

CORPORATE SOCIAL
RESPONSIBILITY REPORT *2005*

Banesco
BANCO UNIVERSAL





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Chairman

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To our clients, workers, stockholders and social partners

This second Social Responsibility report corresponds to the year 2005, and its main goal is to present a transparent record of our commitment to Venezuela. For us it is also a reference that will help us move forward in our efforts to build a business model based on a better understanding of the reality that would lead us to produce ever more coherent and efficient answers that would constitute a step forward for future generations.

During 2005, we managed to further the expansion of the consulting sector. The dialogue with all our internal and external groups was very productive, and you will be able to quantify the results on these pages. To act in association with local entities, to establish alliances and to participate in different networks to maximize their contribution to the development of the country is the path we chose to honor the confidence on our business administration. That is the affirmation for all those fellow countrymen and women that chose us as the custodians of the product of their efforts and of the future of their families. That is the size of the responsibility we would like to take.

We have established periodical consultations with our social partners in order to monitor, through the performance indicators, the results of our investment. At the same time, we evaluate our intervention in an effort to export this model of excellence and service applied to the social work. Besides the material support, we have articulated projects through which we delegate technical and managerial competences in order to strengthen our social strategy through the corporate voluntary work. This is the path we would like to keep on traveling to reach higher levels of corporate citizenship.

The Banesco team, integrated by over 9,000 workers in the whole national territory, made possible, with its high performance, that 500,000 young boys, girls and children had access to a better education. In 2005, Banesco's Social Balance closed with more than 47 billion bolivars. The increase in 2005 was 20.7 billion, which equals to 6% of our profits for this period, a figure that evidences the understanding of the stockholders of the issues related to the national interest, and of our awareness of the responsibilities that, as company captains, we have embraced with Venezuela.

Finally, we launched a project for the incorporation of people with disabilities, which made us face a reality that requires our commitment as businesspeople. The scarcity of education and labor for those that have some kind of limitation, is definitely one of the factors that impairs the full social integration of these fellow countrymen and women that have a right to be productive, to love and to be loved and to have a family. Our experience, still at a very small scale, has been enriching. These new fellows constitute a testimony of authenticity, transparency, and professionalism. We understand the coexistence and the affectionate contact with these special beings as a transit to the future we long for.



Juan Carlos Escotet Rodríguez
President of the Board of Directors

Banesco

Universal Bank



Banesco Universal Bank is a Venezuelan financial institution authorized to perform all operations established in the General Law on Banks and Other Financial Institutions for Universal Banks. It is submitted to the corresponding regulations of the Banking Institutions, as well as to those regulations related to the Capital Market, since it is a public company which stocks are quoted at the Venezuelan Securities Market.

Its headquarters are located in the city of Caracas and it is the bank with the highest underwritten and paid capital in the Venezuelan financial system, which amounts to Bs. 487,996,420,100, is represented by 4,879,964,201 shares with a face value of Bs. 100 per share, distributed among a total of 4,943 stockholders.

Banesco Mission

We are an organization of integral financial services, devoted to the knowledge of our Customers' needs and to satisfy them through a relationship based on mutual trust, ease of access and excellence in quality service.

We are leaders in the areas of People and Commerce, and we combine tradition and innovation with the best human talent and advanced technology.

We are committed to generate the maximum profitability for our stockholder and wellbeing for our community.

Banesco Vision

Our vision is to turn Banesco into a hallmark company in the field of the Corporate Social Responsibility, maximizing the impact of the social investment and the recognition and trust of all interest groups.

We will look for the best social investment balance according to the potential for the generation of wellbeing and the development of policies to incorporate all areas of the organization into the decision making process, ethics, and responsibility towards the society.

We will have international certifications and annual reports, which along with effective communicational elements would result in transparency and acknowledgement of the administration.

We will be supported by the most proficient team in the area of the Corporate Social Responsibility, motivated by the social awareness inside the organization, customers, suppliers, and the society as a whole.

Banesco Values

Integrity and trustworthiness

We defend the confidentiality of our customers, we manage our business with honesty, and we act consistently with what we are, what we say, and what we do.

Bases for our Business strategy

- ▶ Advanced technology
- ▶ Innovative Products
- ▶ Direct marketing
- ▶ Market segmentation
- ▶ Products packing
- ▶ High quality of service at our branches
- ▶ Continuous and innovative communication

Individual and Social Responsibility

The success of the organization is based on the fact that every Banesco person is responsible for the impact of their actions at their homes, in the company and in the society.

Innovation and Quality of Services

We are willing to break paradigms to permanently overcome our customers' expectations.

Undertaking

We foster the worker's thought and action as the owner of the business to ensure his success as well as the corporate success.

Interdependence and Leadership

We promote a fair and inspiring leadership, enabled to develop alliances, empower talents and build successful teams to benefit the Organization.

Renovation and Personal Excellence

We promote the integral growth of each and every one of the members of the Organization, so as we could be always at the forefront of knowledge and look after its application on the business.

Diversity and Adaptability

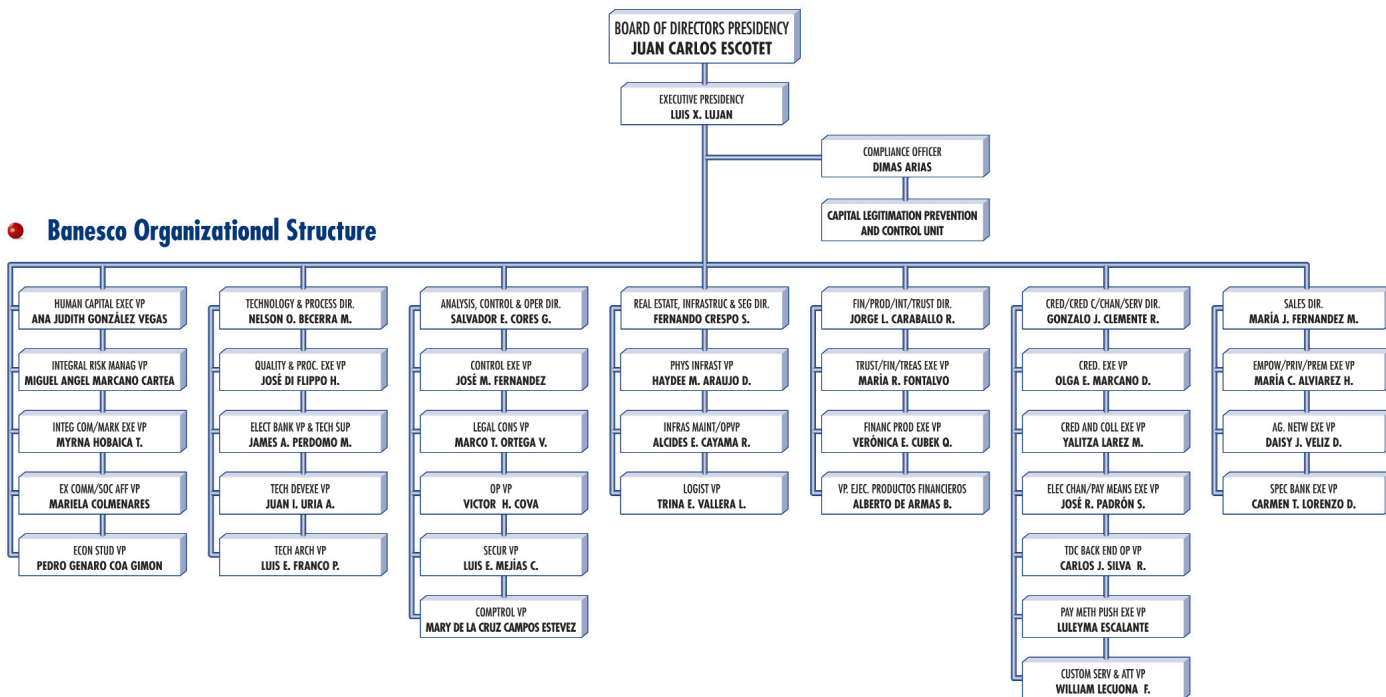
We promote the ability to adapt to new realities, markets, and cultures in the execution of our business.

Financial Summary

Financial Summary

Expressed in Billions of Bs.	I Sem 2004	II Sem 2004	I Sem 2005	II Sem 2005	Growth		Growth	
					II Sem 2005 • II Sem 2004		II Sem 2005 • I Sem 2005	
					Absolute	Absolute	Absolute	Relative
Total Assets	5,353.9	7,661.8	9,443.6	10,475.4	2,814	36.7%	1,032	10.9%
Money stock	869.1	1,182.1	1,530.0	1,784.4	602	51.0%	254	16.6%
Securities Investments	2,472.9	3,612.0	4,472.3	2,621.1	-991	-27.4%	-1,851	-41.4%
Credit Portfolio	1,212.5	2,005.9	2,507.8	5,080.8	3,075	153.3%	2,573	102.6%
Deposit Taking	4,270.2	6,439.6	8,075.0	8,914.1	2,474	38.4%	839	10.4%
Check Accounts Deposits	2,107.9	3,056.9	3,255.0	4,917.9	1,861	60.9%	1,663	51.1%
Savings Accounts Deposits	885.0	1,337.1	1,489.9	1,957.7	621	46.4%	468	31.4%
Time Deposits	1,112.6	1,944.0	3,064.0	1,805.2	-139	-7.1%	-1,259	-41.1%
Others	164.6	101.7	266.1	233.2	132	129.4%	-33	-12.4%
Stockholders equity	820.5	957.5	1,073.3	1,201.9	244	25.5%	129	12.0%
Trusts Assets	3,100.9	4,092.9	4,387.1	4,433.9	341	8.3%	47	1.1%
Housing Mutual Fund	598.8	700.2	821.0	930.5	230	32.9%	110	13.3%
Financial Income	342.9	420.7	512.2	585.3	165	39.1%	73	14.3%
Financial Expenses	106.5	135.3	219.6	227.4	92	68.0%	8	3.6%
Gross Financial Margin	236.3	285.4	292.6	358.0	73	25.4%	65	22.3%
Financial Intermediation Mar	515.3	480.9	475.3	574.3	93	19.4%	99	20.8%
Transformation Expenses	228.7	247.2	301.7	376.2	129	52.2%	74	24.7%
Income Tax	2.5	2.7	0.6	0.6	-2	-77.5%	0	0.0%
Net Result	234.8	203.6	152.7	166.9	-37	-18.0%	14	9.3%
Investments Handed Over	1,797.0	2,183.1	2,471.9	6,077.0	3,894	178.4%	3,605	145.8%
Accumun. Agricult Portf	159.7	224.3	347.7	448.2	224	99.8%	101	28.9%
Official Entities Deposits taking	1,102.4	1,927.3	2,851.6	1,657.8	-269	-14.0%	-1,194	-41.9%
Micro-Credits	37.8	55.2	105.7	153.6	98	178.5%	48	45.3%
Net Commercial Credits	778.0	1,488.9	1,872.2	3,380.0	1,891	127.0%	1,508	80.5%
Net Consumers Credits	343.1	447.8	583.1	906.9	459	102.5%	324	55.5%
Vehicles	3.5	0.9	1.7	10.2	9	1052.3%	8	490.2%
Credit Cards	339.6	446.9	581.4	896.7	450	100.7%	315	54.2%
Net Mortgage Loans	91.4	69.2	52.5	292.2	223	322.6%	240	456.8%
Number of Depositors	1,692,031	2,255,180	2,522,499	2,899,601	644,421	28.6%	377,102	14.9%
Depositors on Check Acc	685,493	875,802	912,498	1,131,613	255,811	29.2%	219,115	24.0%
Depositors on Sav Acc	1,005,375	1,378,102	1,608,957	1,766,968	388,866	28.2%	158,011	9.8%
Depositors on Time Acc	1,163	1,276	1,044	1,020	-256	-20.1%	-24	-2.3%
Number of Credit Cards	1,342,279	1,488,221	1,633,612	1,747,685	259,464	17.4%	114,073	7.0%
Ratios								
Credit Portfolio Provision								
Gross Fixed Portfolio	320.55%	383.77%	317.83%	444.87%				
Fixed Portf/Gross Credit Portf	2.81%	1.15%	1.08%	0.43%				
Net Result/ Average Assets	9.63%	7.87%	3.58%	3.5%				
Net Result/ Average Equity	64.04%	53.90%	30.22%	29.83%				
Expanded Liquidity	42.32%	51.68%	53.98%	34.15%				

● Banesco Organizational Structure



The Banesco Brand

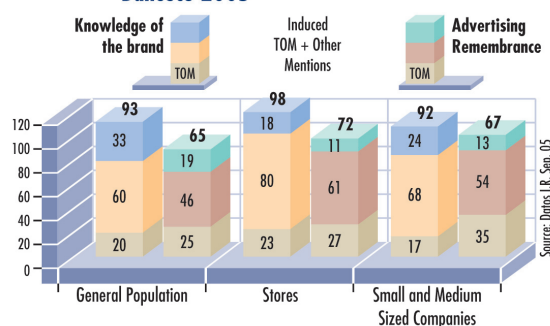
Conceptually, a brand is a name, a term, a signal, a symbol, a design or a combination of some of them which identifies the goods or services of a certain company.

In Banesco the brand is not just a name or a symbol, and after more than a decade of services it has become a powerful strategic tool, based on the understanding that the commercialization of products and the need for business communication share are equally important to penetrate a market with a potential to be provided with banking services.

This calls for new schemes. To aggressively communicate rational and emotional aspects we had to break paradigms in our communications and brand management approach. Differentiation in a saturated market, with audiences / segments sharply different in terms of social and economical needs, involves addressing multi-level receivers, which is still a challenge.

In the Venezuelan financial market products and offers are very much alike, that is why it is so difficult for the public to distinguish attributes. Banesco manages the brand as the main identifier and as a real guarantee to build a true identity and relationship with the public.

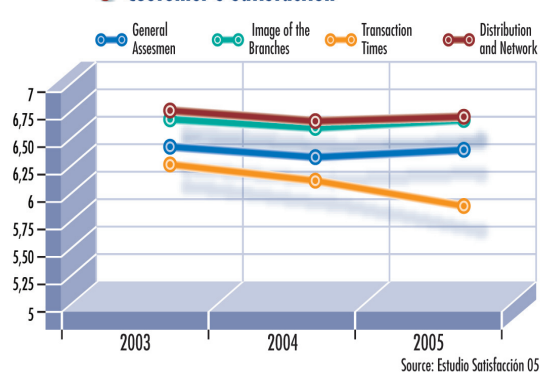
Knowledge and Advertising Recall Rate Banesco 2005



From the beginning, the brand comprises a group of attributes that define it, identify its offers and describe its inner value. Banesco understands that developing its brand is one of the best strategies to protect and strengthen the Organization's heritage.

The strategy focuses on presenting the values that comprise the personality of our bank consistently linked to the messages and actions in order to sustain one of the most powerful brands of the Venezuelan market. To do so:

Customer's satisfaction



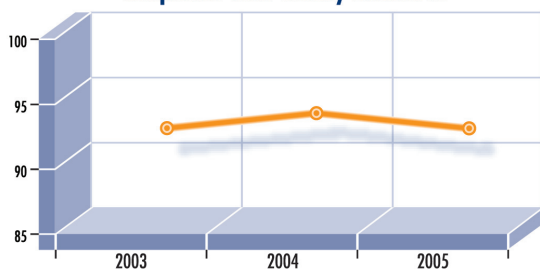
► We transfer the identity of the brand to all the elements of the bank.

► We follow one single line on all our communication areas, while keeping a clear differentiation vis-à-vis the competition.

► Simple and consumers-friendly advertising campaigns, so as they could easily understand and recognize the brand.

► Differentiating brand drivers: Quality of service, innovation and social responsibility.

Services Auditing Compliance with Quality Standards



The premise "we all are the brand" is centered on knowledge, loyalty, experience, associations and on the identity of the brand itself, aligned with the values and policies: ethics, values, vision, corporate social responsibility, identity, corporate government and employees of our Organization, which permeates as a requirement of transparency and reputation to our groups of interest.

Acknowledgements 2005

► Nomination to the Quality of Service World Award of the GNS, on the Issuing Bank category, granted by the American Express Global Network Services.

► For the fourth time in a row, Banesco won the P&M Award for Best Advertising Campaign in the area of Banking and Finances.

► Runner-up in the Products category at the FELABAN (Latin American Banks Federation) Awards of Communication.

► Third place in the contest "El Nacional Rewards Art with Art". For the third year in a row we appear on the list of the 3 first prizes.

► Banesco got the Processing Excellence Award granted by MasterCard for its performance between November 1st, 2003 and October 31st, 2004. This award is granted to clients with a Data Integrity Rate of 98% or higher during the annual report.

► Likewise, Banesco was nominated to the Anda Awards on the following categories:



Gonzalo Clemente, Credits, Credit Cards, Channels and Services director, was granted the MasterCard acknowledgement

Financial Radio-Services: : "Libro de la Salsa" sponsorship, version: Libro de la salsa.

TV, cable and movie theatre - Comedy:
Promotion Banesco
-Cinex , version: Kisses.

TV, cable and movie theatre -Financial Services:

1.- Multi-credits 48 hours, version:
If I were rich.

2.- Promotion Banesco-Cinex, version:
Let's go to the movies.

Banesco measures its brand's success making an addition of a series of tangible variables - financial results, presence and coverage, business turnover and satisfaction level for its products - services and also with intangible variables - quality, corporate culture, social responsibility and the brand itself - where everything creates synergy.

The satisfaction level with the services provided at Banesco branches reaches an average of 6 points on a -1 to a 7+ scale

► Auditing of Services and Customer Satisfaction, among which we can highlight:

► The average Managerial Efficiency among the agencies evaluated was ranked at an "Optimal" level on the scale.

► The satisfaction with the service provided at the Banesco branch reaches an average of 6 points on a scale (-1 to 7+), which ratifies our leadership in the massive banking service in Venezuela

Market leaders

According to the results of the most renowned market research companies in the country, we are the number one bank in the brands ranking considering:

► Measurements of Brand Value / Brand Equity or Company Social Responsibility Image

► Advertising Tracking, with an average recall rate of 57%

► Massive banking quality according to the results of the Program

Consolidating our presence as a physical brand

► Presence at the 22 most important Shopping Malls in the country.

► We are present in our baseball fields in the whole country, joining Venezuela's most popular sport.

► Communications support for 39 new customers' service points.

Corporate Governance



The work of the Board of Directors is vital for the definition of corporate strategies and to determine the business policies

Banesco Universal Bank keeps a government structure composed by the Stockholders' Meeting; the Board of Directors of the Institution; the Chairman; the Compliance Officer; the Internal Comptroller; as well as the Credit, Risk and Auditing Committees. This last one was created in accordance with the Recommendations about Corporate Government issued by the National Stock Market Regulatory Body.

In our search for a performance culture based on integrity and on a bigger corporate transparency, during 2005 we included two Independent Directors on the Board of Directors that do not have administrative or managerial duties in the Organization, nor have any kind of dependency relation with the institution. This is in compliance with Resolution 19-1-2005 issued by the National Stock Market Regulatory Body in February 2nd, 2005, and published on the Official Gazette number 38,129 from February 17th, 2005, which established the recommendations for a Good Corporate Government.

These said Directors fully comply with the requirements of experience and honorability, essential to exercise the financial and banking activity, as required by the Decree with Force of Law for the General Reform of Banks and Other Financial Institutions

Stockholders' Meeting

It represents the universality of the stockholders. It has the supreme direction of the company and all of its acts and resolutions bind the company and all of its stockholders. Among other attributions, 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 names 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 method of payment, its amount, frequency and when they should be paid in accordance with the Law and the Statutes, and also knows and decides on any other matter that should require its presence.

Board of Directors

The main objective of the Board of Directors of Banesco Universal Bank is the management and general administration of the businesses and operations of the bank, including its Social Responsibility policy. The work of the Board of Directors is vital for the definition of corporate strategies, the determination of business policies, and to establish and control the corporate strategy. The Board of Directors controls the different operational and functional areas of the bank, and at the same time evaluates by way of comparison with the businesses projections and

results from previous years, the results of each fiscal year. Normally, it meets once a week, although it may meet extraordinarily as many times as necessary, after calling for it and in compliance with the formalities established in the Social Statutes.

