Rank, Value and Force of the Law for the Partial reform of the Law for the Institutions of the Banking Sector, published in the Official Gazette Nº 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 in their financial components.

State-Run Portfolios

At December 31st	Amount reached (thousands Bs)		% Required		% Maintained	
Modality	2011	2010	2011	2010	2011	2010
Tourism	871.915,41	638.751,18	3,00	3,00	3,38	3,03
Micro-entrepreneurs	3.808.165,29	1.375.221,15	3,00	3,00	6,00	5,44
Agricultural	6.675.163,60	5.349.612,88	24,00	25,00	25,88	25,36
Manufacture	1.952.189,80	2.416.564,69	10,00	10,00	13,14	10,39
Mortgage, Own Resources (Long term)	4.217.845,13	1.803.585,99	5,00	6,00	8,18	7,76
Mortgage, Own Resources (Short term)	1.900.765,69	749.019,43	7,00	4,00	6,71	3,22



Campaigns and external information

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

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

Campaigns and internal information

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

Fines and non-fulfillment

In 2011, 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 2011 the Institute for the Defense of People in the Access to Goods and Services (Indepabis) applied 23 sanctions to Banesco for alleged weaknesses in its security methods and non-fulfillment related to the response times to its customers. All these sanctions have been appealed and were under the consideration of Indepabis at the end of the year.

In relation to lawsuits, contingencies, contractual and fiscal commitments, they are half-yearly showed in the Financial Statements audited by the Bank, according to the requirements of the Regulatory Body and included in the Commitments and Contingencies Notice. The bank does not expect these lawsuits, contingencies, contractual and fiscal commitments to produce any impact whatsoever on the financial statements as a whole, up to December 31, 2011 and December 31, 2010. 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

In 2011, 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

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 2011 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 eighth edition, corresponding to the period from January 1st to December 31st 2011.

The previous report, covering the period from January 1st to December 31st 2010, was published during the first half of 2012 and like the present report it underlined the relevant aspects of that year, the extent to which the Bank kept its commitments and achieve 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 Sectorial Supplement for Financial Systems, issued by the Global Reporting Initiative (GRI) RG, version 3.0/FSSS Final Version. Our 2007 Corporate Social Responsibility and Sustainability Report was the first one to be certified by the Global Reporting Initiative; with the 'Application Level B+', while the 2008, 2009 reports achieve the 'A+ GRI Checked Level', the highest possible. We should underline that as the new GRI Supplement for the Financial Sector entered into force as of January 1st, 2010, the present report includes 'FS' performance indicators.

The strategic planning program of the Corporate Social Responsibility (CSR) is prepared by Banesco 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.

During 2011, we continued with the training and specialization process of the team of this Vice-Presidency in order to go forward with the dialogue process with our stakeholders, with a view to the adoption of the AA1000 Standard.

As in the previous years, this Report is organized on two big blocks: the internal and external dimensions of our social responsibility, with specific chapters for each stakeholder. It also reports our successful interactions with them in 2011, particularly the collection of statistics (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, its purpose is not only to inform about its individual performance, but also to report its work within a wider context, including:

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

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

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

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 Sectorial Supplement for Financial Services, issued by the Global Reporting Initiative (GRI) RG, version 3.0/FSSS Final Version.

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

The figures here reported were displayed into detail for 2010 and 2011, with their respective variation rates. This allows the comparability of the performance for the two periods.

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

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 date reported corresponds to the Organizations' records at 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 2011, 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.