Likewise, and in order to guarantee the correct execution of the corporate policies established by the Board of Directors, the following committees were constituted:

Auditing Committee:

In compliance with the Resolution 496 from 01-04.96, issued by the Stock Market Regulatory Body in reference to the transformations of the banks into universal banks and to the recommendations issued by the National Stock Market Regulatory Body on the Good Corporate Government, the existing Auditing Committee was modified. Therefore, the committee is now composed mostly of Independent Directors, and its work is limited to know the financial statements to be considered by the Board of Directors, which are in turn subjected to the approval of the Stockholders' Meeting; it also assists the Board of Directors in the execution of measures with the purpose of preserving the integrity of the financial information of the society, collaborates on the supervision of the internal and external auditing of the Bank and makes the recommendations it deems as necessary to the Management Charter.

Risk Committee:

Its main task:

- ▶ Supervise the performance of the Integral Risks Administration Unit (UAIR by its acronym in Spanish)
- ▶ Approve and review the methodology designed for Risk Management.
- ▶ Recommend the Board of Directors the modification of the limits of risk exposure for its approval.
- ▶ Approve the strategies with a view to make circulate within the organization all the information related to the Integral Risks Management.
- ▶ Approve the risk exposure limits within the global policies of the integral risk management process approved by the Board of Directors.

▶ Know and evaluate the results obtained on the quantification of the risk exposures.

▶ Know the amount of the estimations and losses effectively made, either by type of risk or by areas.

Credit Committees:

The Board of Directors decided to delegate its attributions for the granting of credits to several Credit Committees and up to certain amounts. Therefore, and always considering the compliance with the different autonomies and delegation of attributions, the Metropolitan Credit Committees and several Regional Credit Committees have been created. These committees shall consider and approve the different credit requests made by our customers, within the limits of their attributions, 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 Risks Committee of the Institution.

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 in its name grants contracts, signs agreements, treaties and, in general, all kinds of documents of any nature. The President also performs all actions entrusted to him by the Board of Directors. Along with the Chairman and the Board of Directors, the President of the Board of Directors exerts the supreme management of the activities of the Bank, and represents it before any political or administrative authority.

Chairman of the Bank

The Chairman is in charge of the administration and general management of the Bank. The Chairman is also in charge of submitting the policies, objectives and strategies to the consideration of the Board of Directors, as well as the decisions that would be significant for the Organization, and at the same time executes the resolutions related to such decisions that would have been made by the Board of Directors.

Internal Comptroller

His duties are the planning, management, organization and coordination of the strategy for

BanESCO has a Compliance Officer in charge of supervising and controlling the Capital Legitimation Prevention Unit of the Bank

the evaluation plan applied to the integral system of the internal control. The objective is to guarantee the certainty that the objectives and strategies of the corporate business will be met and adequately controlled, identifying improvements in the risks management processes, efficacy and efficiency of the operations, reliability of the information, compliance with the internal and external regulations, detection of operative and technological fraud, safeguard the assets of the company, the stockholders, and the customers, as well as to guide and carry out the administrative intervention of a given unit until its stabilization, according to the instructions of the Board of Directors and under the coordination of the Auditing Committee.

There is the intention of taking the administration indicators to the managers, so all of them can know and communicate their achievements and difficulties

Compliance Officer

In accordance with the applicable regulations, Banesco counts on a Compliance Officer in charge of supervising and controlling the Unit of Prevention and Control of Capital Legitimation at the Bank. He shall preside over the Capital Legitimation Prevention and Control Committee and inform the Board of Directors about the results of his activities and the investment of the resources allocated for training and education of Banesco staff in this matter. He also advises the Auditing Committee and the Board of Directors on the areas under his competence and represents the institution before the regulating organizations in the area of Capital Legitimation Prevention and Control.



We move towards an administration of a business model based on indicators

The Corporate Government was identified as one of BanESCO's goals on its Core Capacities Plan 2003-2006. Specifically, the objective was to develop managerial processes to promote competitiveness through practices of good business management and administration. The creation of the Vice-Presidency of Strategic Administration, attached to the Executive Presidency, was approved in order to provide everything related to the group of activities and instruments for the solution of interests conflicts between the different groups comprising the government and look for balance in the bank.

This vice-presidency will work on different initiatives that the bank had already launched and will shape the government system. One of the elements it will address is the integration of the Bank's Planning and Control System (Integral Process for Strategic Planning - PIPE - and Execution Control of the Strategic Planning - CEPE) with administration models that would allow form the knowledge of how the executives and vice-presidents administrate the resources and achieve the efficient compliance of the objectives planned.

One of the main initiatives of the Corporate Government developed by BanESCO has to do with the creation of an administrative model based on balanced indicators.

This big step, which could be considered as the beginning of BanESCO's corporate control panel (BSC, Balanced Score Card) had the particularity of promoting not only financial indicators, but also market indicators, process and organizational learning.

Among the goals for 2006 and 2007, the consolidation of the bank's control panel is planned. There is an intention of taking the administration indicators to the managers, so as all of them could know and communicate their achievements and difficulties.

Administration Indicators

As part of the organizational initiative for the establishing of a Corporate Balanced Score Card, the Human Capital Executive Vice-Presidency developed the following Corporate Administration Indicators:

- ▶ Compliance with the enjoyment of vacations.
- ▶ Morbidity: measures the frequency and seriousness of the illnesses suffered by the employees, in the framework of our primary healthcare model, supported by educational, preventive, and educational measures.

Among the goals for 2006 and 2007 the consolidation of the bank's control panel is planned.



Code of Ethics

The Board of Directors of Banesco Financial Organization, in its statutory and legal capacity, establishes the present Code of Ethics for its total compliance by directors and employees that provide their services in the Organization.

INTRODUCTION

This Code of Ethics contributes to the definition and regulation of the conception that our Financial Organization has about the ethical values, establishing behavior patterns to achieve integrity as the essential purpose of our actions. To do so, prevention and positive reinforcement will prevail over repression, but when a member of the Organization violates the regulations that define his or her responsibilities, all corresponding sanctions established in the Legislation shall be applied with all their force, as well as those adopted in this Code. Likewise, given its importance, Title II of this Code describes the ethical provisions that should be observed by all members of the Financial Organization for the prevention and control of Capital Legitimation.

Having in mind the social importance of our Mission as financial intermediaries, through the offering of services to an honest customers'

base, we will make a careful selection of our clients in order to reduce the risk of taking undesirable clients, so as we could preserve our legal responsibility and our reputation based on the objectives of the Venezuelan State

We make, in accordance with our Financial and Banking Entity nature and with our Social Objective, the firm Institutional, Organizational, Ethical, Civic and Social Commitment to design and apply Institutional Policies, Strategies, Plans and Programs, for the Prevention, Control and Detection of serious Capital Legitimation offences. This in turn strengthens our corporate culture on risk management and controls in order to minimize these kind of offences, which constitutes one of the most complex criminal practices of our time, because it not only distorts the legal economic activities and social development process, but also damages the values and elements needed for social cohesion.



SCOPE OF THE CODE

Postulate I

Universal applicability of the Code. This Code of Ethics is to be applied to employees belonging to all Banesco companies, regardless their hierarchy within the institution, the nature of the activity they perform and regardless the Codes of Ethics that rule their profession or activity, as the case may be.

Postulate II

Professional quality. In the rendering of any service Banesco Financial Organization's employees are expected to provide a real professional job. For this reason, we will always consider the regulatory provisions that should apply to the specific task they are performing. Likewise, they will act with the intention, care and diligence of a responsible individual.

RESPONSIBILITY TOWARDS THE CUSTOMER

Postulate III

Obligation to reject any task contrary to the universal moral principles. Any employee of Banesco Financial Organization who directly or indirectly participates in arrangements or affairs at odds with the ethics, the moral and decency will be at fault with honor and dignity.

GENERAL RULES

Rule 1:

Employees of Banesco Financial Organization have an inescapable obligation to subject their conduct to the regulations established in this Code, which shall be considered minimum, because the spirit of other existent regulations of internal, legal and moral nature is well known and would complement those described in this Code.



The labor activity developed by our employees shall be worthy, and at all times shall be a true reflection of the truth

Rule 2:

This Code rules the conduct of Banesco's employees in their relationship with the customers, their superiors and colleagues, and shall be applicable to them regardless the nature of their activity within the group.

Rule 3:

The employees are the most important components of the Banesco Financial Organization and we adopt as a corporate policy to provide them with the fair treatment they deserve.

Rule 4:

The principles that should rule the conduct of Banesco's employees are rectitude, efficiency, respect, discipline and team work.

Rule 5:

In the performance of their roles and functions, Banesco's employees should diligently comply with the commitments embraced by them and should execute the tasks assigned to them with dedication, loyalty and professional quality, avoiding placing their own interests before the activities entrusted to them.

Rule 6:

The employees of Banesco Financial Organization will observe a proper conduct in the treatment they give to the customers, their colleagues, their superiors, and particularly their contributors. Such a treatment shall be based on respect, diligence, impartiality and rectitude, avoiding deviations, abuses of authority and disposing or authorizing their subordinates to perform illicit conducts, as well as unduly favor third parties. Likewise, they are bounded to report their supervisor about any irregular acts of the staff or the customers, particularly those related to Capital Legitimation.

Rule 7:

The employees of the Banesco Financial Organization should safeguard the interests of the Organization, and give the best possible use to the resources assigned to them for the performance of their activities.

Rule 8:

Banesco Financial Organization will promote culture, sports, education, social and civic activities among its employees, and will maintain a permanent anti-drugs campaign and instill the constant surveillance, supervision and control to its employees to prevent the Capital Legitimation,

and will reject services contrary to the ethical and moral principles

Rule 9:

The employees of Banesco Financial Organization which due to their profession most adhere themselves to their respective Codes of Ethics, should also comply with the ethic regulations of the present Code.

Rule 10:

The labor activity developed by an employee at any of the companies of the Banesco Financial Organization shall be worthy, and at all times should be a true reflection of the truth, which should be the guide of their conduct and the support of their actions. That is why it is forbidden to use their banking knowledge or techniques to twist the reality and they shall be refrained from using their abilities, skills or resources on activities at odds with the moral, the ethics and the decency.

Rule 11:

Should any Banesco Financial Organization's worker -on his own or through a third party whether it is a legal or a natural person- carry out acts of extortion, bribery, or any other act of corruption against a public or private official, or should he exercise on them any coercion that could stray them from complying with their duties, it would be considered as if he has incurred in a serious fault against the honor, the ethics, and the reputation of the Group and against himself. Banesco's workers should not advise others and refrain themselves from intervening when their acts would permit, protect or facilitate wrongful or punishable acts. They also shall not confuse or take by surprise the good faith of third parties, neither act against the interests of the Organization's customers or avoid the law.

Rule 12

The following are considered acts against the professional ethics and contrary to the worthy and honorable behavior of Banesco Financial Organization's employees:

- ▶ Insult or make direct or indirect comments about another colleague, when such acts would damage their reputation, their interests or their prestige.
- ▶ Execute tasks knowing in advance that they carry within wickedness or deceit, or tasks that are contrary to the general interest or to those proper to the Banesco Financial Organization.
- ▶ Act or commit oneself to any form or practice to discredit the honor or prestige of the Banesco Financial Organization.

TITLE I FUNDAMENTAL RULES

CHAPTER I GENERAL PROVISIONS

ETHICAL VALUES:

Article 1: It is the essential duty of BANESCO FINANCIAL ORGANIZATION's EMPLOYEES the Integrity, Loyalty, Impartiality, Efficiency, Responsibility, Veracity, Neatness, Decorum, Transparency and Service Attitude, and they shall adapt their conduct, private and labor, to the Honor and Dignity Regulations that characterize an honest man or woman, putting the ethical principles before the achievement of the commercial objectives and their personal interests.

FIELD OF APPLICATION OF THE CODE OF ETHICS:

Article 2: This Code will rule the conduct of all directors, employees, consultants and attorneys that provide their services to any of the civil or mercantile societies composing the Financial Organization, and at the same time it will constitute a reference of ethical behavior for all persons that have a relationship of any kind with the BANESCO Financial Organization.

Article 3: The scope of application of this Code of Ethics encompasses the private and labor conducts developed by BANESCO FINANCIAL ORGANIZATION's EMPLOYEES inside and outside the Financial Organization.

Article 4: The regulations established in this Code of Ethics will also be binding for the institutions that are part of the BANESCO Financial Organization, and the collective behavior of its members will likewise be subjected to the values and principles herein stipulated.

CHAPTER II CONDUCT OF THE BANESCO'S EMPLOYEE

Article 5: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES will be an example of good conduct, reflecting the values established in the introductory section of this Code, observing diligence in the performance of their duties and assignments; showing order in the performance of those tasks and activities involved in their posts



and impartiality in the performance of their functions. To do so, they shall reject any offering made by persons or groups interested in obtaining some kind of benefit from the Organization. In that sense, they shall observe a conduct that would leave no room for ambiguity or confusion between the interests of the Organization and their personal interests or those of third parties and, likewise, they should fervently protect the banking secrecy, unless the information is required by a competent authority. It is forbidden the use of the information at the disposal of BANESCO FINANCIAL ORGANIZATION's EMPLOYEES for their own personal gain, directly or through third parties, due to the BANESCO Financial Organization exercise of its functions, competences or activities.

The Banesco employee shall be an example of conduct, of the values established on this Code

Article 6: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES in charge of assisting the public will start their shift on time and will end it politely letting the public know about the conclusion of their activities.

Article 7: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES shall at all times keep their circumspection at the work place, and all social gatherings, games, jokes or personal phone conversations are forbidden while a customer is being served.

Article 8: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES will respectfully address the public and will avoid any familiar treatment, as

Employees shall proceed with objectivity and impartiality on all decisions they make and on the affairs in which they should intervene

well as the use of colloquial or vulgar language during their conversation.

Article 9: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES will be at serious fault to the obligations imposed by the working relationship, if they are under the influence of alcohol or any narcotic or psychotropic substance, which would be reason enough for justified dismissal in accordance with Article 102 (a) of the Constitutional Labor Law; with no prejudice of the other penal sanctions applicable in accordance to the appropriate authorities.

Article 10: It is an unavoidable obligation of BANESCO FINANCIAL ORGANIZATION's EMPLOYEES the responsibility in the performance of their activities, which involves the willingness to develop the competences, functions and tasks entrusted to them, and even the taking of initiative to perform them. The diligence in the compliance with all requisites and requirements of their post, a particular preoccupation for the knowledge of the legal, duly dispositions and of every norm that rules over the performance of their functions, the respect for the proceedings and obligations established by them, as well as the permanent willingness to present a record of their activities and to take responsibility for the consequences derived from their conduct, without unfounded, far fetched or accommodating excuses.

Article 11: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES shall always keep in mind that the neatness and decorum also includes their care for the assets and for the Organization, the preservation of the physical work environment, and not increasing, by neglect, its deterioration. Likewise, they imply the care for their own self and for their clothing during working hours.

Article 12: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES shall not have any friendship or treatment with people that could affect, due to their unlawful behavior, the position or interests of our Financial Organization.

Article 13: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES shall not provide the media information concerning the Organization, neither will they be able to use the name of the Organization on talks, conferences and public events, without previous authorization by the Board of Directors, neither represent the

Organization by motu proprio before third parties without authorization.

Article 14: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES shall proceed with objectivity and impartiality on all decisions they should make and on the affairs they should intervene.

Article 15: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES will offer their services and collaboration in an efficient, timely and pertinent manner, without abusing the position they hold in the Organization in any way.

Article 16: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES shall devote all their efforts to the compliance, with maximum efficiency, of the functions inherent to their post, as well as on the strict observation of the ethical regulations contained in this Code.

Article 17: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES shall watch over the compliance of all the requisites established for the improvement of the operations performed in it, without avoiding any requirement, even when there are family or friendship bonds.

CHAPTER III COMPLIANCE WITH ETHICAL RULES

Article 18: It will be the responsibility of the superiors of each area, which compose the institutions of Banesco Financial Organization, to make sure the employees under their supervision comply with each and everyone of the regulations contained in this Code.

Article 19: BANESCO Financial Organization, through the Social Security Office or through the Capital Legitimation Prevention Compliance Officer, or through the Capital Legitimation Prevention and Control Unit, according to the case, will investigate any founded claim about unethical behaviors, protecting the rights of the person making the claim as well as those of the accused employee, with no a priori sentences or judgements.

Article 20: The supervisors of the different areas that know about or suspect of the existence of conducts, schemes or actions at odds with the values advocated by this Code, shall not act in a passive fashion, with neglect or adopt an obliging conduct. On the contrary, they



shall perform all the necessary actions for the clarification of the facts, otherwise, they shall also be subjected to disciplinary sanctions.

Article 21: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES that know about or that have sufficient and founded suspicions of any other employee's breaking of any of the regulations contained in this Code, shall proceed to inform of such fault to their supervisor, and such supervisor shall immediately inform the Human Resources Vice-Presidency, the Security Management, the Capital Legitimation Prevention Compliance Officer or the Capital Legitimation Prevention and Control Unit, as the case may be, so that these, with the support of the Legal Consultancy, make all necessary enquiries and immediately open a record containing all that is related to the situation.

Article 22: Once the case has been substantiated, if the Organization considers there is enough evidence to sanction the employee at fault, it will proceed to apply the sanctions contained on Title III of this Code, within the legal interval of time of thirty (30) consecutive days, avoiding in any case the configuration of the labor pardon of the fault, established on article 101 of the Constitutional Labor Law..

TITLE II PREVENTION AND CONTROL OF CAPITAL LEGITIMATION

CHAPTER I PREVENTION OF CAPITAL LEGITIMATION

Article 23: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES shall be fighters against Capital Legitimation, aware that their primary duty is to defend the Organization from capitals coming from illicit activities. Their conduct shall always be characterized by their honesty, truthfulness and courage for the detection, investigation and report of the evidence of illicit facts related to Capital Legitimation, and shall not be negligent or even less an accomplice of this offence.

Article 24: This Code of Ethics also has as a purpose alerting our Directors and Employees about the dangers posed by potential criminal organizations or petty criminals trying to introduce illicit capitals in our institution. That is why the attitude and behavior of our staff, at all levels, shall be oriented to keep the financial services we offer from been wrongfully used as instruments for the legitimation of capitals.



Article 25: Banesco Financial Organization's directors and employees are bounded to know their customers base and to report without any delay to the Capital Legitimation Prevention Compliance Officer all operations or transactions that appear to be unusual, suspicious, complex, structured or of transit and over which founded suspicions or reasonable doubts might be cast about their relationship with the capital legitimation offence.

Article 26: For the application of sanctions, as the case may be, to Banesco's directors and employees, the principles of justice, equality and proportionality shall be observed.

Article 27: The sanctions applied to Banesco Financial Organization's directors and employees will be established in the laws or regulations or in Title III of this Code. Depending on the seriousness of the offence, the corresponding sanctions will be applied, and they will range from the censorship and warnings for minor or not very important offences, to the dismissal of the employee in more serious cases without prejudice to the applicable penal sanctions as consequence of the lawsuit before the corresponding authority in case the transgression could be considered a crime.

Article 28: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES are obliged to perform all the activities in reference to the knowledge of the customer, observing the rules that to this end are provided to them.

Article 29: BANESCO FINANCIAL ORGANIZATION EMPLOYEES in the face of a suspicious activity, of Capital Legitimation, shall immediately inform their superior in hierarchy and the latter shall report to the Capital Legitimation Prevention and Control Unit, providing all the details of the operation, with the unavoidable obligation not to warn the client of the execution of the enquiries.

Article 30: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES shall always be willing to offer their support to the corresponding authorities, supplying all the necessary data and information they should require on their investigations of suspicious operations and

making the statement the corresponding authorities should require from them.

Article 31: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES in the fight against Capital Legitimation shall do everything in their power to sympathize with and to collaborate with the processes of the investigation performed by the corresponding organizations, as long as these actions are coordinated by the Capital Legitimation Prevention and Control Compliance Officer.

Article 32: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES shall adjust their conduct, strictly and with no exceptions, to the achievement of the transparency of their performance in the Financial Organization, keeping the confidentiality and preserving the information in those cases in which the disclosure is prohibited, for reasons of higher public interest or by the Organization, except when such information is expressly required by the corresponding authorities.

CHAPTER II COMPLIANCE WITH THE RULES CAPITAL LEGITIMATION PREVENTION AND CONTROL.

Article 33: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES who might have founded suspicions that a member of the Financial Organization is involved in some activity for Capital Legitimation, shall immediately report such suspicion to the supervisor of such employee so that this supervisor could submit the case before the Capital Legitimation Prevention and Control Unit.

Article 34: When the Capital Legitimation Prevention and Control Unit knows, officially or by a report, that an employee of the Financial Organization might be involved in some Capital Legitimation activity, whether it be by direct participation, facilitating or assisting on the improvement of such activities or by indirect participation, acting with inexcusable negligence, will proceed to make all the necessary inquiries the case may require, and will write a record of the case to that effect, with the reports, evidence and corresponding requirements, which will be sent to the Capital Legitimation Prevention and Control Officer. This officer in turn will present it before the Committee Against Capital Legitimation for the corresponding evaluation,



with the reports, evidence and required documentation contained in the records of the case in order to determine whether there is enough base to sanction the employee involved in the alleged offence. Should the committee consider that indeed it is a case of Capital Legitimation, it will proceed to report it, through the Compliance Officer, before the Board of Directors and before the corresponding authorities in accordance with the Law.

TITLE III OF THE INCENTIVES AND SANCTIONS

Article 35: The infringement or breach of the regulations and principles established in this Code will result in sanctions that will be applied according to their seriousness, from a verbal warning to justified dismissal, without prejudice to the lawsuit before the penal or judicial authorities, should the case had implications with crime activities.

Article 36: The breach or infraction of the provisions of this Code, due to fraud or serious negligence by a BANESCO FINANCIAL ORGANIZATION's EMPLOYEE, will result in the termination of the work relationship.

Article 37: BANESCO FINANCIAL ORGANIZATION's EMPLOYEES who shows an outstanding performance in the execution of their ethical duties, will have the priority in terms of promotions, advancements, training opportunities and others.

Article 38: Reprimands and warnings will be made privately and with the purpose of correcting the BANESCO FINANCIAL ORGANIZATION's EMPLOYEE, but leaving evidence on the corresponding personal file of the employee. Nonetheless, should it be determined that the

censored conducts typify the causes for a justified dismissal, in accordance with the labor legislation, the Organization will proceed through the Human Resources Vice-Presidency and with the previous advice of the Legal Consultancy Vice-Presidency, to the application of the dismissal as maximum sanction. If the condemned conduct typifies any of the offences established as such in the Penal Legislation or in any other Laws, the Organization will act in accordance with the applicable legal and corresponding procedures.

Article 39: The employee who participates, facilitates or assists on the capitals legitimation operations will be dismissed and reported by the Capital Legitimation Prevention Compliance Officer before the corresponding authorities.

This Code of Ethics has been approved by the Board of Directors of the Organization in meeting held on September 30th, 2003, with the signature of the following members:

Juan Carlos Escotet R.
Luis Xavier Lujan P.
Jorge Luis Caraballo R.
María Josefina Fernández
Nelson Becerra
Gonzalo Clemente
Fernando Crespo
Salvador Cores
Carlos Acosta

Our Program

Social Responsibility



The responsible behavior we have adopted vis-à-vis the community comes to ratify our policy of incorporating social concerns to our financial activity, with the firm conviction that this shall inure to the benefit, our own long term interest and that we are contributing to the sustainable development.

We understand social responsibility as a fundamental factor of our business activity. We have embraced the commitment of generating value and keeping loyal to our own organizational values: social and individual responsibility, integrity and trustworthiness, innovation and quality of service, enterprising, interdependence and leadership, personal renewal and excellence, as well as diversity and adaptability.

We exercise the Social Responsibility Policy from the perspective of our own economic, environmental and social exercise. We base our business practices on ethical principles and on the prevailing legal floor, we present clear and transparent statements to all our customers and we privilege the Good Corporate Government policies.

In our community we work jointly with social partners: Fe y Alegría, the Civil Association Don Bosco Network of Houses, the Friends of the Child in Need of Protection Foundation, the House of Arts and Trades, the Andrés Bello

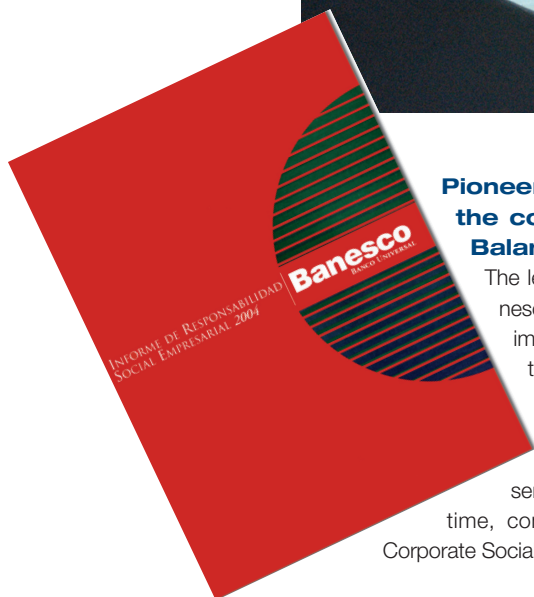
Catholic University, the Higher Administrative Studies Institute, the Salesian Ladies Association, the Children's Museum, the Venezuelan Red Cross, the Venezuelan Foundation Against Infantile Paralysis, the Anti-Cancer Society of Venezuela, the Venezuelan Association of Catholic Education, the Excelsior Foundation, the Civil Association Apoye Institute, the State Foundation for the National System of Youth and Children's Orchestras and Choirs of Venezuela and the Civil Association Venezuela Without Limits.

These are institutions and organizations that perform an important social labor in the country with a positive multiplying impact on the community. Our priority is to foster education and health for an increasing number of Venezuelans. Nonetheless, we also contribute with children at risk, sports, and culture, among other initiatives. We believe all actions we support generate important transformations on its surroundings.

We offer the country our solidarity, dialogue and transparency on the information and innovation as essential conditions to maximize the impact of our actions on society, as well as to comply and develop our business strategy to benefit our stockholders, clients, suppliers, employees, and our community.

Our social partners are institutions and organizations that perform and important social labor in the country with a positive multiplying effect





Pioneers in presenting the country with a Social Balance

The leader position taken by Banesco on the national scene also implies new responsibilities for the institution.

Our objective is to remain the leader in customer service quality and, at the same time, consolidate and deepen our Corporate Social Responsibility Program.

This social action is nothing but a form of direct retribution to the society where we operate. That is why we contribute ideas and resources for the improvement of our social environment, to the solution of its problems and the concretion of its goals and challenges.

An area to which Banesco dedicates special attention is education, especially the one that has been abandoned and neglected.

Nonetheless, our scope is even wider. This is self-evident in our Social Balance to September 21st, 2005, which amounts to 47.77 billion bolivars.

We were pioneers in the presentation of a balance sheet of this nature, which we will present annually to the country.

In December 2005, we made the official presentation of our first Corporate Social Responsibility report to the bank's social partners and executives.

Such report gathers the internal and external social investment of Banesco in 2004. The section corresponding to the internal dimension describes the benefits granted to our employees in terms of training, health and recreation, among others, an investment that amounts to 14.53 billion bolivars during that year.

On the external dimension our social partners stand out; these are organizations with a well-known and long tradition in the fields of education and health, which count on our support to carry out projects with a positive impact on the neediest communities. In total, 9.21 billion bolivars in resources were executed nationwide.

The indicators of Corporate Social Responsibility (CSR) for 2004 were verified by BDO Guillén, Fernández y Asociados, an independent certified public accountants firm.

During the presentation we counted on the participation of the AccountAbility Research Institute representatives, world leader in the promotion of auditable regulations related to social subjects, of scheme sustainability for the administration of business social responsibility (Regulation AA- 1000 y GRI).

This report that Banesco prepared at free will and as part of the commitment to transparency and communication it has made with all its customers, contains the actions in the matter of Social Responsibility developed by Banesco in 2005, from a sustainability perspective and in two main dimensions: internal: with the workers and stockholders; and external, with the clients, social partners, suppliers and the country, through our contribution to the social and economic progress.

The methodology used is based on the recommendations made by Global Reporting Initiative (GRI). Since 2003, Banesco started a process of presentation of balance with the biannual publication of its Social Balance. Such balance is the background of this report, which has two objectives: present the public opinion with our contribution to the creation of opportunities for the neediest segments of the population and allow the systematization and documentation of the actions taken to the benefit of all our internal and external partners.

For the year that ended on December 31st, 2005, the social performance indicators have been subjected to reviews by our External Auditors De la Vega, Márquez, Perdomo & Asociados (Horwath Venezuela). This has implied a total of 200 men hours of work.



Banesco is a member of AccountAbility, an international professional institute, prominent and active in the field of the presentation of social and ethical balances for sustainable development. AccountAbility has over 200 individual members and 100 member organizations in 20 countries of Africa, Asia, Australia, Europe, Latin America and North America.

We will continue walking the path towards our certification with the Standard AA1000 which will reinforce us as a dynamic, conscience, and responsible institution for its actions and commitments with our different internal and external groups.

The AA1000 standard is an evaluation and balance presentation instrument for the non-financial activity of the organization. It will provide us with the parameters to consolidate our business administration, in accordance with the ethical and

human values that will project us as the leader organization in corporate social responsibility.

The objectives we pursue when presenting this Social Report 2005 are:

► **Transparency:** Evaluate, inform and communicate our internal and external groups, through an Annual Report, of our business performance, based on the criteria of a socially responsible administration.

► **Commitment:** Identify the demands and needs of our related groups, through studies and systematic reports for the search of timely and sound solutions.

► **Ethical Behavior:** Integrate the Social Responsibility criteria into all our organizational areas through a training and awareness program about new vision of our business based on the principles of respect, solidarity and corporate commitment.

We continue walking the path towards our Certification with the AA1000 standard, which will reinforce our position as a dynamic, aware and responsible institution for its actions

► **Excellence:** Establish efficiency and personal performance in harmony with ethical and humane values that identify us as Corporate Citizens.

Benefits and impact of the Social and Corporate Responsibility:

► Increase of the financial performance of the institution.

► A higher productivity of our staff.

► Innovation of processes and services.

► Reduction of operational costs.

► Satisfaction of the social concerns of the groups related to the organization.

► Increase of the commitment and loyalty of the staff.

► Differentiation and distinction of the brand in the market.

► An improved image before employees, clients, suppliers and stockholders.

► Harmonic relationship with the community

► Acquisition of new clients and investors.

The Internal Dimension

Social Responsibility



- ▶ Our Employees
- ▶ Our Stockholders

Our Employees



Senosalud Campaigns

We exercise a Social Responsibility Policy as part of our business activity. In accordance with this premise, the relationship with our employees is developed within the framework of our managerial philosophy, and that is the reason why we pursue their wellbeing and that of their families. We promote our organizational values, keep a permanent communication and dialogue, encourage team work and, finally, we value their professional and personal development.

Working Conditions

We keep the benefits for our employees above the standards of the market and fully comply with the legal mandates that rule the labor relationships. We consider that our human capital is the most valuable asset of our financial institution.

Their health

In our search for excellence and the achievement of our strategic goals we promote the bio-psycho-social wellbeing and the integral health of our workers through a model of primary healthcare attention supported by measures of an educational, preventive and curative nature.

That is why since its foundation, in 1998, the BanESCO Healthcare Service has been oriented not only to provide a first class healthcare service, but it also has furthered an information, education and orientation labor to all our staff. A proof of this are the different Special Campaigns carried out during 2005, among which we could mention: Special Campaigns for the Early Diagnosis of Dyslipidemia, Diabetes, High Blood-pressure, Prostate and Breast pathologies, Peripheral Venous System, Osteoporosis and Smear Tests, just to mention a few.

► From the preventive point of view we organized vaccination programs for all our workers, with special interest on contagious diseases such as flu, measles and yellow fever.

Distribution by Categories 2005

Category	Number of Workers
Apprentices	77
Hired Personnel	328
Employees	7,804
Managers	737
Executives	90
Total Workers	9,036

Distribution by gender 2005

Sex	Number of Workers
Females	5,204
Males	3,832
Total Workers	9,036

Contractual Situation 2005

Category	Number of Workers
Permanent	8,700
Hired Personnel	328
Total Workers	9,036

Distribution by Ages Range

Range	Number of Workers
<20	185
>=20; <=24	871
>=25; <=29	2,158
>=30; <=34	2,302
>=35; <=39	1,708
>=40; <=44	1,001
>=45; <=49	504
>=50; <=54	194
>=55; <=64	101
>64	12
Average: 33 years	
Total Workers	9,036



Senosalud Campaigns

► We also performed Audiometries and Spirometries on 1,000 workers which due to the nature of their jobs require this type of special tests, in compliance with the Covenin Regulations.

This way, we comply with the legislation in force in the matter of Labor Safety and Health, specifically the Constitutional Law on Prevention, Conditions and Labor Environment

► In 2005 we kicked off the construction of the morbidity indicator, in order to attend and monitor the most frequent causes of diseases in order to establish actions, through health prevention campaigns, which would allow us to minimize risk factors and strengthen the information component in reference to the most frequent illnesses and how to prevent them.

► We promoted the awareness and sensitizing activities through the anti-drugs program "Without Drugs, we can make it". We divulged the damages caused by alcohol and tobacco as factors that have an incidence on the psycho-effective development in the work and family environment.

► Through the Mediphone Domiciliary Medical Assistance Service, the holder and the beneficiaries of the Banesco Insurance collective policy can have access to medical advice and request domiciliary assistance or transportation to a nearby clinic if necessary, 24 hours a day, 365 days a year, with just one phone call to the (0212) 706.7023.

► In June we offered talks about breast cancer prevention coordinated by Senosalud. We were able to spend some time with Doctor Ricardo Paredes, surgeon-cancer specialist-mastologist, who is also the president of the Venezuelan Society of Mastology. Likewise, we had some special guests that worked as volunteers, such as Viviana Gibelli and Tania Sarabia.

► We provide the best environmental conditions for the worker, in comfortable spaces, an open labor environment and a harmonious atmosphere,

BanESCO Social Investment on its workers health 2005

Activity	Amount Bs.
Senosalud Campaigns	12,082,500
Coverage of Workers' Medical Expenses	60,690,562.91
Health Campaigns	24,647,185
Total Bs.	97,420,247.71

which facilitates the interaction between the work teams. We also have a dining hall for workers offering balanced meals in accordance with the Food Code established by the World Health Organization.

Entertainment, development and training

We design the Development Corporate Plan on an annual basis. Here a diversity of training actions are integrated, from the formal training through courses, workshops and post-graduate studies, to other activities as the training in the working place, such as: internships and tutorials, among others. The purpose of these activities is to develop and/or strengthen the main competences aligned with the strategic objectives and corporate values, in harmony with the bank's Vision and Mission.

In June we offered talks about breast cancer prevention coordinated by Senosalud

Category/Level

Base	Number of Trainings
Base	7,755
Professional and Technical	11,210
Supervisory	2,522
Managers	2,231
Vice-President	135
Total Trainings	23,853
Total Trainings	7,129,734,196



Health Campaigns at Ciudad Banesco. 25 workers participated on the first Credit Culture Course



Workshop on Prevention against the use of narcotics and psychotropic substances

Training in the Area of Capital Legitimation Prevention and Control 2005

Activity	Amount Bs.	Workers Benefited
• Conference the Changing face in the Matter of Money Laundering and Operation of Terrorism in the Caribbean	4,404,960	2
• National Conference Against Capital Legitimation and Against Terrorism Financing	690,000	3
• Program for the Training of Business Consultants on the Labor Environment for the Prevention of the Consumption of Alcohol and Other Drugs	2,000,000	2
• Annual Induction of the Banking Secrecy Law in Puerto Rico	10,285,400	2
• Talk on Capital Legitimation Prevention in Maracaibo	336,400	16
• Tactical Intelligence Course for the Capital Legitimation Prevention and Control Unit Personnel	4,140,000	10
• Tactical Financial Intelligence Course for the Branches Network Personnel	4,140,000	106
• 9th Hemispheric Congress for Capital Laundering Prevention	3,440,000	3
• First International Seminar on Capital Legitimation	750,000	3
• Forum on Capital Legitimation Control and Prevention	290,700	3
• Foundation in Change (Capital Legitimation and Terrorism Financing Workshop in Parícut)	2,986,901.50	37
• Bases for the Labor Prevention in the Matter of Drugs Workshop	900,000	3
• Foundation in Change (Advising in the Area of Capital Legitimation Prevention with National Level Courses)	34,127,250	
• Others	31,957,597	
Total Bs.	100,449,208.50	201

The vacations plan was set in the framework of the Integral Program Against the Illicit Traffic and Consumption of Alcohol and Other Drugs, "Without drugs, we can make it"

In order to take care of the fundamental capabilities of the organization we develop Corporate programs that allow us to cover a vast segment of the population in key areas, such as: Service Quality, Internal and External Customer Orientation, Credit, among others.

Another important aspect of the training strategy of our workers are the Certification Programs for the consolidated personnel and for the new workers, which aim to develop competences in order to ensure a better performance in their present or future posts.

In 2005 we lay the foundations for the execution of the Corporate Model of Competences which will have an impact on all the subsystems of human capital as we focus our administration on the essential characteristics required by the human talent belonging to our organization and

Training Areas 2005

Typologies	Total
• Administration	227
• Customer Service	443
• Insurance Banking	7
• Certification	16,070
• Communication	93
• Consultancy	99
• Accounting	20
• Corporative	3,042
• Credit	55
• Personal Development	1,229
• Trust	233
• Finances and Treasury Management, Leadership and Supervision	126
• Languages	483
• Legal and Regulatory	51
• Marketing	29
• Negotiation	5
• Products	109
• Risk	250
• Security	3
• Information Safety	10
• Specialized Technician	23
• Technology	534
• Sales	661
Total	23,853

that should remain with us and by those new talents about to enter.

University studies financed through Cabanesco

In order to provide support to the staff currently studying at the university level, the Savings Bank of Banesco Workers (CABANESCO) grants an educational financing plan for College, University, Master's Degree, Post Graduate Studies and Doctorate diplomas. These credits are granted for terms ranging from 1 to 12 months, and may be financed by trimesters, biannually or annually, through equal and consecutive installments, deducted from the salary of the second fortnight, and with a monthly interest of 0.60% over debit balance.

Vacation plan for our little ones

The Executive Vice-Presidency of Human Capital, along with the Capital Legitimation Prevention and Control Unit, through the Quality of Life Management, organized the Vacation



The vacation plan was set in the framework of the Integral Program Against the Traffic and Consumption of Alcohol and Other Drugs, "Without drugs, we can make it"



Plan 2005 for the children of our big Banesco family.

This activity was set within the framework of the Integral Plan Against Traffic and Consumption of Alcohol and Other Drugs, "Without drugs, we can make it", in order to minimize risk factors on

participating children and adolescents, ratifying the importance of healthy recreation, the good use of spare time and the strengthening of family values.

The Vacation Program started on Monday, August 1st and ended on Friday September 2nd and, just as in previous years, offered two varieties: guided visits and camps.

Children registered for the Guided Tours went to the Cumbre Azul Club, the Children's Museum, and to the Paracotos Club, Diverxity, to the movies and to the Círculo Militar.

Those who enjoyed other activities went to the Estancia El Milagro and to the Valle Alto camps, located in the state of Carabobo. This is an area filled with natural and geographic riches, with fresh and nice mountain climate.

This year we invested Bs. 1,214,452,758.61 on vacation plans for the benefit of 2,031 little ones.

Sports

Bowling Tournament

This year, 1,300 Banesco bowlers of the Metropolitan Area of Caracas participated on the Bowling Tournament 2005. As special guests we counted on the presence of members of the bowling team of the Civil Association. Apoye, one of our social partners who take care of people with special needs.

Sports Campaigns

During the month of March, our colleagues from the Eastern region, Zulia-Falcón, and from the Western-Andes region competed in all the Sports Campaigns.

In April we celebrated the Mini-Olympics 2005 for the personnel of the Metropolitan and Center-Plains areas.

In this activity, workers participated on team disciplines (softball, volleyball, hall soccer, basketball, domino and tennis, among others) and in recreational activities such as dance-therapy, dance contests and fair games.

These activities were coordinated by the Human Capital Executive Vice-Presidency in the framework of the Integral Prevention Program "Without drugs, we can make it".



Sports 2005

Activity	Amount Bs.
● Sports Campaigns of the Eastern Region	144,581,876.5
● Sports Campaigns of the Zulia-Falcón and Western-Andes Regions	220,078,338.25
● Sports Campaigns of the Metropolitan Area and the Central-Plains Region	343,424,181.5
● Bowling Tournament	104,592,876.4
● Others	57,424,550
Number of Workers Benefited: 4,600	
Total Bs.	871,899,852.65

Housing for all Banesco workers

The Board of Directors of Banesco agreed to grant new benefits to its workers which transcend the traditional salary raises.