Commitments

Area	Main lines of action 2011	Commitments 2012
Corporate Governance	> He designed and implemented a tool for management and performance measurement for various Thematic Committees to measure management.	> Evaluate and adjust settings in presentations to the Board and Thematic Committees. > Evaluate and make the necessary changes in the structure of the Steering Committees and Executives in their: rationalization, integration, objectives and reporting to management.
Shareholders	> Vendor proposals were evaluated to determine the service to be implemented to provide timely care to shareholders of Banesco Banco Universal, C.A.	> Deciding between the best deals on the service providers to be implemented to provide shareholder servicing. > Maintain dialogue with our shareholders through meetings.
Human Capital	> Competency Model Masificamos all levels Banesco Banco Universal C.A. > Expanded services offered in our "Employee Self Service Portal". > Expanded options on non-economic benefits. > We strengthened training programs and personnel training, through the segmentation and specialization of learning areas. > Create a contingency fund to cover those Extreme health emergencies that require costly treatments that may not be covered by the policy coverage of basic health. > We apply the standard AA 1000 our workers through face to face dialogue. > We designate a Multinational Director for the Human Capital area in order to strengthen the leadership of this unit and the relationship with workers.	> Continue the program Your House with Banesco and increase granting Mortgage Loans to employees. > Start the Virtual Learning tool, with 3 modules on-line of Quality of Service. > Make agreements with various colleges for conducting Operational Catchment. > Form the Group Theatre, Coral and Running Club. > Standardize the category of positions grouped into 6 strips. > Start Assessment of Knowledge. > Make the first meeting of Synergy Multinational. > Review and deploy the campaign for the renewal of Corporate Values.
Volunteering	> We developed the Corporate Volunteer Banesco Policy. > We strengthened further training program aimed at higher education consulting Fe y Alegria. > We strengthened Banesco Volunteering in the regions. > Develop learning experiences for volunteers in the area of human rights, environment, prevention alcohol, snuff and drugs, in addition to theoretical knowledge in corporate volunteering.	> Incorporation of recycling workshops for training as multipliers Volunteer Banesco care environment. > Reforestation and seed collection in different areas to boost environmental volunteer. > Contribute to strengthening reading habits in children through storytelling activities and reading corner. > Continue to provide support to our social partners. > Continue and strengthen further training program aimed at students in higher education Fe y Alegria. > Continue development of Volunteers in prevention. > Continue to Strengthen Volunteer Banesco in the regions.
Social Partners	> We offered support to our Social Partners in implementing their projects. > We continue to build strong relationships with our Social Partners to consolidate long-term projects running in favor of the community. > We conduct quarterly meetings of the Committee and Accountability. > Sustainability to design, implement and ensure full compliance with sustainability strategies that ensure the maintenance of the business in the short, medium and long.	> Continue to support our Social Partners are renowned institutions and develop programs that impact benefit communities. > Conduct monthly meetings of the Committee and Accountability. > Sustainability CSR to align the business strategy. > Visits to the headquarters of our Social Partners > Continue and strengthen dialogue with the community of Monte Bello estate located in our headquarters.
Community	> Continue to develop a dialogue with the community and representatives of the Colinas de Bello Monte, where urbanization is our headquarters. > Provide logistical support for the implementation of the Programme of Microenterprise Training carried Banking.	> Open a new space for the community of El Rosal for conducting community activities. > Cultural activities in our community spaces. > Offer free concerts throughout the national territory. > Together with Community Banking, massify Microentrepreneurs Training Program incorporating a Social Partner linked to education.
Clients	> We ended the technological adaptation to Chip all our Credit and Debit Cards which allow transactions 100% safe. > Developing and implementing massively offered Banesco APP for Mobile and Blackberry devices. > • We consolidated the social networking sites (Twitter, Facebook, Youtube, Blog) for dialogue with our customers.	> Increase the active passive portfolio by 55% and 69%, increasing the participation of legal persons to 38%. > Deepen customer knowledge to enhance the delivery of appropriate products and services to each of the sub-segments, emphasizing the quality of service and operational excellence that may lead to improved satisfaction rate from customers.