In December they announced the granting of a subsidy for 5 million bolivars for the acquisition of main homes, a benefit exclusively for those workers which at the time earned less than 1.6 million bolivars.

The money granted would not generate interests nor will it be charged to the worker. It would be paid off with five years of service at 1 million bolivars per year. In 2005, 12 workers were benefited by this subsidy, which implied a 60 million bolivars investment.

The goal Banesco's Board of Directors has set itself is that all employees in the bank should have their own home

The goal the Board of Directors of the Bank has set for itself is that all the bank's employees should have their own home, a benefit that is set in the framework of the internal dimension of the Business Social Responsibility Program.

We also informed the community of Banesco workers that starting in December 2005, those who earn more than 1.6 million bolivars and have loans to buy a house will have a 20% reduction on the interests established by the law.

Recreation

At the Fernando Crespo Suárez Auditorium in Ciudad Banesco, we projected documentaries and series everyday from noon to 2:00 pm, and movies at 5:00 pm in a cycle we organized for the recreation of workers called "Movie noons and afternoons."

School fair

Coordinated by the Human Capital Administration Executive Vice-Presidency, through the Life Quality Management, we celebrated the School Fair, which benefited the workers of the Organization. It was open from Tuesday 16th and Friday the 26th in the month of August, in the Ciudad Banesco spaces. We counted on the presence of companies like Daros Stationery, Liteon Supplies, Educar Distributor, Flipper Uniforms, Edinter Corp., El Marcador Stationery, CIAO Uniforms, Marlene Socks, Totto Bags and Backpacks, and Sonkia Investments, as well as several shoe brands.



Lidimo Colmenares with Technology and Processes Director, Nelson Becerra, who granted the first subsidies



Rosa Belén Colmenares

First subsidies

- ▶ Enrique Chirinos, ID # 14.745.893
Clerk - Operations Division Management
- ▶ Willian Villasinda, ID # 11.938.293
Analyst - Virtual Banking Division Management
- ▶ Joan Ferrer, ID # 11.203.505
Cashier - La Candelaria Branch
- ▶ Yartsev Revete, ID # 10.351.706
Promoter - Plaza Venezuela Branch
- ▶ William Ocopio, ID # 6.315.918
Risks Analyst - Credit Evaluation and Monitoring Division Management
- ▶ Jacqueline Colmenares, ID # 12.417.408
Analyst - VP Mortgage
- ▶ Ricardo Salvi, ID # 10.806.834
Phone Assistance Agent
Customer Service Center
- ▶ Norelki Gastón, ID # 10.375.104
Office Supervisor - Los Teques Branch
- ▶ Luis Colmenares, ID # 11.410.681
Cashier - La Campiña Branch
- ▶ Lidimo Colmenares, ID # 10.150.985
Branch Supervisor - Sat. Macarao
- ▶ Francisco Salazar, ID # 6.113.420
Control Operator - Technical Security Management
- ▶ Rosa Belén Colmenares, ID # 8.508.399
Promoter - Sat. Santa Marta



Melissa Correa,
Bibiana Buendía
and Patricia Garrido

Remuneration, Social Security Benefits and Career Policy

We make an effort for maintaining an adequate compensation policy that reinforces and encourages a good performance. Our scheme allows for every worker to receive a salary in accordance with their post, responsibilities and assigned functions.

Aware of the importance of the professional growth of our workers, the promotions policy is based on meritocracy, according to which the aptitude and technical competences are evaluated through a structured process of "Potential evaluation" which allows for the distinction in a transparent manner of the more capable individuals and, at the same time, and report the knowledge and abilities gaps, all which is considered on the Annual Plan for the Detection of Training Needs, which prepares the worker for future promotions.

We value diversity

Diversity is one of our main values and such we live it on a daily basis. We plan our strategy for the

labor insertion of people with disabilities or special needs. We have started this initiative incorporating persons with Down's syndrome. One of the conclusions of the 7th Down's

Syndrome International Congress, held in Ciudad Banesco - November 8 and 9 - indicated that simple and well organized shores, clarity on the hierarchy system and on the roles, and the consideration of the handicapped worker as a real worker are key elements to guarantee the success of the labor insertion of people with Down's syndrome, and at the same time these elements condition their level of productivity. In Banesco we work in this sense.

In 2005 we incorporated to our team 5 young men and women with Down's syndrome. At the managements of Customer Service Division and In Office Attention we employed three receptionists, and at the Vault/Main Vault Management two clerks. These young men and women entered by the hand of Yalitza Linares, Labor Insertion Coordinator of the Audacious Association for the Orientation and Stimulation of People with Special Needs (Apoye).

Beyond legal impositions, to offer a handicapped person an opportunity constitutes an act of equality and of solidarity

Entering of Permanent Personnel 2005

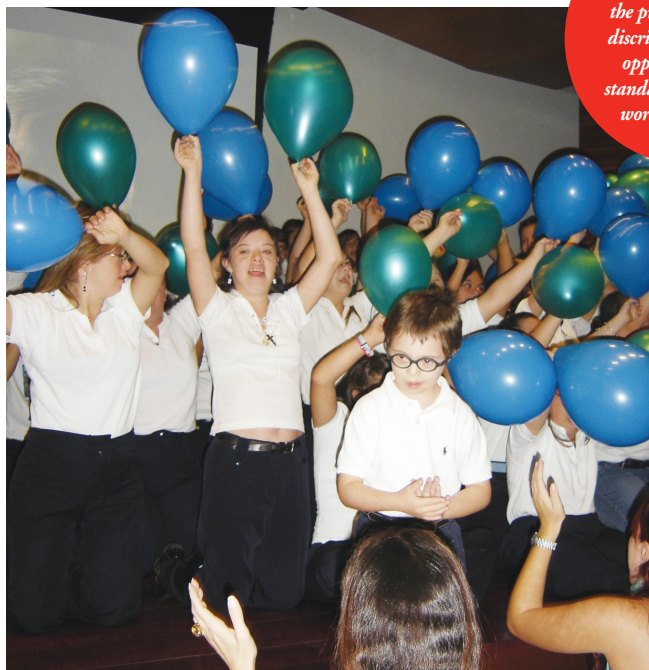
Categories of the Post	Number of Workers
● Base	1,239
● Professional and Technical	650
● Supervisory	100
● Managers	86
● Vice-Presidents	5
Total Workers	2,080

Entering of Handicapped Personnel 2005

Location	Workers
● Metropolitan Area	13
● Central-Plains Region	1
● Central-Western Region	1
Number of Workers	15



Renato Gobetti



These young men and women comply with the requisites of emotional, social and behavioral maturity, as well as autonomy. Likewise, they have basic academic abilities (reading, writing and mathematics) which allow them to adapt to a labor environment and learn other skills.

We also employed a handicapped young man that is part of the team of workers of Restoven - one of Banesco's suppliers that offer their services at the Main Office dining hall. His entry into the organization has become a clear

With this initiative we consider the principles of non-discrimination, equal opportunities and standardization in the work environment



example of perseverance and improvement at work overcoming all limitations.

This boy has gotten into the private sector thanks to the Association for the Development of the Complementary Education (Asodeco), Restoven and Banesco.

We are aware that when incorporating handicapped persons to the organizations it is essential to overcome the idea of them being a burden for the institution. In that sense, it is necessary to create conditions for them to express their capabilities.

We believe that beyond the legal impositions to offer a handicapped person an opportunity is an act of equality and solidarity that in no way has a negative effect on the business of the institution. On the contrary, it offers the reward of confirming the improvement of their quality of life and that of their family setting, as they fully integrate themselves into their communities, overcoming barriers and recovering their self-esteem.

When we launched this initiative we considered the principles of non-discrimination, equal opportunities and standardization in the work environment.

Besides the support we offer to the Civil Association Apoye Institute, we also support the work of maestro José Antonio Abreu with his National System of Children's and Youth Orchestras, which has a special chapter for

handicapped people. Additionally, the Ciudad Banesco building was arranged in compliance with all national and international regulations which allow for the access of handicapped visitors and workers (parking lots, toilets, and access to different facilities).

Relationships with unions

In 2005, Banesco employees prepared for the beginning of an electoral process - to be held in 2006 - in which all workers participate in the designation of their union representatives. The Organization personnel choose their representatives, which have the important task of establishing the relationship with the Organization. Banesco has always allowed for the acting and participation of all its employees. On the different branches employees have billboards and other spaces for the union activity.

As a private company, our relationship with the union - and with all workers - has the following bases: a negotiation methodology based on common interests, strengthening of communication and creation of harmonic agreements that clearly reflect on the work environment of each of our units.

We put an emphasis on each member of the Organization so that they know about the offer of products and services we have for our clients



part of the Organization Culture.

Through those means we permanently inform of the benefits the Institution offers its workers.

Commitment with the children's future

We support the education of 76 boys and girls that entered this Organization with the objective of being trained as apprentices in theoretical and practical phases. Our younger collaborators enter the Organization when they are 17 years old, so when they finally turn 18 they are already learning the different modules which, along with the governmental bodies we have prepared for them.

Administration by Participation System

There are several interaction channels with the employees. The first and most important one is the relevance the Organization gives to the interrelation of the work teams with their leaders. Additionally, the internal communication means are strengthened everyday with tools like corporate intranet, billboards and internal newspapers, among others.

We put an emphasis on each member of the Organization so that they know about the offer of products and services we have for our clients and, as a consequence, information is an important

Improving our competences

At the end of the Pilot Phase of the Empowerment Project, we presented the final report of Closing the Gap of Functional Competences in the areas of Empowerment, Regional Managements, Branches and Offices and Corporate Banking; as well as the revision of the Functional Competences associated to the different roles played in these areas.

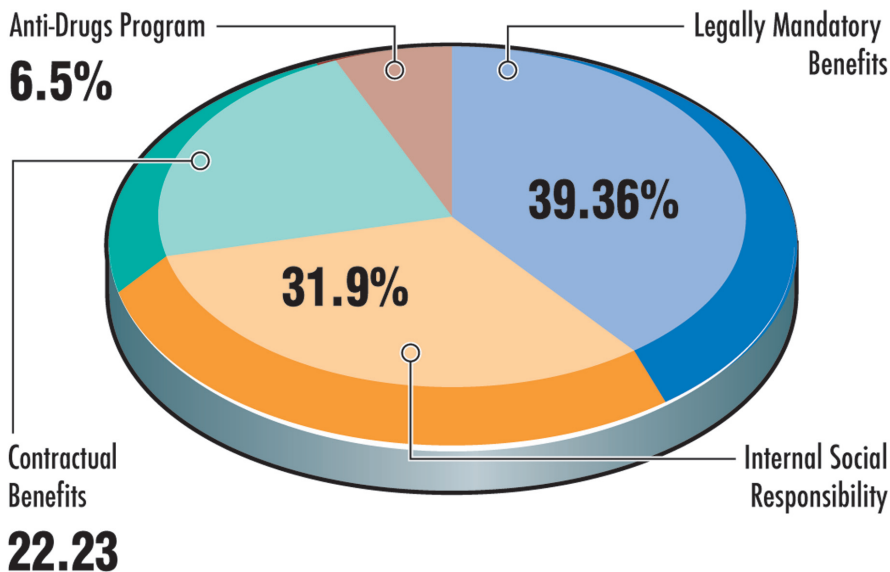
To continue with the development of the Model of Competences, interviews were made of the behavioral activities in the areas of TDC Back End Operations and in the Platform Administration Vice-Presidency.

Relationships with third parties

We maintain a solid trustful relationship with our external and internal groups, among which we might highlight our equipment and services providers as our main commercial allies. With our suppliers we establish a win-win relationship, thus achieving mutually beneficial agreements. Likewise, hired workers enjoy the legal and social security benefits in force.

Employees' Total Benefits

● Paid Benefits 2005



Total Benefits Paid | **33,637,324,513.75**



Legally Mandatory Benefits

Benefit	Amount Bs.
● Nurseries	2,055,600,000
● L.P.A. Dining Hall	985,954,958.02
● Food Tickets	10,200,000,000
Total Bs.	13,241,554,958.02

Internal Social Responsibility 2005

Benefit	Amount Bs.
● Parking	243,708,076.15
● Medical Service	97,420,247.71
● Dining Hall Subsidy	3,174,106,042.04
● Volunteer Work	25,833,584.07
● Trainings	7,129,734,196
● Housing Subsidy	60,000,000
Total Bs.	10,730,802,145.97

Anti-Drugs Program 2005

Benefit	Amount Bs.
● Vacations Plan	1,214,452,758.61
● Sports and Recreational Activities	871,899,852.65
● Trainings	100,450,208,5
Total Bs.	2,186,802,819.76

Contractual Benefits

Benefit	Amount Bs.
● Scholarships	38,100,000
● Uniforms and Equipment	6,174,000,000
● Christmas Toys	1,135,200,000
● Buttons and Decorations	130,864,590
Total Bs.	7,478,164,590



Handing over of acknowledgements to the workers that collaborated on the selling of the Fe y Alegría Grand Raffle

They won with Fe y Alegría

They were rewarded for their contribution to the selling of the Fe y Alegría Grand Raffle 2005:

► Ivonne García, assistant to the Finance Vice-Presidency; and María Cristina Cares, assistant to the Means of Payment Executive Vice-Presidency: A package for two courtesy of Globex Travel, for each one.

► Yelitza Solórzano Guédez, cashier at the Boleíta Center Branch, and Deivit del Carmen Martínez Vergara, promoter at the Santa Teresa del Tuy Branch: HP printers courtesy of the Wincor Nixdorf Companies and of GZ Services, respectively.

► Alexander Enrique Díaz González, supervisor of the Embotelladora Carabobo booth: Epson printer, courtesy of Insycom Centro.

► María Milagros Vielma D'Jesús, office clerk at the Guatire Branch, and Tiuna Sánchez Granado, supervisor of the Plaza Venezuela Branch: Memory Key 256 MB, courtesy of the Telesis Group and Pretium Consultants, respectively.

Banesco has the characteristic of been an Organization committed to the integral development of its human resource

"You can make it" ends with success

With the support of the different vice-presidencies of the sales area and of the Push L.P.H. Vice-Presidency, the second edition of the campaign "You can make it" was celebrated, with the objective of attracting new savers through the network of branches and specialized banks around the country.

On the final draw, made at the end of May, María Selina Dada was the winner. She is the Regional Manager of Corporate Banking. She got 30 million bolivars, which she decided to share with her colleague Franmer Mezones, Corporate Banking executive, with whom she jointly worked on the campaign.

Stock Market

In 2004 we incorporated to the Integral Program of Strategic Planning one of the most challenging goals for the institution: the reformulation of its Securities and their consolidation on the organizational culture. This initiative was carried out during 2005.

Others

Activity	Workers Benefited
● Visit to the "Drugs Exhibition Hall" of the Children's Museum	852 Workers' children
● Special ID Card Operation	3,000
● Medical Driving Certificate Operation	2,500

Acknowledgements

Honor to those who deserve it

During the months of November and December, the events for the handing over of the distinctions for the personnel with 5 to 45 years of service at the Institution took place. In total, 2,251 employees were awarded.



Sonia García: 45 years in the institution

The workers received awards in the form of trips to national and international destinations

The labor of a group of workers was awarded with a trip to Switzerland and China



We concluded that the best way to reach this goal was to design an Incentive Plan based on Banesco Values. The design of this project and its later deployment in all the areas covered today by Banesco required a heavy team work that was made in a year and a half and was led by the Human Capital Management Executive Vice-Presidency, along with the Incentive Group company.

All along its trajectory, Banesco has been characterized as an Organization committed to the integral development of its human resources. In the framework of this corporate philosophy, and considering the premises previously mentioned, finally, on April 16th, this Incentives Program was kicked off with the participation of over 3,000 employees of the General Management of the Institution.

The development of this initiative allowed the Board of Directors of Banesco to recognize the notorious performance of its employees on the experiences related to the values of the bank, which are an essential piece for the success of the Organization. One of the essential characteristics of this project was that the



Group of workers at Los Roques, Coche Island and Canaima, after participating in the Banesco Stock Market



From the start, Banesco has had the characteristic of committing itself to the integral development of its human resource

selection of the winners was made in a democratic fashion, because their own colleagues month after month and for six months voted through the Intranet.

The personnel actively participated in the activities designed to start getting shares at the Banesco Stock Market - the figure under which the Incentives Plan was consolidated - where all workers, regardless of their area of work, were able to share experiences and emotions.

The winners were awarded for their performance and for their intention to practice and strengthen the organizational values.

For Banesco's Board of Directors, the development of this initiative has allowed it to give continuity to the actions for the improvements of the services offered to its customers, suppliers, associates and to the community in general, since the experiences of its staff will have an impact on who they are and how they live, thus ratifying the social and corporate responsibility commitment Banesco has embraced with the Venezuelan people.

Acknowledgements granted

Acknowledgements were classified as Intermediate and Final, for a total of 629 acknowledgements, distributed among the following destinations.

Awards for "Stock Market" Campaign Intermediate

Destination	Number of people awarded
● Coche	79
● Doña Bárbara Country Estate	97
● Los Roques	118
Total	294

Finals

Destination	Number of people awarded
● Canaima	90
● Gran Sabana	129
● Cruise	44
● Switzerland	18
● Galapagos Islands	18
● New York	18
● China	18
Total	335

Internal Communication

From all and for all

The administration of communication in Banesco involves the activation of the existing links between its more than 9,000 employees around the country. The existent internal communication channels - as well as the TiempoBanesco informative network, comprised by printed, digital and audiovisual media - are the main support points for the work of our corporate communications, which objective, without a doubt, is to provide support for an effective administration.

The main pillar of the organizational corporate communication sets its parameters on the Banesco values.

Tailor-made communication

On the fundamental base represented by the corporate philosophy and the objectives of the Organization, quantitative studies are developed that allowed for the determination of the employee's satisfaction in reference to the information channels available. In our search for communicational excellence, the results clarify the areas of opportunity, strengths and weaknesses of the process.

Customized communications

At the present time, Banesco has an extensive communication network that offers the internal client the satisfaction of feeling informed about the activities carried out by the Organization. Likewise, there are some channels available that allow for the customization of the messages, to address them to specific groups, and interact in dynamic manner with news of a general nature, among other available options.

Intranet TiempoBanesco is a point of reference for our human capital. Because of its dynamic and state-of-the-art nature. This technological platform manages to gather the essential requisites to be one of the most complete and effective channels for the broadcasting of news. The Intranet encompasses relevant information about the administration and historic maintenance of our human capital, as well as divisional news and portals of different areas of the business.

The weekly information bulletin is a tool that allows for the compilation of the information of the week in one single delivery



The weekly newsletter is a tool that allows for the compilation of the week in one single delivery. This way, one single media condensates important news that offer the reader the possibility of getting relevant, up-to-date and quality information about what is happening in Banesco.

Additionally, our CableBanesco, is the audiovisual channel we use to broadcast news on a daily basis, for our internal public as well as for our external public, since it is located in all our offices nationwide, as well as in the main branches of the organization. At CableBanesco we maintain an organizational link with our public in general. We include information about our values and principles, and at the same time we support our client's administration at the agency.

On the other hand, the billboards, located on the service areas and elevators of the main branches, like the Extra TiempoBanesco, combine the excellence of the present information material in two printed versions for our public. Likewise, the graphic support on our branches supports the communicational administrations for the good developing of the internal and external image communication campaigns.

At Banesco we generate value for our stockholders, producing profits that can be distributed and capitalized, and that are equal or above the local market standards. We support the bank's administration in our values and we are guided by the highest ethical principles. We are also guided by the transparency in our relationship with our internal and external groups, and as our stockholders do not escape from this practice, they also enjoy an equal treatment.

Annually we hold two Stockholders Ordinary Assemblies. In 2005 they took place on March 17th, and on September 30th. Additionally, on that same September 30th, 2005, an Extraordinary Stockholders Meeting was held, where it was agreed to authorize the Board of Directors to acquire their own stocks and manage them as they see fit, in accordance with the Capital Markets Law.

We have a wide base of individuals, which benefit from a high profitability and solvency

We confirm our will to administrate the business in a plural and participative manner. We firmly believe in the exchange of ideas and thoughts, which is the reason why we involve our stockholders in our daily routines. We count on a wide base of particulars, which benefit from a high profitability and solvency.

The bank's social capital at the closing of the fiscal year is Bs. 487,996,420,100.00, represented by 4,879,964,201 (4,584,510,820 outstanding stocks and 295,453,381 at the treasurer's office), with a nominal value of Bs. 100.00 per share, distributed among 4,915 stockholders.

Dividends

In 2005, Banesco Universal Bank decreed dividends for Bs. 129,661,676,277.00 agreed on the Ordinary Stockholders General Meeting:

Dividends in cash:

► March 17th, 2005:
Bs. 39,855,561,380.00

► September 30th, 2005:
Bs. 29,806,114,897.00
TOTAL Bs. 69,661,676,277.00

Dividends in stocks (March):

TOTAL Bs. 60.000.000.000,00



We interact with our stockholders through different channels:

- TiempoBanesco, monthly publications made by the Organization.
- CableBanesco.
- Reports and memories.
- www.banesco.com, Our corporate web.
- The Board of Directors.
- Our Corporate Government practices.
- Contacts and direct meetings.
- In 2004 we started the publication of our Corporate Social Responsibility annual report, containing detailed data about the distribution of our profits, destined to all the social action projects approved by the Board of Directors.
- National journals.
- Our network of agencies.
- The Stockholders Unit that offers all the necessary information about the investment of the holder, as well as of the financial institution.

Our Stockholders

The External Dimension

Our Social Responsibility



- ▶ Our Social Partners
- ▶ Banesco, the Environment and the Community
- ▶ Banesco Corporate Voluntary Work
- ▶ Our Customers
- ▶ Our Suppliers

Our Social Partners

We dedicate our social investment to contributions with projects linked to the education and health sectors. We execute our Social Responsibility Program jointly with a large number of extraordinary institutions which make possible the causes and initiatives in favor of the communities all over the country. We have called these our "social partners". We participate in projects with technical and financial sustainability and with a multiplying effect in the community. These projects are:



► Fe y Alegría

It is an Integral Popular Education and Social Promotion Movement, with an action addressed to the impoverished and excluded sectors and aiming to strengthen their personal development and social participation. It is an educational movement because it promotes the education of people that are aware of their potential and of the reality, free and filled with solidarity, open to transcendence and willing to be the main characters of their own development.

It is popular because it deems that education is a pedagogic and political proposal for the transformation from and with the communities. It is integral because it understands that education embraces the individual in all their dimensions. And it is a social promotion initiative because, faced with unfair situations and specific and individual needs, the individual is encouraged to commit himself to overcome them and, from there, to the building of a fair, fraternal, democratic and participative society. It was created in Venezuela 50 years ago by the hand of Jesuit José María Vélaz.



the children, young boys and girls and adolescents that live in a situation of abandonment, to reincorporate them to the educational system, provide them with medical and psychological attention, and assimilate them into their family group. The achievements of the Don Bosco Houses Network in terms of children and adolescents care can be quantified in over 200 lives saved in Venezuela: they went to the streets and came out of them to lead a productive life. The strategy of the Don Bosco heirs is social reinsertion focused on the integration with the family, the school, specialized institutions and the labor market, through attention programs designed to manage the participation in educational and recreational activities, which have the objective of detecting potentialities and limitations.

They have representatives in Valencia, Miranda, Mérida, Distrito Federal and Monagas. Nowadays, the project is led by father Rino Bergamín.



► Civil Association Don Bosco Houses Network

It is integrated by nine houses distributed among several states of the country. The Civil Association has the objective of teaching some kind of skill to





Fundación Amigos del Niño que Amerita Protección

Friends of the Child in Need of Protection Foundation (Fundana)

It is a non-profit Civil Association, integrated by professionals and technicians from the social sector, dedicated to offering protection to children between the ages of 0 and 6 years, who lack a family environment due to physical or emotional maltreatment. Their mission is to rescue the individuals, develop their potential as much as possible, and achieve their insertion in a harmonic family environment. Fundana was founded in 1991 by Elsa Levy, its current president.



Arts and Trades House (CASARTES)

Founded by plastic artist Jacobo Borges and presently directed by Victoria and Bárbara Gallardo, it is a non-profit organization, which promotes the education of a group of families from San Diego de los Altos, state of Miranda, with the idea of helping them to contribute to the transformation of their social surrounding and their community.

Andrés Bello Catholic University (UCAB)

With its three locations -Caracas, Guayana, and Coro- it is a private non-profit higher education institution. Its main location is located at the neighborhood of Montalbán-La Vega in Caracas. It was founded in October 1953 and directed by the Venezuelan Episcopacy in Company of Jesus. Its mission is to contribute to the integral education of the university youth, on its personal and community aspect, within the Christian conception of life. Additionally, it makes an effort to accelerate the national development process, and at the same time to raise awareness about its problems and promotes the will for a continuous improvement. For this same reason, they attribute special importance to the education of the human resources and especially to the youth, in order to achieve the graduation of all people.



Higher Administrative Studies Institute (IESA)

It is a non-profit private academic center which offers a public service to the whole society, and is independent from any tendency or economic, political, religious or governmental group. Created in 1965, the IESA is dedicated to the teaching of management, with support on research, in administration and in other disciplines. It directs its teachings towards the development of management in public and private organizations. By recommendation of the National Universities Council, the Institute was recognized by the Presidency of the Republic of Venezuela, through Decree number 1,471 from March 16th, 1976, as a University Institute for Higher Administrative Studies.





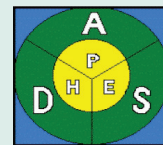
Children's Museum

This is the first science and technology center focused on the children of the country. It was created as an educational and recreational program of the

Children's Museum Foundation, a non-profit private institution, created and presided by Mrs. Alicia Pietri de Caldera over 22 years ago. The main objective of the Museum is to be the center of educational spreading for children ages 6 to 14 years old, especially those belonging to the lower



The Children's Museum is a center for the spreading of education for children belonging to the lower economical levels



Salesian Ladies Association

It was founded by father Miguel González, who arrived in Venezuela in 1961. The

construction of the San Juan Bosco National Temple in Altamira, Caracas, was a promise made by Venezuelan Salesians a long time ago. Next to the temple they built the Don Bosco Social Complex and the Mother House of the Salesian Ladies Association. In 1967, a group of co-promoting women of Don Bosco's social works decides to remain together, free and autonomous to give life to the social aspirations of the Complex and establish itself as a new Christian and Salesian Association called "Salesian Ladies". Officially, the foundation was created on May 13th, 1968. The association is integrated by a group of Catholic laywomen committed to the Christian community and by Christians in the civil society, and constitute a Private Association of Faithfuls. The Salesian Ladies operate from private centers and privilege popular health, education for work, the rescue of the youth and women in general, the education of women as a means for the orientation of maternity, the indigenous woman promotion, the recovery of the feminine population in jails and the micro-enterprise.





economical levels.

Venezuelan Red Cross

Its mission is to provide humanitarian assistance in a timely and effective fashion, focusing on victims of international or national armed conflicts and /or for natural disasters. This is done through the permanent development in the local scene of a group of activities ruled by the Basic Principles of the Movement: Humanity, Impartiality, Neutrality, Independence, Voluntary Work, Unity and Universality. They try to improve the situation of vulnerable people all over the world, through the permanent action of all components of the International Movement of the Red Cross and of the Red Half-Moon and the tenacious and resolute effort of the volunteers.



Venezuelan Foundation Against Infantile Paralysis

In 1942, doctor Eugenio Mendoza Goiticoa created this foundation to face the sequels produced by the poliomyelitis in Venezuelan children. The foundation promoted the construction of the Children's Orthopedic Hospital (Distrito Federal), which annually receives 140,000 children and young persons with locomotive and neuromuscular problems coming from different parts of the country.



Venezuela's Anti-Cancer Society

By November 12th, 1948, cancer in Venezuela was already claiming 3,000 lives per year. That day, sponsored by the Lions Club, the Venezuela's Anti-Cancer Society was created as a necessary answer in the face of an aggressive and terrible disease. The creation of this institution was the result of the tenacious effort of a group of socially sensitive citizens, led by Doctor Alejandro Calvo Laird.

It has the mission of contributing to the reduction of the incidence, mortality and morbidity of cancer, through education, investigation and early diagnosis in order to create collective awareness of the dimension of cancer in Venezuela and promote its prevention among the healthy population.

SOCIEDAD ANTICANCEROSA DE VENEZUELA



The creation of this institution was the result of the work of a group of citizens led by Doctor Alejandro Calvo Laird



► Venezuelan Association of Catholic Education (AVEC)

It is a non-profit Civil Association, open to the ecumenical dialogue, with no political tendency, at the service of the church and the community. It was founded in 1945 and groups all those educational institutions which voluntarily ask to be included in the association and that define themselves as quality educational projects, evangelist, of believing commitment and of social change. Its mission is to corporately offer the Venezuelan community educational excellence, centered on the evangelic values, in a constant



improvement process and generator of significant changes in the communities they serve. The available centers have been willing to open themselves and answer to the urgent needs of the families and communities they offer their services to. This way, the

answer complies with real priorities: attention of children and the young, training, strengthening of family cells and of the community organization.



FUNDACION EXCELSIOR

► Excelsior Foundation

It is a non-profit private organization dedicated to encourage, support, promote and spread academic excellence of children and the young belonging to private, public and special educational centers of the capital region. They basically carry out four plans: Recognition and Student Encouragement Act, Scholarships, Academic Contests, and Promotion of Excellence.

The Excelsior Foundation is dedicated to encourage, promote and spread academic excellence among children and the young





Central University of Venezuela

Education is one of the main pillars supporting our Social Responsibility Program, which is the reason why we dedicate our biggest efforts to those sectors. To contribute to the education of more citizens is one of our objectives. That is why Fe y Alegría and the Venezuelan Association of Catholic Education are two of the most important social partners we

have allied to, so that more and more children and young persons have the opportunity of a better future.

Likewise, we have tightened very productive bonds with the universities of the country, which find in Banesco an ally to concrete their initiatives or satisfy specific needs.

- Banesco Social Investment on Educational Institutes and Organizations 2005

Organization/Institution	Project	Amount Bs.
• Venezuelan Association of Mathematics Competitions	Mathematics Olympics Sponsorship	7,500,000
• Santiago de León de Caracas School	Ciudad Banesco was the site for the VIMUN 2006	11,981,825
• Eureka Civil Association	Carlos Cruz Diez Children's Creativity Award Sponsorship	20,750,000
• Excelsior Foundation	Excellence Award Program	9,000,000
• Fe y Alegría	Volunteer Work in Fe y Alegría Event Sponsorship	8,786,000
	50th Anniversary Celebration	23,379,000
	Snacks and Lunches	1,887,000
	Acquisition and Transport of Espasa Encyclopedias to Schools	286,311,000
	Media Campaigns	39,774,510
	Thinking Development Program in Fe y Alegría Schools executed by FundaExcelencia	22,773,841
• Fesnojiv	Construction of the new site of the Social Action Center for the Music	1,000,000,000
	Media Campaigns	83,437,000
	Sponsorship for the Presentation of the Documentary "Resurrection in Motion" on Vale TV	10,000,000
• Children's Museum	Project "The Thrill of Living Without Drugs"	125,000,000
• Doctor Luis Beltrán Prieto Figueroa Foundation	Opening of account for Nueva Esparta student, winner of the Neospartan Excellence Award	1,500,000
• Universal Art Productions	Interactive Means Congress Sponsorship	18,000,000
• Casartes	Anniversary Celebration	5,375,000
Total Bs.		1,675,455,176





The facilities have enough acoustic flexibility to play typical Venezuelan music and modern or classic music

State Foundation for the National System of Youth and Children's Orchestras and Choirs (Fesnojiv) ¹

We signed a 3 billion bolivars agreement with Fesnojiv, an amount to be handed over in three years starting in 2005, one billion bolivars per year, in order to finish the construction of the Music Social Action Center.

Nowadays, we foresee that the construction will be finished in 2006, and it is conceived as a great world reaching educational space, with 90 simultaneous rehearsal spaces: individual, doubles, percussion, piano and general, with two amphitheatre halls for 180 people; academic halls; two music theory classrooms with monitors that transmit or receive video-workshops from anywhere in Venezuela or the world.

The construction was started in 2001 and now the building has a total area of 17,000 square meters and enough capacity to integrate the academic action of the orchestra, dance, scenography, production, video, television, manufacturing or repairing of instruments, and the conservation, transformation, filing and diffusion of the national and universal artistic musical wealth.

The facilities have enough acoustic flexibility to interpret typical Venezuelan music or modern or classical music, with the quality required by an educational process.

The place constitutes a Big Social School for its members, family, friends, neighbors and for the inhabitants of the capital in general. Nowadays, the work is projected to dignify even more the members of the system on their daily extra-curricular activities, to influence their behavior, and to help achieve the values and concepts that rule talent and dedication. In summary, to be an Alma Mater.

The present project solves the pass of the Amador Bendayán street with an overpass, to increase the safety of children and young persons, and solve the integration of the building with a design that avoids traffic jams in the area.

The Social Action Center for the Music is architecturally a work of an intense social reaching, that irradiates its activity directly over the rest of the 300,000 members in the building, but also on the rest of the 300,000 members that presently has the National System of Children and Youth Orchestras and Choirs, their families and social surroundings; with a capacity to interact in real time with pupils and professors from the rest of the country, but also from Latin America, the Caribbean and the rest of the world.

The vision we now have of the center is that of a main hub of a national or international network or system of extra-curricular activities through orchestral or choir means, transforming low income children, young people, coming mainly from Caracas's shanty towns, and with behavior disorders or handicapped. This system acts like a social life school that gives them opportunities and feeds on the reconciliation, the solidarity and the harmony of each member, that makes them commit to their integral development and forget their social limitations.

This school rescues, trains and educates each member and their families. It teaches them to listen and to be listened, raises their self-esteem through participation, cooperation, appreciation, discipline and artistic sensitivity and provides them with a social relationship, harmony and community projection tool, organized with a values and concepts scale that rules talent and dedication: it is a school of social life which, besides offering an excellent musical education, turns them into better citizens.

¹ With information from the Photographic and Inspection Report about the physical advances of the works of the headquarters of the "Social Action Center for Music", promoted by Fesnojiv.

Grants for Life

In July 1996, we decided to offer our checking account holders affiliated to any of the Banesco Suitable Plans: Classic, Professional and Golden Years, to participate on quarterly contests to win a scholarship called "Banesco Grants" which would allow them to study from preschool to university and even postgraduate studies, or designate a member of the family to use it. In order to participate, the clients had to maintain an average account balance equal or over one million bolivars on their checking account. From that date to the present we have benefited 19 people, 12 of which are still receiving the grant. In 2005 we dedicated 10 million bolivars to this program. From 1996 to the present we have invested Bs. 139,760,507 in this initiative.

From 1996 to the present we have invested Bs. 139,760,507 in this initiative



Banesco Social Investment in Scholarships 2005

Beneficiaries	Institution	Amount Bs.
• 2 students	IUJO Catia	7,800,000
• Several Scholarships		51,600,000
• 20 IUJO Catia graduates	Alejandro de Humboldt University	66,313,000
• 5 students	UCAB/Coro	5,865,000
• 12 people	Banesco Lifetime Grants	10,000,000
Total Bs.		141,578,000

Excelsior Foundation ²

They have awarded academic excellence prizes to the best students of public and private institutions of the municipalities of Carirubana de los Taques, state of Falcón, as well as from Baruta, Chacao and El Hatillo of the state of Miranda, along 13 years.

In 2005 they awarded a total of 2,262 children. For the students, it is an experience that consolidates their self-esteem, promotes confidence in their capacities, achievements and skills, strengthens their personality and tightens their affective bonds with their reference social groups: family and school, which - as the first socializing agents - will set the bases of responsible individuals from the individual point of view and from the collective point of view as well, and will positively transcend on the design of their projects of life and on their personal and social growth.



² Taken from the General Report of the 13th Student's Awarding and Encouragement Act of the Excelsior Foundation.

Venezuelan Association of Mathematics Competitions ³

Venezuela participated in 2005 on three competitions: The Latin American Mathematics Olympics (OIM), the Central American and the Caribbean Mathematics Olympics (OMCC), and the International Mathematics Olympics (IMO), considered the most important. Our children also participated via mail on the May Olympics (PMM), the Bolivarian Mathematics Olympics (OBM), and on the Latin American University Mathematics Olympics (OIMU).

The 46th edition of the International Mathematics Olympics (IMO) has the main objective of searching mathematical talents among young men and women that still have not entered the university. Nowadays, it is the pre-university world competition with the most prestige and hierarchy. This time it was celebrated in Mérida, Mexico, from July 8 to the 19th, with the participation of 525 young men and women from 94 countries. This was the IMO with the most participating countries in history.

Between 2004 and 2005, the Recreational Mathematics Olympics were incorporated for the first time for children from the first and second year of Elementary School

The Venezuelan delegation was comprised by:

- ▶ Roland Hablutzel, Escuela San José de Maracay
- ▶ Leonardo Urbina, Institutos Educativos Asociados
- ▶ Adolfo Rodríguez, Tutor. Universidad Central de Venezuela
- ▶ Rafael Sánchez, Chief of Delegation. Universidad Central de Venezuela
- ▶ Roland Hablutzel got an Honorable Mention

To the 20th Latin American Mathematics Olympics Venezuela sent:

- ▶ Rafael Guédez, Nuestra Señora de la Chiquinquirá de Maracaibo
- ▶ Leonardo Urbina, Institutos Educativos Asociados de Caracas
- ▶ Víctor Villamizar, Unidad Educativa Juan XXIII de Valencia
- ▶ Roland Hablutzel, Colegio San José de Maracay
- ▶ Héctor Chang, Tutor. Universidad Simón Bolívar
- ▶ Henry Martínez, Chief. UPEL-IPC

The awards won were the following:

- ▶ Leonardo Urbina. Silver Medal
- ▶ Roland Hablutzel. Bronze Medal



The Venezuelan delegation participating on the 7th Central America and the Caribbean Mathematics Olympics (OMCC) was comprised by:

- ▶ Sofía Taylor, Colegio Emil Friedman, Caracas
- ▶ Carmela Acevedo, Academia Washington, Caracas
- ▶ Isabel Clemente, Unidad Educativa Santa Cruz, Valencia
- ▶ Laura Vielma, Tutor. UPEL
- ▶ Silvana María de Jesús, Chief of Delegation. UPEL

The awards won were the following:

- ▶ Sofía Taylor. Bronze Medal
- ▶ Carmela Acevedo. Honorable Mention

In March 2005, the Mathematic Kangaroo Competition was organized and 22,250 students - ages 10 to 17, from - participated. The competitors came from: Anzoátegui, Aragua, Bolívar, Carabobo, Cojedes, Guárico, Lara, Mérida, Miranda, Nueva Esparta, Distrito Capital, Sucre, Táchira and Zulia.

Moreover, during the 2004-2005 school-year the Recreational Mathematics Olympics were incorporated for the first time, as a pilot study, for children from the first and second year of elementary school of the eight schools of the municipality of Baruta and from the private schools Moral y Luces and Los Campitos, with the variety of preliminary and regional test.

Besides, on the Youth Mathematics Olympics participated 5,765 little boys and girls.

³ Taken from the 2005 Annual Report of the Venezuelan Association of Mathematics Competitions.



Children's Museum ⁴

For the third year in a row, many children from the Caracas Metropolitan Area benefited from the initiative of the Children's Museum, which incorporated hundreds of schools in activities linked to the prevention of the consumption of drugs, thanks to the contribution of several Venezuelan companies.

In 2005, 2,146 students from the Fe y Alegría schools - sponsored by Banesco - went to the Children's Museum to participate on the program "The thrill of living without drugs". It is a nice didactic experience aiming to create awareness among the children's population on the negative effects of the consumption of this type of substances.

Here all the problems related to the drug addiction are discussed: history, types of drugs, their effects on the human body, the analysis of the variables that intervene on the consumption, social consequences of traffic and consumption, risk factors and integral prevention.

"The thrill of living without drugs" is a didactic experience to create awareness among the children's population on the negative effects



- Fe y Alegría Schools sponsored by Banesco to participate on the Program "The Thrill of Living Without Drugs" of the Children's Museum

Schools	Number of Children
● Banesco Vacation Plan	852
● Fe y Alegría Las Mayas	312
● Fe y Alegría Dr. Prisco Vilasmil	147
● Fe y Alegría Enrique de Osso	73
● Fe y Alegría Virginia de Ruiz	179
● Fe y Alegría Madre Cecilia Cross	202
● Fe y Alegría Luis María Olaso	101
● Fe y Alegría Luis Vicente Donche	89
● Fe y Alegría Don Pedro	191
Total Children	2,146



⁴ With information provided by the Private Foundation Children's Museum through report of guided tours.