Commitments (continuation)

Area	Main lines of action 2011	Commitments 2012
	> We strengthened BanescoOnline to offer customers technology solutions for the application of foreign exchange, buying bonds, review and payment of claims and self-management requirements. > Regional Tours conducted our usual closer to our customers throughout the national territory.	> Enhance training of relief generation and optimize our ability to ensure continued performance and profitable growth segment. > Expand BanescoMóvil application for Windows Phone devices. > Provide more services BanescoOnline as credit inquiries, Extracredit cash multipagos, among others. > Masificaron the amount of functional teams so that they operate as clientes payment TDC, storage and transfers between accounts quickly and conveniently. > Provide guidance to the client through the Virtual Promoter team that will help guide users in the use of multifunction devices. > Relaunch of the website that offer more robust in dealing with customers. > Redefine natural segmentations of customers in Premium Banking customers and Private Banking.
Community Banking	> We opened three new agencies and a new point of care: Community Bus. To close a total of 20 Community Agencies increasing our presence in 13 states. > Continue replicating Microenterprise Training Program, graduating 167 entrepreneurs Carabobo State.	> Increase customer satisfaction by adding new financial products and services to our portfolio: Microinsurance (Integral Life and Funeral), Community Education Loan Microenterprise and TDC (evaluation and design). > Open five new Community Agencies to expand our services to popular areas. > Encourage widespread our Microenterprise Training Program, strengthening the expertise of our entrepreneurial clients from the popular areas.
Environmental	> Continue with the fitness plan Handicapped access agencies, by building ramps. > Continue with the plan to rationalize physical spaces Banesco City and El Rosal and their implementation in the interventions of the Regional Headquarters. > Implementation of new generators in Banesco City and El Rosal, in order to strengthen our ability to electrical self. > Improvements to City Infrastructure Eater Banesco, to ensure service quality. > We replaced two teams cooling (Chillers) Banesco City and two towers of El Rosal. > Continue with the plan and reducing electricity consumption.	> Continue with the plan of reducing electricity consumption. > Incorporating a dining room for employees in Towers 1 and 2 of El Rosal. > Keep the paper recycling plan. > Continue scanning device to avoid the use of paper.
Suppliers	> Savings were obtained in purchase negotiations / contracts regarding the best financial proposal received on average a total of Bs. 60,000,000. > Compliance supply plan in 100%. > Expenditure Cycle project was implemented, which aims to design a new blueprint for SAP tool according to the needs of the organization. > The procurement process, billing and centralized warehouses.	> Achieve average savings of 14% in Procura. > Reduce by 80% without financial providers has Banesco. > Reengineering the area at the policy level, processes, quality control, contracts, among others. > Add Supplier to file a letter of acceptance clauses Accession Global Compact.
Autoridades	> We continue to work with the tables SUDEBAN to exchange processes and ideas to obtain results in the observations and comments of the agency in a waydirecta. > Complete the modernization of SCAV tool.	> Set up meetings with SUDEBAN to review and improve processes according to official regulations. > Continue to meet the amount required by drawers for mandatory.

Information about management and/or direction approach

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	75 – 76
	Procedures for the evaluation and control of social and environmental risks in the business lines. FS2
	75 – 76
	Processes to monitor the implementation of the social and environmental requirements included in customers contracts or transactions. FS3
	63, 77
	Processes to improve the employees' capacity to implement the environmental and social policies and procedures applied to the business lines. FS4
	28 – 29, 49 – 50
	Interactions with customers/participant societies/corporate partners in relation to environmental and social risks and opportunities. FS5
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	Water
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	(2)
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	Training and Education
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	RESPONSIBILITY ON PRODUCTS. INFORMATION ABOUT MANAGEMENT APPROACH
	Customers' Health and Security
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	Products and Services labelling
	65 – 66
	Marketing communications
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	65 – 66
	RESPONSIBILITY OVER SPECIFIC PRODUCTS
	Description of policies for the proper design and offer of financial services and products. FS15
	5, 51, 63

(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	Page
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.	3
	1.2 Description of the main impacts, risks and opportunities in relation to sustainability.	6 – 8
2. Organization profile	2.1 Name of the organization.	5
	2.2 Main brands, products and/or services.	51 – 60, 70 – 71
	2.3 Operational structure of the organization, included its main divisions, operating entities, subsidiaries and joint ventures.	13
	2.4 Location of the organization's headquarters.	5
	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.	88
	2.6 Nature of the property and legal form.	5
	2.7 Markets served (including its geographic details, sectors supplied and type of customers/beneficiaries).	50, 51, 60
	2.8 Dimensions of the informant organization, including:	
	• 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, 20, 51
	2.9 Significant changes during the period considered by this report on the size, structure and property of the organization, including:	
	• 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).	5, 19, 51, 60, 70
	2.10 Awards and accolades received during the reported period.	73
3. Parameters of the report	REPORT PROFILE	
	3.1 Period covered by the information in this report (for example, fiscal year, calendar year).	87
	3.2 Date of the previous report (if available).	87
	3.3 Cycle of reports presentation (annual, biennial, etc.).	87
	3.4 Contact point for questions related to the report and its content.	87
	SCOPE AND COVERAGE OF THE REPORT	
	3.5 Process to define the report content, including:	
	• Determination of materiality	
	• Priority of the aspects included in the report.	
	• Identification of the stakeholders that the organization expects to use the report.	87
	3.6 Coverage of the report (for example, countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	88
	3.7 Indicate the existence of scope or coverage limitations of the report.	88
	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.	87 – 88
	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.	88
	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)
	REPORT CONTENT INDEX	
	3.12 Table indicating the location of the basic contents of the report.	91 – 93
	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.	87

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, 12 – 13, 16 – 17
	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).	12
	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, 13
	4.4 Mechanisms of the stockholders and employees to communicate recommendations or indications to the highest government body.	11, 12, 15, 19
	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).	11-12
	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 – 12
	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.	5, 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, 14 – 15
	COMMITMENT TO EXTERNAL INITIATIVES	
	4.10 Procedures to evaluate the performance of the highest government body, particularly its environmental, economic and social performance.	15
	4.11 Description of how the organization has adopted a precautionary plan or principle.	6, 15
	4.12 Social, environmental and economic principles or programs externally developed, as well as any other initiative subscribed or approved by the organization.	14 – 15
	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:	
	• 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	16
	STAKEHOLDERS PARTICIPATION	
	4.14 Relation of stakeholders included by the organization.	6
	4.15 Base to identify and select the stakeholders with which the organization is committed.	6
	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 19 – 20 / Human Capital 21 – 37 / Social Partners 39 – 42 / Community 43 – 46 / Customers 50 – 69 / Suppliers 79 – 83 / Authorities 84 – 86.

(3) Human Capital 36 / Social Partners 40 / Customers 61 – 64, 68, 72.



TRABAJAR JUNTOS POR UN FIN COMÚN, MEJORAR LA VIDA DE LOS VENEZOLANOS, GENERA EL MEJOR DE LOS BALANCES

BALANCE SOCIAL 2011



	TOTAL INVERSIÓN 2011	ACUMULADO 1998 - 2011
TOTAL INVERSIÓN SOCIAL	14.340.800	214.799.571
COMPROMISOS CONTRAÍDOS (Fe y Alegría)	333.324	333.324
TOTAL GENERAL INVERSIÓN SOCIAL MÁS COMPROMISOS CONTRAÍDOS	15.414.944	215.132.895

Cifras expresadas en Bolívares.