BanESCO Social Investment on Universities and University Institutes 2005

Organization/Institution	Project	Amount Bs.
● UCAB-Guayana	Construction of Amphitheater and Student's House	850,000,000
	Event "Professionals Updating in Times of Crisis"	500,000
● UCAB-Caracas	Construction of classrooms of the Cincuentenario Building	430,000,000
	Foundational Seminar for the Promotion of Investigation	50,000,000
	Civil Engineering Campaigns	3,000,000
● UCV	Second Class of the Science School Graduands	10,000,000
	Equipment Donation to the UCV Fire Department (Caracas and Maracay)	37,089,000
	Seminar "The Economical and Financial Effects of Securitization on the Capital Goods Market"	3,546,192
	Second Economy Essays Contest	8,000,000
	International Food Workshop	3,000,000
	University Extension Campaigns	5,500,000
● Dr. José Gregorio Hernández University	Itinerant Exhibition "José Gregorio Hernández: The most popular academic in the world"	2,000,000
● Carabobo University	Congress "100 Best Economy Students"	1,500,000
● USB	Repairs of the Multiple Sports Field at the Simón Bolívar University	64,128,000
	Co-publishing of the Book "Project Nation and Literature", by the USB, Equinoccio Publishing and Bigott Foundation	50,000,000
	Book about the Los Roques Archipelago	7,910,850
● ULA	7th International Fair of the University Book	50,000,000
● LUZ	Sponsorship of the Baseball Team of the Professors' Children	2,245,950
● UDO	Works on Sucre's Paseo Los Ilustres	53,000,000
● Fe y Alegría	Construction of University Institutes	2,000,002,000
	Remodeling of the Multiple Uses Sports Field of the IUJO Catia	180,995,777.92
Total Bs.		3,812,467,769.92

Fe y Alegría University Institutes ⁵

The Fe y Alegría Higher Education Program started in 1984 with a plan to professionalized teachers ascribed to the Experimentation Center Plan for Permanente Learning (CEPAP) of the Simón Rodríguez National Experimental University. This institute started operating under the name Training Center Padre Joaquín in 1991, and as Fe y Alegría Professionalization Center (CPFA) starting in 2003. Nowadays, this program has 850 participants in all states of the country. Up until now, 250 bachelors in Education have graduated, specialized in: Work, Educational Administration, Vocational Guidance, Social Promotion, Integral Education, Preschool Education, among others.

At the institutes pre-university training programs were developed, with an emphasis on Logic Thinking, Language and Human Education

In 1973, the Jesús Obrero University Institute (IUJO) was created, in accordance with Presidential Decree number 1,728. This institute started its academic activities in its location in Catia in September 29th, 1998. After six years of activities, 1,763 TSU's have graduated from Accounting, Integral Education, Preschool Education, Electronics, Electrical Engineering and Information Science. It has 2,361 registered students.

The building of the IUJO in Barquisimeto was granted its operation permit in the Official Gazette

Catia's IUJO



Number 38,344, dated December 27th, 2005, and started its academic activities in February 20th, 2006, with a total of 484 registered students on the first semesters of the following careers: Accounting (99), Information Science (168), Integral Education (162), Preschool Education (55).

The San Francisco University Institute (IUSF) was authorized by the Ministry of Higher Education for its operation by resolution Number 1,365, on May 13th, 2004, published on Official Gazette Number 37,939, on May 17th, 2004. It

⁵ Information supplied by Fe y Alegría



Library of the IUJO-Catia

The student's population serviced comes from popular areas with serious academic deficiencies at the time of entering the program

started its activities on August, 2004, and today has 1,605 students registered, who are getting their university education on five different careers. Over 250 unemployed young men and women have received education on different careers through the CECAL program. 60 young and adult men and women continue their high school and upper secondary education at the Fe y Alegría Radio Institute, which also serves as the space for the training of practicing teachers through the Practicing Teachers Improvement Project, an agreement with Fe y Alegría, CEPAP and UNESR.

Among other projects in operation we may highlight the following:

► At all institutes pre-university training programs are being developed, with an emphasis on Logic Thinking, Language and Human Education, offered to high-school graduates aspiring to enter the Higher Education institutions or to access the labor market.

► At the Professionalization Center (CPFA) a Training Program for 380 Popular Teachers and Directors is being developed for Rural Areas in the states of Anzoátegui and Zulia.

► At the San Francisco University Institute, Labor Training Projects, Radio Education for high-school and upper secondary education students are being developed. Training of Practicing Teachers through agreement with UNESR and CEPAP

► At the San Francisco University Institute, the project to provide classrooms, laboratories, library, administrative spaces, and sports field was performed. It also promoted and

participated on the "San Francisco Recycles" project.

► At the IUJO-Catia the projects Citizen for the Attention of the Community of Los Flores de Catia and Cultural for the Promotion of Culture were developed, with exchange of different manifestations between several Fe y Alegría education centers.

► Besides the projects related to the characteristics of each institute and program, the International Program for the Training of Popular Educators was executed, and was oriented to the teaching personnel of all centers.

Students Registered

Institutes and Programs	Students Registered	Semesters
● IUJO Catia	2,361	1 a 6
● IUJO Barquisimeto	484	1
● IUSF Maracaibo	1,605	1 a 4

NOTE: Only the students registered for careers of professional education are considered. The population serviced through the different complementary training programs and community attention is not being considered.

Performance of the students

The student's population attended comes from popular areas with serious academic deficiencies at the time of entering the program, and also with serious economic restrictions to cover the costs implied by their studies. Nonetheless, and despite these difficulties, a high level of performance is observed, not only on the academic area, but also personal commitment with the institution and with the community they will add themselves to, once incorporated to the labor market. Graduates are characterized by their personal integrity, professional capacity, initiative, creativity, capacity to cooperate and to work as a team.

For two years in a row, IUJO students have won EUREKA awards competing against other recognized national universities.

Graduation

Institutes and Programs	Total Graduates	Observations
● IUJO Catia	1,763 TSU	10 promotions
● IUJO Barquisimeto	----	----
● IUSF Maracaibo	----	----

1,763 TSU's have graduated from the IUJO-Catia, distributed as follows: Accounting 353, Integral Education 374, Preschool Education 374, Electronics 124, Electric Engineer 58, and Computer Science 480.

For two years in a row, IUJO students have won EUREKA awards competing against other recognized national universities.

In the case of the IUJO-Catia, the population of graduated students, their academic index and their efficiency are considered, and then the average of each one of these indicators is determined between the number of graduated students.

Technical equipment

Institutes and Programs	Laboratories
● IUJO Sede Catia	8 computer science rooms with 160 computers and Electronics and Electrical Engineering Laboratories
● IUJO Sede Barquisimeto	4 Computation laboratories with 106 equipment
● IUSF Maracaibo	2 Computer Science Laboratories with 62 computers. 1 Electrical Engineering/Electronics Laboratory: Oscilloscope, Power Sources, Multimeters, Functions Generators, Practice Supplies, among others.

Bibliographic supplies

Institutes and Programs	Volumes at the Library	Specialty
● IUJO Catia	15,300	Whatever is required for the different careers
● IUJO Barquisimeto	2,000	
● IUSF Maracaibo	2,950	Copies in the areas of Education, Psychology, Computer Science, Accounting and Economics

Fe y Alegría students receive Espasa Encyclopedía copies



IUJO, Catia

Academic offer of each institute and curriculum:

Jesús Obrero University Institute, Catia

Education of Superior Technicians in the areas of:

- ▶ Accounting
- ▶ Integral Education
- ▶ Preschool Education
- ▶ Electronics
- ▶ Electrical Engineering
- ▶ Computer Science

Jesús Obrero University Institute, Barquisimeto

Education of Superior Technicians in the areas of:

- ▶ Accounting
- ▶ Computer Science
- ▶ Integral Education
- ▶ Preschool Education
- ▶ (In the future: Electronics, Electrical Engineering)

San Francisco University Institute

Education of Superior Technicians in the areas of:

- ▶ Accounting
- ▶ Integral Education
- ▶ Preschool Education
- ▶ Electrical Engineering
- ▶ Electrotecnia
- ▶ Computer Science

Fe y Alegría schools that received Espasa Encyclopedia copies donated by BanESCO and El Nacional, 2005

Institute/School	Institute/School	Institute/School
ANDES ZONE	CENTRAL ZONE	<ul style="list-style-type: none"> E.B. TERESA DE LA ASUNCION ESCUELA CAMPESINA FE Y ALEGRÍA FE Y ALEGRÍA "LA INMACULADA" FE Y ALEGRÍA MONSEÑOR OSCAR ROMERO FE Y ALEGRÍA NUESTRA SEÑORA DE COROMOTO FE Y ALEGRÍA SALVADOR GILIJ FE Y ALEGRÍA SANTA ELENA U.E. BÁSICA Y PROFESIONAL URBANA JUAN XXIII U.E. CARDENAL MARCELO SPINOLA - FE Y ALEGRÍA U.E. FE Y ALEGRÍA "ANA SOTO" U.E. FE Y ALEGRÍA "SAN FRANCISCO" U.E. FE Y ALEGRÍA ALI RAFAEL PRIMERA U.E.C.MONS. PEDRO F. MONTES DE OCA "FE Y ALEGRÍA" U.E. FE Y ALEGRÍA VARIQUISIMETO FE Y ALEGRÍA CECAL EL TROMPILLO FE Y ALEGRÍA CASA DE CONVIVENCIA SAN FRANCISCO DE ASIS FE Y ALEGRÍA CECAL CRISTO REY FE Y ALEGRÍA CECAL ESCUELA CAMPESINA OFICINA REGIONAL
<ul style="list-style-type: none"> C.E.C. SAN BENITO - F.Y.A. CECAL CHAMITA - F.Y.A. CECAL HNA. FRANCISCA - F.Y.A. CECAL PIÑANGO - F.Y.A. CECAL SAN JOAQUÍN DE NAVAY - F.Y.A. E.B. Dr. ALBERTO DÍAZ GONZÁLEZ - F.Y.A. E.B. EL NULA - F.Y.A. E.B. HNA. FELISA ELUSTONDO - F.Y.A. E.B. MADRE MARÍA LUISA DE LA PEÑA - F.Y.A. E.B. SAN FRANCISCO DE ASÍS - F.Y.A. E.B. SIMÓN RODRIGUEZ - F.Y.A. E.T.A. RUBÉN DARIO MORA - F.Y.A. E.T.A. SAN ISIDRO LABRADOR - Oropo edo. Táchira INSTITUTO SAN JAVIER DEL VALLE - F.Y.A. JOSE VIDAL CHACON PADRE MADARIAGA PREESCOLAR ELVIRA PARILLI DE SENIOR - F.Y.A. U.E. COLEGIO FE Y ALEGRÍA TOVAR U.E. GONZALO SENIOR - F.Y.A. U.E. SANTIAGO DE ONIA - F.Y.A. U.E. TIMOTEO AGUIRRE PE - F.Y.A. OFICINA REGIONAL 	<ul style="list-style-type: none"> U.E. ELIODORO BETANCOURT IZAGUIRRE - F.Y.A. INSTITUTO AGROPECUARIO FE Y ALEGRÍA U.E.P. HNA. ELVIRA FUENTES - F.Y.A. U.E. PADRE VÍCTOR IRIARTE - F.Y.A. DR. LEOPOLDO YANES - F.Y.A. E.B. JUAN CLAUDIO COLIN - F.Y.A. HNA. FELISA URRUTIA - F.Y.A. NAZARET - F.Y.A. SANTA TERESITA - F.Y.A. SIMÓN RODRIGUEZ - F.Y.A. U.E. HERMANA DOLORES - F.Y.A. U.E. JACOB PÉREZ CARBALLO - F.Y.A. U.E. LUISA CACERES DE ARISMENDI - F.Y.A. U.E. OSCAR FERNANDO BENEDETTI - F.Y.A. U.E.B.A. NUESTRA SEÑORA DEL VALLE - F.Y.A. U.E. COLEGIO SAN FRANCISCO DE SALES - F.Y.A. U.E.P. VIRGEN DEL ROSARIO - F.Y.A. U.E.P. MONSEÑOR JOSÉ ALÍ LEBRÚN - F.Y.A. OFICINA REGIONAL ESCUELA GRANJA E.T.A. RAÚL VAZQUEZ OLIVERO. 	EASTERN ZONE
CARACAS ZONE	GUAYANA ZONE	<ul style="list-style-type: none"> U.E. "FE Y ALEGRÍA" CAMPO MATA E.B. "ANATOLDE SALCEDO" FE Y ALEGRÍA ETA FE Y ALEGRÍA LAS PARCELAS DE SAN JOAQUIN FE Y ALEGRÍA AGUASAY JUAN QUIJANO U.E. "MADELEILIS GUZMAN" FE Y ALEGRÍA U.E. "PADRE SALINERO" FE Y ALEGRÍA U.E. "SANTA TERESA DE JESUS" FE Y ALEGRÍA U.E. FE Y ALEGRÍA EL TIGRE U.E. FE Y ALEGRÍA PADRE JOSE MARIA VELAZ U.E. FE Y ALEGRÍA PUERTO LA CRUZ U.E. FE Y ALEGRÍA SAN LUIS U.E. FE Y ALEGRÍA TEMPLADOR U.E. MADRE ALBERTA GIMENEZ U.E. PADRE LUIS ANTONIO ORMIERES FE Y ALEGRÍA U.E. "ANGEL DE LA GUARDA" FE Y ALEGRÍA OFICINA REGIONAL
<ul style="list-style-type: none"> U. E. "JESUS MAESTRO" FE Y ALEGRÍA U.E. COLEGIO PADRE MACHADO E.B. "NUESTRA SEÑORA DE COROMOTO" GUAREMAL "SAN JOSE OBRERO" FE Y ALEGRÍA FE Y ALEGRÍA "CIUDAD DE LOS MUCHACHOS" U. E. FE Y ALEGRÍA PAMPERO ABRAHAM REYES CAMPAMENTO LA MATA ENRIQUE ERASO CENTRO COMUNITARIO FE Y ALEGRÍA CATUCHE CENTRO COMUNITARIO HOYO DE LA PUERTA FE Y ALEGRÍA COLEGIO "JUAN PABLO II" COLEGIO MADRE CECILIA CROS E.B. "LUIS CANIZALES VERDE" FE Y ALEGRÍA E.B. FE Y ALEGRÍA "VIRGEN NIÑA" EUGENIO ANDRES MENDOZA FE Y ALEGRÍA "ANDY APARICIO" FE Y ALEGRÍA "LA RINCONADA" FE Y ALEGRÍA "MARIA ROSA MOLAS" FE Y ALEGRÍA "SIMON BOLIVAR" FE Y ALEGRÍA COLEGIO MONTERREY FE Y ALEGRÍA LAS MAYAS JUAN JOSÉ BERNAL JUAN PABLO BONET LUIS VICENTE DONCHE MARIA INMACULADA P. MANUEL AGUIRRE PADRE JOAQUIN LÓPEZ PREESCOLAR SAN JOSÉ DE CALASANZ SAGRADA FAMILIA SAN JUDAS TADEO U. E. PRESIDENTE KENNEDY - FE Y ALEGRÍA U. E. FE Y ALEGRÍA ROCA VIVA U.E. "SAN MARTIN DE PORRES" FE Y ALEGRÍA U.E. COLEGIO ENRIQUE DE OSSO U.E.C "Dr. PRISCO VILLASMIT" U.E. COLEGIO DON PEDRO FE Y ALEGRÍA VIRGINIA DE RUIZ FE Y ALEGRÍA OFICINA REGIONAL 	<ul style="list-style-type: none"> U.E. FE Y ALEGRÍA LA INMACULADA ALTO CAURA ALTO EREBATO ANTONIO LAURO C.D. FE Y ALEGRÍA LUIS MARIA OLASO CECAL PADRE VELAZ CENTRO DE CAPACITACION VISTA AL SOL CECAL COLEGIO FE Y ALEGRÍA NUEVA GUAYANA COLEGIO FE Y ALEGRÍA PADRE MANUEL ROMAN CUCHIVERO E. TECNICA FE Y ALEGRÍA SIMON RODRIGUEZ E.B. FE Y ALEGRÍA 25 DE MARZO E.B. FE Y ALEGRÍA GRAN SABANA E.B. FE Y ALEGRÍA VIRGEN NIÑA MONS. CRISANTO MATA COVA NER EL PAO NUCLEO INDIGENA FE Y ALEGRÍA TUMEREMO PREESCOLAR FE Y ALEGRÍA GABRIELA MISTRAL SAN JOSÉ DE KAYAMÁ U.E. COLEGIO FE Y ALEGRÍA PUERTO ORDAZ U.E. COLEGIO FE Y ALEGRÍA VILLA DEL SUR U.E. FE Y ALEGRÍA CARONI U.E. FE Y ALEGRÍA CARUTO U.E. FE Y ALEGRÍA EL DORADO U.E. FE Y ALEGRÍA JOSE MARIA VELAZ U.E. FE Y ALEGRÍA LA CONSOLACION U.E. FE Y ALEGRÍA LA VICTORIA U.E. FE Y ALEGRÍA MANAK KRÜ U.E. FE Y ALEGRÍA NUESTRA SEÑORA DE BELEN U.E. FE Y ALEGRÍA NUEVA CLARITAS U.E. FE Y ALEGRÍA PABLO VI U.E. FE Y ALEGRÍA SAN MIGUEL DE BETANIA U.E. FE Y ALEGRÍA SANTA ROSA DE LIMA U.E.C. FE Y ALEGRÍA SANTA JOAQUINA U.E.C. FE Y ALEGRÍA SIERRA CARONI OFICINA REGIONAL 	ZULIA ZONE
	LARA - LLANOS ZONE	<ul style="list-style-type: none"> FE Y ALEGRÍA JUAN XXIII FE Y ALEGRÍA SANTA BRIGIDA FE Y ALEGRÍA ABRAHAM REYES FE Y ALEGRÍA ALTOS DE JALISCO FE Y ALEGRÍA CANDIDA MARIA DE JESÚS FE Y ALEGRÍA IGNACIO HUARTE FE Y ALEGRÍA LA CHINITA FE Y ALEGRÍA LICEO RAFAEL URDANETA FE Y ALEGRÍA MANZANILLO FE Y ALEGRÍA NUEVA AMÉRICA FE Y ALEGRÍA NUEVA VENEZUELA FE Y ALEGRÍA PABLO VI FE Y ALEGRÍA PARAGUAIPOA FE Y ALEGRÍA RAMÓN PAZ FE Y ALEGRÍA RINCONADA FE Y ALEGRÍA RUTILIO GRANDE FE Y ALEGRÍA SAN IGNACIO FE Y ALEGRÍA SAN JUAN BOSCO FE Y ALEGRÍA SAN PEDRO CLAVER MONSEÑOR ROMERO - F.Y.A. CECAL ARTESANAL CRISTO REY OFICINA REGIONAL
	<ul style="list-style-type: none"> E.B. AGROPECUARIA FE Y ALEGRÍA J.M. VELAZ COLEGIO PADRE JOSE MARIA VELAZ E.B. GRANJA PADRE GUMILLA 	<p><i>Besides, Colegio La Salle in Mérida and the Canaima School in La Vega also received copies.</i></p>

AVEC ⁶

6,968 children and adolescents in a high number of schools spread nationwide have been the direct beneficiaries of the joint projects we have carried out along with the AVEC.

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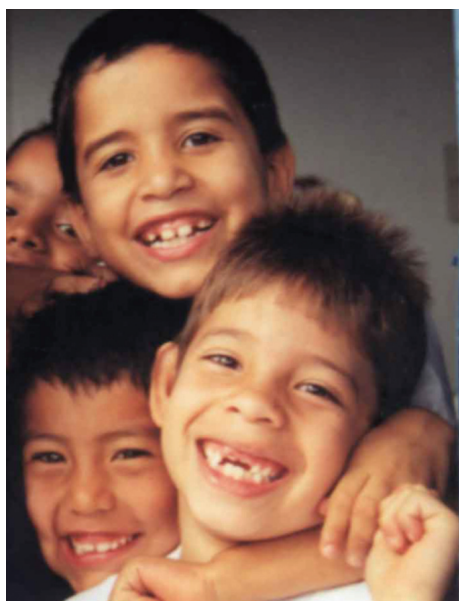
planning, follow-up and assessment of the preemptive task, production of learning and promotional material, as well as the hiring of facilitators and workshops logistics.

Besides, 70 private schools are incorporated each year to the consolidation of the National Team for the Prevention of Drug Consumption, accounting for 50,000 students during the period. This activity is focused on the training of the staff at the different centers on the matters of

These initiatives are combined with the activities of the Pastoral EFAVEC (Caracas-Maracaibo-Monagas-Cumaná) focused on the human and Christian guidance and training of children, adolescents and youngsters in the educational centers and a myriad of programs of social projection, human development, life

Banesco Social Investment in the AVEC - 2005

State	Location	Project	School/Beneficiary	Amount Bs.
● Apure	Biruaca	Equipment purchase for the workshops given by the "Centro de Capacitación Teresiano de Biruaca"	A.C. Compañía Santa Teresa de Jesús	15,000,000.00
● Aragua	El Limón	Transportation for the Integral Social Prevention with young people	U.E. Cristo Rey	90,000,000.00
	La Victoria	Emergency stairways	U.E. Madre Emilia	28,000,000.00
	Villa de Cura	Sports course ceiling	U.E. San Luis Rey	98,290,200.00
	San Mateo	Expansion and furnishing of the school and construction of houses for the nuns	Concepcionistas Misioneros de la Enseñanza	122,400,000.00
● Bolívar	Ciudad Bolívar	Consolidation of sport and cultural spaces	E.B. Bolívar	88,829,534.00
		Furnishing of the Training for Life Workshop: Cooking and Food	U.E. La Inmaculada	33,600,000.00
● Carabobo	Valencia	Covered Sport course	U.E. San Antonio	67,186,379.45
● Capital D.	La Pastora	Multiples Use course	Colegio Agustiniانو La Divina Pastora	75,000,000.00
	Parroquia El Recreo	Façade repair	Congregación Hermanos Franciscanos del Sagrado Corazón de Jesús	20,000,000.00
	La Castellana	Sponsorship for the Students Center of Colegio San Ignacio	Colegio San Ignacio	1,000,000.00
	La Vega	Construction of the Highschool Seat	Escuela Canaima	404,782,637.50
		Design and Execution of the Integral Prevention of Drug Consumption Program	Escuela Canaima	5,800,000.00
	Catía	Donation of soccer balls	Escuela de fútbol San José de Calasanz	794,580.00
● Delta Amacuro	Tucupita	Classrooms' ceilings	U.E. Sagrada Familia	81,872,994.65
● Falcón	Coro	Toilettes	Instituto Madre Mazzarelo	22,800,000.00
● Guárico	Valle de la Pascua	Consolidation of ceiling and playground	U.E. Nuestra Señora del Valle	144,365,641.07
● Lara	Carora	Expansion and building	U.E. Nuestra señora del Rosario	98,000,000.00
● Miranda	El Marqués	Production/Broadcast of Micros: Human Values and Citizen Education	TV Familia	190,000,000.00
	Los Chorro	Concha (floor, ceiling, stands and services)	Instituto Elena de Bueno	98,884,700.00
	Guarenas	Multiple Course roof	C.E.P.A.	86,450,000.00
	Guatire	Consolidation of spaces for education and sports	U.E. San Vicente de Paul	99,650,000.00
	Boleita	National Encounter of Indigenous Ethnic Groups	Escuela Técnica Popular Don Bosco	30,000,000.00
	Los Teques	Consolidation of sport and cultural spaces	U.E. Madre Juliana	98,000,000.00
	Caurimare	Support to the annual activity carried out by former students	Colegio Champagnat	1,691,000.00
		Social activities carried out by the students in the Araguaita Town	Colegio Champagnat	2,940,000.00
		Petare	Expansion of Colegio Ciudad Santa María at Mirador del Este, a slum in Petare	Colegio Champagnat
		Design of the Project "The School and the Work Prevention for a Better Future"	Asociación Benéfica Cristiana Promotora del Desarrollo Integral-ABC Prodein	3,500,000.00
● Táchira	San Cristóbal	Ceiling and water filter	U.E. Hogar Mercedes de Jesús	7,890,000.00
		Construction of new dormitories and expansion of the classrooms	U.E. Instituto Coromoto	40,000,000.00
● Vargas	Catía La Mar	Water tank and services	U.E. Andrés Bello	32,043,152.80
● Yaracuy	San Felipe	Technological Hall	E.B. Salto Angel	13,860,068.00
● Zulia	Maracaibo	Consolidation of sport and educational services	Colegio Juan Germán Roscio	84,251,168.00
	Municipio La Cañada	Expansion and construction of the second stage of the school	Escuela Marcelino Champagnat	119,875,844.20
● Sucre, Zulia, Portuguesa y Monagas	Cumaná, Maracaibo, Guanare y Monagas	Education and Social Prevention for Adolescents	Coordinación Pastoral AVEC	42,284,609.60
● Nacional	Nacional	Consolidation of the Team for the Integral Prevention of Drugs Consumption	AVEC	65,560,000.00
		Workshops dictate the "Seminar To Teach for Growing"	AVEC	40,181,551.22
Total Bs.				2,732,584,060.49



project, self-esteem and parents-adolescent-children relations. 110 adults, coordinators of the pastoral and teachers are the main beneficiaries of these activities, as well as 14,400 students organized by the assigned leaders.

Last but not the least, we have to mention the integral preemptive educational project on drugs abuse and associated financial crimes called "Give Yourself a Chance" which was broadcast by TV Family and was addressed to 80,000 students and guest families.

TV Family ⁷

The project Parents with an Active Consciousness was fostered by the Association of Parents and Representatives of the Catholic Schools. It emerged from the need of sending a message of Christian values to a high number of families, boys, girls and adolescents as a relevant complement for their education.

This project was also addressed to the prevention of drugs abuse and the strengthening of the family roll as well as the promotion of structures through the training of parents and representatives, so as they could foster the defense of family and life values.

⁶ Information provided by the AVEC.

⁷ Information taken from the Final Report on the Project "Parents with an Active Consciousness"- TV Family on topics related to Christian Values.

⁸ Information taken from the Results Report from the International Fair of the College Book (FILU by its Spanish acronym), 2005.

ULA's International Fair of the College Book ⁸

This is a cultural space not only open to the exhibition and sale of books, but also to other cultural expressions and the editorial world with introduction of books, concerts, craftworks exhibitions, courses, lectures and workshops, among others. It is organized by the Universidad de Los Andes (Los Andes University - ULA by its Spanish acronym) and has been held for eight years in a row. The eighth edition of this fair took place in 2005 and was held in the Mucubajita Conventions Center in Mérida City. This was the only Venezuelan cultural relevant activity devoted to the IV Anniversary of The Quixote First Edition. Spain was the guest country to this event.

The indexes obtained in previous events were exceeded this year. To achieve this goal, the following activities were carried out:

- ▶ International Forum "Don Quixote: Four Centuries of Adventures"
- ▶ Tribute to the poet Eugenio Montejó
- ▶ Spanish cinema cycle
- ▶ Craftwork exhibition "Bolívar, The Quixote and Jesus Christ: Fools in the Andean Public Imaginary"
- ▶ Opening Concert by the Symphonic Orchestra of Mérida State (OSEM by its Spanish acronym) and the pianist Monique Duphil.
- ▶ Spanish, Mexican, Brazilian, Colombian, Cuban and Costa Rican editorial houses participated as guests.
- ▶ Two workshops on the cultural and editorial world were offered by the Book National Center and Fundación Bigott (Bigott Foundation.)

Scope

▶ Visitors	1.500
▶ Guest schools	42
▶ Children attended to	3.500
▶ National exhibitors	94
▶ International exhibitors (Spain, Brazil, Colombia, Cuba, Costa Rica and Mexico)	6
▶ International writers (Spain, Mexico and Colombia)	3
▶ Personnel hired	100
▶ Payroll staff	6
▶ Corporate contractors	5

UCAB Guayana
Amphitheater

The construction of the Student's House and the amphitheater at the UCAB Guayana center was concluded on September 30th, 2005



UCAB

With our support as sponsor, the "Cincuentenario" was built. This is the new classrooms' building of the Universidad Católica Andrés Bello (Andrés Bello Catholic University -UCAB by its Spanish acronym). The building has two 176 and 264 square meters classrooms type A to hold up to 200 people each one. They are located at the highest floor of the building.

The construction of this building was concluded in 2004 at a total cost of Bs. 7 billion, excluding the financial mortgage. All its spaces are wholly used by 1,000 students from different faculties, professors and the general Ucabista community.

Guayana Nucleus

The construction of the Student's House and the amphitheater at the UCAB Guayana center was concluded on September 30th, 2005. This project favors a direct universe of 2,400 people composed of professors, students and employees of this learning house.

Student's House

- ▶ Indoor area: 545 m²
- ▶ Banesco branch: 50 m²
- ▶ First floor area: 304 m²

Anfiteatro

- ▶ Stages: 104 m²
- ▶ Dressing rooms: 54 m²
- ▶ Colonnades: 58 m²
- ▶ Stands: 148 m²



The purpose of the Scientific Conferences organized by the Hospital Ortopédico Infantil is to introduce the advances in traumatology and orthopaedics, share knowledge and make know new techniques and approaches

Our social investment is addressed to a great extent to improve the quality of life of the Venezuelan people through our social partners and other organizations and institutions that render different services to the health sector. In 2005, we focused our tasks in those communities affected by the heavy rains. We took care of them along with the Venezuelan Red Cross. Likewise, children took a central place. Through the Venezuelan Foundation Against Infantile Paralysis and the Foundation Friends of the Child with Cancer we carried out our work to bring them a future of hope and well-being..

Venezuelan Foundation Against Infantile Paralysis¹⁰

The IX Scientific Conference of the Hospital Ortopédico Infantil Dr. César Vásquez was held in the Naiguatá and Tamanaco halls of Intercontinental Tamanaco Hotel, from Octubre 20th to 22nd 2005. This international scientific forum is supported by the Venezuelan Medical Association and the Venezuelan Society of Orthopaedic Medicine and Traumatology and it aims to introduce the advances in traumatology and orthopaedics (for children and adults), share knowledge, communicate experiences from

different places, examine new techniques and approaches and support the scientific, academic and college community in the country.

Well-known international experts participated in these conferences, such as:

- ▶ Dr. Vincent Mosca from the Children Hospital and Regional Medical Center in Seattle. Washington, United States.
- ▶ Dr. Julio de Pablos from Hospital San Juan de Dios in Pamplona, Spain.
- ▶ Dr. Freeman Millar from the Alfred Du Pont Hospital in Willmington, Delaware, United States.

Health – 2005

Organization/Institution	Project	Amount Bs.
● Venezuelan Red Cross	Elevator installation	79,989,200
	Emergency Appeal Project	333,966,600
	PPD and APS Project	30,842,162.4
	Campaigns in Communication Means	17,654,761
● Venezuelan Anti-Cancer Society	Sponsorship of "A Walk for Life"	6,000,000
● Foundation Friends of the Child with Cancer	Grant of medications required for the treatment of children with cancer through the Blood Bank	50,002,000
	Strengthening of the foundation activities	12,000,000
	Purchase of anti-neoplastic medications and catheters	500,000
● Academy of Medicine	Support to its activities	11,520,000
● Hospital Vargas	Celebration of the Children Day	450,000
● Quimbiotec	XII Volunteer Blood Donation	2,000,000
● Foundation Children with AIDS	Sponsorship for the Celebration of the Virgen de Fátima	2,950,000
● Venezuelan Foundation Against Infantile Paralysis	XI Scientific Conferences	60,000,000
Total Bs.		607,874,723.40

¹⁰ Information taken from the Results Report corresponding to the XI Scientific Conferences organized by Hospital Ortopédico Infantil Dr. César Vásquez.



► Dr. Marco Guedes from the Institute Marian Weiss in Brazil.

► Dr. Feorde Zsoke from the Semmelweis University of Medical Sciences in Hungary.

► Dr. Asdrúbal Silveri from the Centro de Columna in Uruguay

► Dr. Ronaldo Carneiro from the Naples Hospital, the United States

► Dr. James Gage from the Children Hospital in Minnesota, United States.

► Dr. Mathew Lee from the Rusk Institute of Rehabilitation, New York, United States.

As the Hospital Ortopédico Infantil is a reference in its specialty, it always tries to provide its doctors with the opportunity to develop post-graduate studies

This initiative favored 297 traumathologists and phthisiatritians, hence the nationwide universe of patients that require the services of these professionals.

The Venezuelan Foundation Against Infantile Paralysis deems teaching as a primary activity. As the Hospital Ortopédico Infantil is a reference in its specialty, it always tries to provide its doctors with the opportunity to develop post-graduate studies.

Friends of the Chile with Cancer ¹¹

Twenty patients with Acute Myeloblastic Leucemia (AML) were treated by this foundation, thanks to the funds contributed by Banesco for the acquisition of anti-neoplastic drugs required to treat with chemotherapy the children and adolescents suffering from this disease.

¹¹ Information taken from the Results Report for the Project Acquisition of Neoplastic Drugs.



Venezuelan Red Cross ¹²

The Red Cross furthered the PPD and APS 2004-2005 project with the aim of improving the health conditions and curbing the vulnerability to the risk and impact of natural disasters among the population of 10 communities selected in three Venezuelan states: Great Caracas (El Placer I, El Placer II, La Morán I and La Morán II), Bragas (El Aeropuerto slum) and Nueva Esparta (Cotoperiz III, Mata Redonda, Guayacancito I, Guayacancito II and La Capilla). This project was developed with the support of Banesco Corporate Voluntary Work.

The Red Cross asserts that today all these communities count on great tools and knowledge to reduce and identify risks, generate productive responses and establish recuperation processes before natural disasters, all this through educational sessions, entertainment activities addresses to the children and aimed to make them understand the concepts of threat, risk, capacity, resources and vulnerability, emergency exercises to put into practice the knowledge acquired, handing-out of emergency kit for disasters, billboards mounting with community maps displayed and training of an emergency team with the neighbours participation in the cycle areas related to disasters, threats, risks, resource, capacity, vulnerability, earthquake, floods, landslides and fires.

*Banesco
Corporate Volunteers
participated in the
Emergency Appeal
Project furthered by
the Red Cross*

One of the most outstanding achievements is the fact that the 10 communities involved are now able to identify and reduce the environmental risk, through health diagnosis conducted by means of the CRV "Basal Analysis" survey and environmental cleaning activities that count with the participation of the community members.

Likewise, the 10 favoured communities now have access to the information, education and the required support to develop attitudes empowering them to reduce their vulnerability to AIDS and improve the way they manage their health. This is carried out through educational sessions addressed to the population of each community, as well as through house-by-house visits to explain the families the appropriate procedures to prevent several diseases.

Furthermore, promoters and volunteers provide information about the rights of HIV-positive individuals and develop an active participation focused on prevention and non-discrimination.



Another goal met has been the prevention awareness to curb the mother-child morbidity-mortality rate in the communities treated. This has been possible through educational sessions addressed to each community and individual sessions provided to those who have required them.

Last but not the least, the Venezuelan Red Cross strengthens its volunteers network in accordance to the Strategic 2010 Plan and the FICR Strategic Plan up to 2005, through the inclusion of new volunteers, the active participation of Banesco Corporate Volunteers, the basic and specific training required to develop their work and the recognition deserved by each one of them, according to their participation and performance during the development of these activities.

The Emergency Appeal Project

In the framework of the health care, water and sanitation domain, this is an integral project that emerged as a response to the heavy rains that occurred in early-2005.

Banesco action in this program was supported by its Corporate Volunteers, who had an active participation in the handing-out of kits with medications and food to 1,000 families living in Vargas, Miranda, Mérida, Yaracuy, Falcón and Carabobo states.

¹² Information provided by the Red Cross from its Results report corresponding to the PPD and APS 2004-2005 Project.

Banesco and Children Under Risk, Elderly and Disable People

Banesco Social Investment in Organizations and Institutions Attending to Children under Risk, Elderly and People with Special Needs – 2005

Organization/Institution	Project	Amount Bs.
● Children Foundation	Children Day Celebration	2,500,000
● Foundation "A Smile for Mérida Children"	Sponsorship I Tele-radio Marathon to Help Children with Cancer treated at the different pediatric centers	3,300,000
	Support to its activities	3,762,000
● A.C Apoye	Rent of the institute seat	8,335,000
● Venezuelan Association for the Down's Syndrome	X International Congress on Down's Syndrome held in Banesco City	10,000,000
● Oswaldo Guillén Foundation	Support to its activities	10,000,000
● A.C. Hermanos Maristas de Venezuela	Purchase of computers for the Centros Maristas de Desarrollo Social; purchase of an ecosonograph machine for the "Centro Maristas de Salud Integral" in Petare	60,000,000
● Dividendo Voluntario para la Comunidad – Carabobo Section	Affiliation Quota	2,000,000
● Fundana	Sponsorship to 4 children (as godfathers)	12,000,000
	Maintenance quota of The Toddlers' Villages	50,000,000
● Don Bosco Houses Network	Boscobus financing renovation	199,750,755.08
	Technical assistance for the Don Bosco Houses Network Project	1,900,000
	Luncheon	183,400
	Donation of clothes for Children attended to at the Boscobus	1,591,200
● Salesian Ladies Association	Operation of the Centro Don Bosco 88, Caracas	133,568,000
● Foundation San Antonio de Padua	Creation of an Integral Health Module in five institutions sponsored by this foundation	7,000,000
● Alliance for a Drug-free Venezuela	"Aliánzate" Project	100,000,000
● A.C. Venezuela Without Boundaries	Sponsorship of the "Kiosco Solidario" and Travelling Exhibition in Banesco City	6,105,000
	Project in Aid of the program "De Todo Corazón" of the Hospital Pediátrico San Juan de Dios	100,000,000
● Foundation For Ever Friends	Organization Press Conference of the Great Chefs to raise funds for this foundation	1,691,226
● Foundation Forging the Future	Attention to children living in the streets	20,000,000
Total Bs.		733,686,581.08

We have joined efforts with a myriad of institutions devoted to provide health, education and shelter in order to improve the quality of life of low income people. Similarly, we support those institutions that foster equal opportunities for handicapped people.

Venezuela without Boundaries¹³

Through the Civil Association Venezuela without Boundaries we were able to materialize the initiative "De Todo Corazón" which is being carried out at the Hospital San Juan de Dios. The purpose of this initiative is to give a helping hand to the low income children affected by heart diseases.

"De Todo Corazón" was born thanks to the endeavours of Dr. Richard Gibson, who found in Venezuela without Boundaries an ally to materialize the program "De Todo Corazón."

Thanks to this initiative, 10 boys and girls between 2 months and ten years old were submitted to surgical interventions at specialized centres



¹³ Taken from the Accounting Report on cases of boys and girls affected by heart diseases who were supported with funds provided by Banesco Banco Universal.

Don Bosco Houses Network ¹⁴

Thanks to the Project for Social Attention and Reinsertion of Children and Adolescents Living in the Streets, focused on Caracas Capital District, 184 boys and girls were attended to and addressed at the mobile unit (Boscobus), where they were provided with medical and educational attention.

About the total population attended to:

Eventually, 132 boys, girls and adolescents living in the streets were addressed both at the mobile unit and the open playground located at House Don Bosco Sarria. They received primary health care, food and personal cleanliness.

The work in the streets has allowed the incorporation of 20 boys, girls and adolescents in different attention entities, including Fundana, House-Shelter El Encuentro, House Don Bosco Sarria and the House-Shelter Domingo Savio, among others.

In relation to the participants in the project who has suffered lack of specialized attention as a consequence of their HIV-positive patients condition, health complications, attention deficit disorders, among others, it was possible to incorporate 7 boys, girls and adolescents into specialized centers.

Thanks to the attention system in the streets and in open playgrounds 18 boys, girls and adolescents returned to their homes.

Parents, siblings and other relatives were indirect beneficiaries, accounting for an average of 156 people favoured, not only for the improvement of the quality of life of the relative attended, but also through financing and services.

The average age of these boys, girls and adolescent ranged between 4 and 13 years. Male subjects accounted for 80% of the total beneficiaries, with 20% for female subjects.

The Network of Houses Don Bosco was also refitted with the purpose of increasing the number of subjects admitted to these institutions. This initiative has been developed in the framework of the so-called Proyecto PAIS.