Directores

Juan Carlos Escotet R.	Fernando Crespo
Luis Xavier Luján	Salvador Cores
Miguel Ángel Marciano	Daisy Josefina Véliz
María Josefina Fernández	José Rafael Padrón
Nelson Becerra	Olga Elena Marciano
Gonzalo Clemente	Oscar Dovel

BanESCO nuevamente rinde cuenta de manera transparente a sus grupos de interés con la publicación del Balance Social 2011. Nos complace ser la primera institución venezolana en obtener la mayor calificación del Global Reporting Initiative (GRI) en nuestros reportes de Responsabilidad y Sostenibilidad, con el "A+ GRI Checked" desde el 2008.

@Banesco
 Banesco Banco Universal
 BanescoBancos
 www.Banesco.com

ver: 01/01/2012



BANESCO BANCO UNIVERSAL, C.A.

Report on Applying Agreed-Upon Procedures for the Verification of the Social Responsibility Report Performance Indicators included in Banesco Banco Universal, C.A. 2011 Corporate Social Responsibility Report



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Report on Applying Agreed-Upon Procedures for the Verification of the Social Responsibility Report Performance Indicators included in Banesco Banco Universal, C.A. 2011 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, 2011, identified as **Appendix I** attached hereto, and supported by the report named "**Banesco Banco Universal, C.A. 2011 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. 2011 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. 2011 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 2011**" and making some analysis and sampling test reviews described below:

- Meetings with the employees “**Banesco Banco Universal, C.A. 2011 Corporate Social Responsibility Report**” and preparing the indicators subject to our review to learn the management principles, systems, and approach applied and obtain the required supporting documents for verification purposes.
- Analysis of the processes performed by the Bank to obtain and validate the information contained in the “**Banesco Banco Universal, C.A. 2011 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 **2011 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 **2011 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. 2011 Corporate Social Responsibility Report**” of the year ended December 31, 2011, 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 2011 provided by you for review, included in the “**Banesco Banco Universal, C.A. 2011 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. 2011 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

September 20, 2012

Bane351318

Performance indicators

Appendix I

Topic	Indicator	Verification	Pages
ECONOMIC			
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	Partially Verified (1)	74
EC3 Coverage of the organization's defined benefit plan obligations.	Principal	Verified	33 – 35
EC4 Significant financial assistance received from governments.	Principal	(2)	
Aspect: Market Presence			
EC5 Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	Adicional	Verified	7, 8
EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Principal	Verified	79 – 82
EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	Principal	Verified	23 – 25
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	41 – 42
EC9 Understanding and description of significant indirect economic impacts, including the extent of impacts.	Adicional	Verified	44 – 46
ENVIROMENTAL			
GRI Indicator / Version 3.0			
Aspect: Materials			
EN1 Materials used by weight or volume.	Principal	Partially Verified (3)	75, 77 – 78
EN2 Percentage of materials used that are recycled input materials.	Principal	Partially Verified (4)	75, 77 – 78
Aspect: Energy			
EN3 Direct energy consumption by primary energy source.	Principal	Verified	75
EN4 Indirect energy consumption by primary source.	Principal	Verified	75
EN5 Energy saved due to conservation and efficiency improvements.	Adicional	Verified	74 – 75
EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Adicional	Verified	75 – 76
EN7 Initiatives to reduce indirect energy consumption and reductions achieved.	Adicional	Verified	75 – 76
Aspect: Water			
EN8 Total water withdrawal by source.	Principal	Verified	74 – 75
EN9 Water sources significantly affected by withdrawal of water.	Adicional	Verified	74
EN10 Percentage and total volume of water recycled and reused.	Adicional	Verified	74
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	74
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	74
EN13 Habitats protected or restored.	Adicional	Verified	74
EN14 Strategies, current actions, and future plans for managing impacts on biodiversity.	Adicional	Verified	74
EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Adicional	Verified	74
Aspect: Emissions, Effluents and Waste			
EN16 Total direct and indirect greenhouse gas emissions by weight.	Principal	Partially Verified	75

Performance indicators

Topic	Indicator	Verification	Pages
EN17 Other relevant indirect greenhouse gas emissions by weight.	Principal	Partially Verified	75
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved.	Additional	Partially Verified	75
EN19 Emissions of ozone-depleting substances by weight.	Principal	Verified	75
EN20 NO, SO, and other significant air emissions by type and weight.	Principal	Verified	75
EN21 Total water discharge by quality and destination.	Principal	Verified	74 - 75
EN22 Total weight of waste by type and disposal method.	Principal	Partially Verified (5)	75 - 76
EN23 Total number and volume of significant spills.	Principal	Verified	74 - 75
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	74 - 75
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	74 - 75
Aspect: Products and Services			
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Principal	Partially Verified (6)	75 - 76
EN27 Percentage of products sold and their packaging materials that are reclaimed by category.	Principal	Verified	75
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	77
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	76
Aspect: General			
EN30 Total environmental protection expenditures and investments by type.	Additional	Verified	75
PRÁCTICAS LABORALES Y ÉTICA DEL TRABAJO			
GRI Indicator / Version 3.0			
Aspect: Employment			
LA1 Total workforce by employment type, employment contract, and region.	Principal	Verified	21 - 23
LA2 Total number and rate of employee turnover by age group, gender, and region.	Principal	Verified	24 - 25
LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Additional	Verified	34 - 35
Aspect: Labor/Management Relations			
LA4 Percentage of employees covered by collective bargaining agreements.	Principal	Verified	31
LA5 Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	Principal	Verified	24
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	31
LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Principal	Verified	30
LA8 Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Principal	Verified	27 - 31
LA9 Health and safety topics covered in formal agreements with trade unions.	Additional	Verified	31
Aspect: Training and Education			
LA10 Average hours of training per year per employee by employee category.	Principal	Verified	28 - 29
LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Additional	Verified	28 - 30, 71 - 72
LA12 Percentage of employees receiving regular performance and career development reviews.	Additional	Verified	25

Performance indicators

Topic	Indicator	Verification	Pages
Aspect: Diversity and Equal Opportunity			
LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Principal	Verified	11 – 12, 22 – 25
LA14 Ratio of basic salary of men to women by employee category.	Principal	Verified	33
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	(7)	
HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Principal	(8)	
HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Additional	Verified	29
Aspect: Non-discrimination			
HR4 Total number of incidents of discrimination and actions taken.	Principal	Verified	33
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	32 – 33
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	33
Aspect: Forced and Compulsory Labor			
HR7 Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	Principal	Verified	33
Aspect: Security Practices			
HR8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Additional	Verified	29
Aspect: Indigenous Rights			
HR9 Total number of incidents of violations involving rights of indigenous people and actions taken.	Additional	Verified	33
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	41 – 42
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	28 – 29
S04 Actions taken in response to incidents of corruption.	Principal	Verified	32
Aspect: Public Policy			
S05 Public policy positions and participation in public policy development and lobbying.	Principal	Verified	14 – 17
S06 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Additional	(9)	
Aspect: Anti-Competitive Behavior			
S07 Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	Additional	Verified	86

Performance indicators

Topic	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	86
PRODUCT RESPONSABILITY			
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	Partially Verified (10)	57, 61
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 – 67
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	Partially Verified (11)	65 – 67
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	61 – 62, 65 – 66
PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Additional	Verified	61 – 62, 64
Aspect: Marketing Communications			
PR6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Principal	Verificado	65 – 67
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	65 – 67
Aspect: Customer Privacy			
PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Additional	Verified	65, 86
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	86

Page: location of the indicator in Banesco Banco Universal, C.A. Corporate Social Responsibility Report 2011.

(1) The financial implications of climate change and the opportunities it represents for the Bank, have not been systematically identified, is scheduled to present this information in the 2012 report.

(2) During the period covered by this report, there have been no financial support received from the government.

(3) We have initiated a systematic procedure to calculate the weight or volume of all materials used in the Bank. Work to establish this procedure and is scheduled to present this information in the 2012 report.

(4) The organization does not use recycled material, a donation program of furniture, computers and toner cartridges is made to use them again.

(5) We have initiated a systematic procedure to calculate the weight or volume of all materials used in the Bank. Work to establish this procedure and thus to report this information in the 2012 report.

(6) We have not determined the degree of reduction of environmental impacts as a result of mitigation measures taken. Work to estimate so we can report this indicator in a future report.

(7) The Bank did not include human rights clauses in their investment agreements, or analyze such agreements on human rights. It is planned to present this information in the 2012 report.

(8) The Bank is working to incorporate a clause in their contracts for major suppliers undertake to respect the principles of the Global Compact (Global Compact).

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

(10) We consider the security and privacy of customers in all our products and services, but we have started a systematic procedure to collect the data as stated by this indicator. Work to establish this procedure so we can report it in full in 2012.

(11) 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.

Verificado: Verificación de los datos tanto cuantitativos como cualitativos de la información suministrada tanto de la Vicepresidencia de Comunicaciones y Asuntos Sociales, como de las distintas áreas del Banco y reportada en el presente "Informe de Responsabilidad Social Empresarial 2011, Banesco Banco Universal, C.A."

Verificado Parcial: No fue posible verificar toda la información reportada en el presente "Informe de Responsabilidad Social Empresarial 2011, Banesco Banco Universal, C.A." relacionada con los indicadores establecidos en la Guía para la elaboración de Memorias de Sostenibilidad y Suplemento Sectorial para Servicios Financieros emitida por "Global Reporting Initiative" (GRI) RG Versión 3.0 / FSSS Versión Final.

Performance indicators

Apendix II

Topic	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	58 – 60 70 – 71
FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	Principal	Verified	71
FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	Principal	(12)	
Aspect: Audit			
FS9 Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	Principal	(13)	
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	(14)	
FS11 Percentage of assets subject to positive and negative environmental or social screening.	Principal	(13)	
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	(15)	
FINANCIAL SERVICE SECTOR SPECIFIC ON SOCIETY PERFORMANCE INDICATORS			
Aspect: Community			
FS13 Access points in low-populated or economically disadvantaged areas by type.	Principal	Verified	23, 50, 70
FS14 Initiatives to improve access to financial services for disadvantaged people.	Principal	Verified	70 – 71
SPECIFIC PRODUCTS RESPONSIBILITY PERFORMANCE INDICATORS			
Aspect: Product and Service Labelling			
FS16 Initiatives to enhance financial literacy by type of beneficiary.	Principal	Verified	71 – 72

Page: location of the Indicator in Banesco Banco Universal, C.A. Corporate Social Responsibility Report 2011.

(12) The Bank currently does not have this type of service.

(13) The Bank's assets are not currently subject to such control.

(14) The Bank shall develop procedures to identify departments that interact with companies to try on environmental and social issues.

(15) We acknowledge the social and environmental issues in all our activities while still in entities in which the Bank has the right to vote or voting advice is not available formal voting policies on these issues.

Verified: Data verification of quantity and quality of information provided both the Vice President of Communications and Social Affairs, as the various areas of the Bank and reported in this "Corporate Social Responsibility Report 2011, Banesco Banco Universal, C.A."

Partially Verified: Unable to verify all information reported on this "Corporate Social Responsibility Report 2011, Banesco Banco Universal, C.A." related to the indicators in the Guidelines for the development of Sustainability and Financial Services Sector Supplement issued by "Global Reporting Initiative" (GRI) RG Version 3.0 / FSSS Final Version.



Statement GRI Application Level Check

GRI hereby states that **Banesco Banco Universal, C.A** has presented its report "Corporate Social Reponsability Report 2011" 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, 23 April 2013

A handwritten signature in blue ink, appearing to read "Nelmara Arbex".

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



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

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

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 20 March 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

Corporate Social
Responsibility and
Sustainability Report

2011