At the same time, the parents of children living in the streets also received at Don Bosco Houses a series of courses and workshops, as well as medical treatment (psychological and pedagogical).



The Don Bosco Houses Network was also refitted with the purpose of increasing the number of subjects admitted to these institutions. This initiative has been developed in the framework of the so-called Proyecto PAIS

Besides, during 2005 the following activities were carried out:

- ▶ Organization of the work in the streets following a plan designed and based on mapping and geo-reference.
- ▶ Mobile Unit insurance.
- ▶ Hiring of the company that would revamp the Center of Support Don Bosco Sarria House.
- ▶ Procedures for the acquisition of the complement for the daily procurement for the Center of Support Don Bosco Sarria House.
- ▶ Redesign and revamping of the Electric System of the Center of Support Casa Don Bosco.
- ▶ Selection and hiring of a multitasking team that would work along with the project staff.
- ▶ Follow-up and monitoring visits
- ▶ Implementation of the BoscoBus stops.
- ▶ Celebration of the Seminar for the Exchange of Successful Experiences.

¹⁴ Information taken from the report sent by the Civil Association Don Bosco Houses Network about the Project of Social Attention and Insertion of Children and homeless people in Caracas Metropolitan Area.

In its balance, Fundana includes the handing-over of 7 children to subrogate families, 8 more are under process, 2 with adoptive families. Simultaneously, Fundana made an active follow-up to other 22 families



Fundana ¹⁵

Following a long tradition, in 2005 we contributed an annual allowance for the maintenance of The Toddlers' Villages (Las Villas de Los Chiquiticos) and sponsored 4 children and godfathers. Likewise, Banesco City was the seat of the First Auction in aid of Fundana, which raised Bs. 266.7 million.

The Toddlers' Villages sheltered 267 children during 2005.

An important amount of children and their families received assistance through the different programs carried out by Fundana:

- ▶ The Guardian Angel program provide shelter to 80 children.
- ▶ Profam-Chuao attended to 169 families (around 688 people)
- ▶ Profam-San Bernardino attended to 80 families (around 360 people).

Fundana accried out these activities with the help of:

- ▶ 132 corporate volunteers.
- ▶ 39 dream watchers volunteers.
- ▶ 32 interns.
- ▶ 49 volunteers.

In its balance, Fundana includes the handing-over of 7 children to subrogate families, 8 more are under process, 2 with adoptive families. Simultaneously, Fundana made an active follow-up to other 22 families.

¹⁵ Information provided by Fundana

San Antonio de Papua Foundation ¹⁶

The San Antonio de Papua Foundation offers assistance to 7 Social Work Geriatric Houses, a governmental geriatric house and the Family House for Children with Special Needs "Nuestra Señora del Pino", in Aragua State, through its program of permanent assistance which aims to provide a maximum coverage to the need of each one of these children with medical equipment, medications, food, linen, mattresses, cleaning material, personal care products, diapers and infrastructure improvements, among others.

They recently opened the first Integral Health Module in the Geriatric House "Santo Domingo de Villa de Cura," as a part of its Integral Health Project for the Elderly. Thanks to our support, the geriatric house now counts on an area for medical consultations and an observation room wholly furnished with medical equipment and the required medications for an integral and timely attention.

They also signed an agreement with the doctors of Corposalud and established weekly visits every Monday. A group of volunteer doctors make the medical reviews each Thursday.

These consultations have been carried out with success and they guarantee the good health of the elderly. Up to December 2005, 258 consultations were offered every Monday and 130 every Thursday. They have attended to 50 elderly adults abandoned by their families, as well as 4 nuns and 8 employees.

¹⁶ Information taken from the report prepared by the foundation about the Integral Health Module Project for the Geriatric House Santo Domingo de Villa de Cura, Aragua state.

Fundación Techo¹⁷

The mission of Fundación Techo is to assist the elderly population living in the streets and facilitate their reinsertion in the different fields of the social life. It has established as its main fundamental managerial principle the assistance to vulnerable groups, solidarity, respect, care of the family and the freedom to choose, considering that the problem of indigent people must be addressed from the social inclusion approach.

Some testimonies

Carmen Teresa Maneiro Rivero

"It's a good platform to overcome the physical, moral and spiritual misery. I was in the street suffering from very serious alcohol problems and today I'm a teacher from the street. I was able to recover the life I had left behind."

José Zavala Ortega

"This is incredible because I was able to remember values and rules I had forgotten. Besides, I acquired the sense of responsibility

2005 Results

- 1,506 attentions during daytime visits
- 12 nighttime census
- 265 people approached during nighttime census
- 77 institutionalized houses
- 29 labor reinsertions
- 28% of people rescued from the streets
- 7 attentions in average per beneficiary

and improved my self-perception, attitude, my self-expression and the way I communicate with others and, specially, I learned to know Good."

Wilfredo Gómez

"All this started thanks to a teacher who rescued me from the streets. I have been here more that 9 months and today my life is starting to change, as I just entered into a job system and this will allow me to have my life back. What I really know is that I already recovered my family."

Percentage of the population attended to by Age Group and Gender

Age Group	M(%)	F(%)
● 18-25	2.6	2.2
● 26-33	10.7	1.2
● 34-41	19.7	0.9
● 42-49	25.7	5.1
● 50-55	13.6	2.7
● >55	12.9	1.7
Total	86.2	13.8

People attended to at the Centro Techo

● 1999	79
● 2000	98
● 2001	121
● 2002	295
● 2003	402
● 2004	455
● 2005	751

Percentage of the population attended to by problem

● Psychiatric patients	7.4%
● Alcohol	52.7%
● Multiple consumption	34.6%
● Disabled people	1.5%
● No reference	2.7%
● Old age	1.2%
Total	100%

Alliance for a Drug-free Venezuela¹⁸

In the framework of the X Anniversary of Alliance for a Drug-Free Venezuela, this organization approved the initiative submitted by the company Contenidos and the Andrés Bello Catholic University. This initiative proposed to carry out a Digital Connectivity Rally with a massive scope and nationwide scale, allowing at the same time to compete for a world record granted by the company Guinness World Records.

For the design of the digital rally a series of basic question related to prevention of drug consumption were exposed and a pyramidal platform was created for the awards ceremony.

17 national universities were summoned, as well as 20 private schools located in the Metropolitan Area in order to establish the base of the vial market that promoted

this educational activity with the purpose of motivating the citizens to cooperate with Alliance for a Drug-Free Venezuela.

As a result, this organization shows in its balance the participation of 130,779 people, 506,000 questions answered in the digital rally, 418,000 text messages via cellular phones, with 224,683 of them received the day 0.

The first prize was awarded to Yesenia Sira, from the provincial city of Acarigua, who won a car.



¹⁷ Taken from the Management Report 2005 prepared by the foundation.

¹⁸ Taken from the Results Report sent by Alianza para una Venezuela Sin Drogas.

Salesian Ladies Association (Center of Professional Training Don Bosco 88)¹⁹

The Salesian Ladies Association (ADS by its Spanish acronym), faithful to its mission of evangelizing from the promotion of the human being and pointing to enhance its Christian commitment of fostering the development and education of our beneficiaries, renders its training services through centers mainly located in low income areas and provides assistance to the neediest children, youngsters and adults. The priority is to provide them with an integral education, so as they could be able to work in different areas and pave their way to a better life as useful citizens for society and for themselves.

In 2005 the registry of apprentices was expanded from 168 to 193, accounting for an increase of 25 students compared to the previous year

The Center of Professional Training Don Bosco 88 (one of the 31 ADS training centres) offers an integral education to the young population, teaching them the real value of work as a means of self-fulfilment and fostering social participation and the sense of responsibility, as well as ethical and religious formation to encourage the acquisition of Christian principles.

Balance

► In 2005 the registry of apprentices grew from 168 to 193, accounting for an increase of 25 students compared to the previous year. Similarly, the amount of apprentices formed increased by 14.8%.

It is estimated that other 579 people belonging to the family entourage were direct beneficiaries of the project developed by the Salesian Ladies Association. These ladies showed a great degree of satisfaction with the education they provided to the children, as in most of the cases they showed a visible change and consolidation of their values and habits all this derived from a



change of attitude with themselves, their families and the community as a whole

► The number of hours devoted to the activities scheduled was increased as a result of a demand submitted by the INCE. The beneficiaries received basic notions on economy and marketing, corporate organization and sales. During the learning process the students were encouraged to create and market a product. They had access to basic knowledge on costs accountability, financial analysis and legislation among others, with a view to the creation and management of a micro-company. Through this training, the young students are provided with an opportunity to develop the skills acquired in the Center through practical experiences in rendering a service. Once they have finished the theoretical training, the apprentices stay for a whole year in the sponsor company and here they carry out activities according to the work area for which they are being prepared.

► A dining hall, toilettes and the roof of an sports course were repaired. The classrooms were furnished with chairs and desks and new monitors were added to the computers lab.

Venezuela's Maristas Brothers²⁰

Thanks to the equipment for echosonographic studies the Integral Health Marista Center of the Champagnat Foundation is able to render a series of medical services such as abdominal, pelvic, renal, thyroid, breath and soft parts echographies, as well as echocardiographies. From November to December this center attended to 10 patients who required ecosonograms.

In 2005, 8,943 patients were attended to at the Integral Health Marista Center in the different specialties offered there such as

odontology, endodontology, buccal surgery, bioanalysis, psychology, cardiology, surgery, gynecology, general medicine and pediatrics, among others. Similarly, thanks to the new computers donated (new and upgraded computers) the Center for Young People Training in Machiques, Perijá, Zulia state, they have been able to create and develop educational activities at three labs that have favored young beneficiaries between 15 to 25 years old from impoverished sectors in this region. These labs have a 52-people capacity and allow to offer the following courses: secretarial course with informatics, assembly and informatics, veterinary auxiliary, metallurgical carpentry, integral beauty, diesel mechanics.

¹⁹ Taken from the Results Report prepared by the Salesian Ladies Association

²⁰ Information provided by the Champagnat Foundation

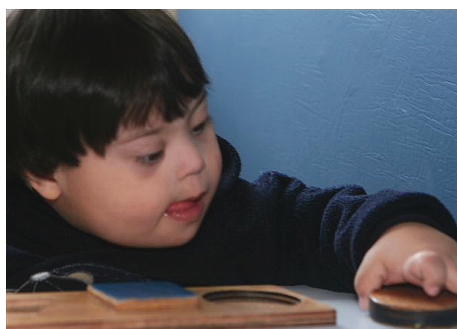


Avesid²¹

During the celebration of the IX International Congress on Down's Syndrome, held in the seat of Banesco City, 316 special teachers were trained in Special Education. The beneficiaries came from all the Venezuelan states and from other countries such as Colombia, Costa Rica, Mexico and the Dominican Republic. The work developed in the scientific and educational field by Avesid it's an evidence that the Venezuelan Association for Down's Syndrome is a national and international center of reference.

Additionally and in the eve of this congress, the pre-congress activities were carried out at the Metropolitan University with the participation of 100 students from the Education School who were invited by Prof. Milena Araujo. Avesid's scientific-teaching program provides the participants with specific work tools for the attention of students and patients affected by intellectual handicaps and facilitates the families and professional students the access to specialized and updated information in our country, particularly taking into account the fact that a great extent of these professionals, students and families lack the economic resources to attend international symposiums on this matter to be updated in their fields.

At the same time, each participant becomes a multiplier agent of the knowledge provided by Avesid's representatives, who applied their experience in their respective schools and development centers all over the country.



The IX Congress was a great opportunity to foster the Program Summit of Employment with Assistance

Once concluded the congress, Avesid was invited to participate as lecturer in the Seminar on Special Education Anniversary Week of the Team for School and Society Integration "Aristides Bastidas" in Tucupita, Delta Amacuro. The lectures treated several topics such as de insertion in the school and the labor market of the individual with Down's Syndrome. This work reached the most distant places in the country and the most depressed population in economic terms.

In general, the IX Congress was a great opportunity to foster the Program Summit of Employment with Assistance, a program developed by Avesid and aimed to the labor insertion of people with intellectual, motor and sensorial disability.

The support provided by Banesco to Avesid's advertisement spot was crucial to encourage employment with support, as it was possible to obtain an excellent response by different companies. This spot was exhibited for the first time during the IX International Congress on Down's Syndrome and later on it was broadcast by all the TV stations in the country.

²¹ Information provided by Avenid on the results got during the aforementioned Congreso.



Conclusions IX International Congress on Down's Syndrome “Sowing Today Tomorrow's Life”

The IX International Congress on Down's Syndrome has made a comprehensive analysis of its main motto “Sowing Today Tomorrow's Life” and deems that to materialize this ideal in Venezuela the following conditions are mandatory:

1. The Management shall take the political and economic responsibility of applying the principles of standardization, non-discrimination and equal opportunity in all public and private services affecting the realms of society, education and social services rendered to people affected by disabilities, particularly those with Down's Syndrome.

2. The public means shall also favor the research on Down's Syndrome along two lines: genetic research in order to go deeper into the knowledge about the identity of the chromosome 21; and research on the specific aspects derived from this identity in order to make easier the design of better therapeutic means allowing to overcome the limitations that affect the individual with Down's Syndrome.

3. The Congress sees as a priority to “sow tomorrow's life today” in the individuals affected by the Down's Syndrome through the following measures:

► The universal protection of the “early assistance” services to the children with Down's Syndrome and their families since the moment of their birth.

► The implantation of preventive medicine programs for Down's Syndrome in all public and private hospitals in order to guarantee the physical and mental health of people affected by the Down's Syndrome.

► The integration of the children with Down's Syndrome into the ordinary schools system, along with the due assistance during the mandatory schooling stages.

► The required training for the adult life through programs of professional education and the insertion in the labor market by means of the system of “employment with assistance”.

► The creation of mentoring foundations and protection systems for elderly people with Down's Syndrome, particularly those without a family.

► It is equally important to make an effort in order to train young specialists on different disciplines related to Down's Syndrome (doctors, psychologists, teachers, physiotherapists, language therapists, labor coaches, social workers, etc.) who could become “trainers of trainers” in the future.

4. Likewise, the Congress acknowledges and concedes a high appreciation to the effort and work carried out by Avesid (Venezuelan Association for Down's Syndrome) and the other associations nationwide that work for the assistance, rehabilitation and labor-social insertion of the people affected by Down's Syndrome and encourages them to become hallmarks for any family in need of information or help in relation to the Down's Syndrome.

SOS Children Villages ²²

In the current account and credit cards statements received by our Banesco customers in November and December was included an insert prepared by the SOS Children Villages.

This institution offers a new family to those children who have lost their biological family. The three children villages located at Maracay, Ciudad Ojeda and La Cañada de Urdaneta attended to more than 1,860 children who participate in the 15 programs focused on the abandonment prevention in Venezuela.

This insert includes a coupon where the customers approve at their discretion the debit of a certain amount of money on their saving or check accounts or credit cards in favor of this worthy institution. More than Bs. 200 million were raised on an annual basis.

We bring smiles and hopes to the toddlers in Christmas. Besides giving them toys during the Christmas season, our workers share with the children and offer them care and joy. This is our way to express solidarity with the have-not and promote at the same time a deep awareness of their realities.



Fundana's toddlers



Toys donation at the Ministry of Education.

Banesco Social Investment in Christmas Toys for the Children – 2005

Organization/Institution	Units	Amount Bs.
● Caracas Metropolitan District	100	(*)
● Baruta Mayorality	2,000	(*)
● Guasdalito Regional Command	300	(*)
● Casa Hogar Fundación Buen Samaritano	16	(*)
● Ministry of Interior and Justice, Crime Prevention Division	200	(*)
● Ministry of Defense "Combate Ocumare del Tuy"	50	(*)
● Libertador Municipality Mayorality	500	(*)
● Seniat	525	(*)
● Hospital Vargas	25	(*)
● CMDNA	50	(*)
● Miranda State Government	1,000	(*)
● "Soñar Despierto" Foundation	100	(*)
● Ministry of Interior and Justice	300	(*)
● Zulia State Government	2,000	(*)
● Ince	500	(*)
● Odebrecht	180	(*)
● La Candelaria Civilian Authority Office	50	(*)
● Ministry of Education	250	(*)
● San José Parish Council	20	(*)
● Libertador Municipality Mayorality, Direction of Citizens Management	100	(*)
● Brion Municipality	325	1,196,000
● Fundana	209	17,901,683.34
(*) All the organizations listed here received Bs. 419,978,337.44		
Total Bs.		439,076,020.78

²² Information provided by SOS Children Villages

Other Activities



Works exhibition in Fundana auction

Fundana's Auction²³

The auction in aid of Fundana raised Bs. 266.7 million. The event that took place on May 22nd at the spaces of Banesco City was attended by more than 300 people who responded to the call of this organization that assists the toddlers whose rights have been threatened or violated.

Fundana's symbol was intervened by the guest artists and the works entered the bidding. The plastic artist and humorist Pedro León Zapata took the hammer during the First Auction in aid of Fundana's Toddlers Village.

Banesco temporarily gave up some spaces at its seat located at Colinas de Bello Monte for this charitable event, as Fundana is one of the main social partners of this financial organization.

The most coveted work at the auction was the one created by Julio César Briceño, which was sold at Bs. 15 million. The lovers of arts also showed a strong interest in a sculpture made by Rafael Barrios which was eventually sold at Bs. 12 million.

Among the artistic proposals that reached the highest prices in the bidding were those by Oswaldo Vigas and Pedro León Zapata, which were sold at Bs. 11 million each and one by Antonio Dávila for which a collector paid Bs. 10.5 million.



²³ Information provided by Fundana.

Every year we place at the disposal of our social partners our branches network in order to promote the sale of tickets corresponding to the raffles organized by them to raise funds and finance their operation. Likewise, we participate in the different initiatives oriented to the same purposes.

BanESCO Funds Raising for raffles of its Social Partners and Other Events -2005

Organization/Institution	Project	Funds raised Bs.	Direct Contribution Bs.
Hogar Bambi	Support to the raffle "A Cartón Lleno por sus Derechos"		8,000,000
Hospital San Juan de Dios	Bingo of the Smile		1,000,000
Fe y Alegría	Great Raffle	196,898,000	
Venezuelan Foundation Against Infantile Paralysis	Superbingo de la Bondad	72,000,000	3,500,000
House-Shelter San Antonio	Raise funds activity through the "Comptrollers' Lunch" held in Valencia by the Corporate Banking	3,580,000	7,508,861
Fundana	BanESCO City was the seat of the Auction in Aid of this foundation	266,700,000	2,493,944.23
Foundation Children with AIDS "Buen Samaritano"	Foundation Children with AIDS	61,676,909	
House-Shelter Padre Febres Cordero	Funds for the Lunch to raise funds		200,000
Venezuelan Anti-Cancer Society	Great Health Bond	99,300,000	
Total Bs.		700,154,909	22,702,805.23



Every year we place at the disposal of our social allies our branches network in order to promote the sale of tickets corresponding to their raffles

Comptrollers' Lunch

On May 3rd, the representatives of BanESCO Corporate Banking in Valencia handed-over Bs. 3,582,000 to the Foundation House-Shelter San Antonio, which is located at that city. These funds were raised during the traditional "Comptrollers' Lunch in Valencia" which took place on April 15th and was sponsored by BanESCO.

This edition of the Comptroller's Lunch in Valencia was organized by BanESCO's Corporate Banking team in Valencia which is composed of Jesús Benedicto Díaz, Regional Manager; Omaira Rondón, Relations Manager, and Alex Romero, Accounts Executive, with the support of Emiro Molina, Marsh Venezuela Enterprises Manager.



Banesco with the Arts and Culture



The Venezuelan soprano Ximena Borges with the Mexican pianist Juan Pablo Horcasitas

Social Investment in Cultural Institutions, Organizations and Activities – 2005

Organization/Institution	Project	Amount Bs.
● Coro Infantil Canaima composed of the children of the Pemón ethnic group	Sponsorship of recording	6,000,000
● "San Francisco" Puppets International Festival Foundation	"San Francisco" Puppets International Festival	10,000,000
● Mariano Picón Salas House of the Arts Foundation	Biennial of Literature in Mérida	30,000,000
● Alliance Francaise	Sponsorship of the event "The Music Feast" in Maracaibo (Production and broadcast of "24 Postcards of Banesco for Venezuela" in VALE TV)	6,000,000 140,000,000
Total Bs.		192,000,000

We foster the cultural and artistic expressions in their different manifestations all over the country, pursuing at the same time to direct the investment to:

- Initiatives or institutions that encourage the participation of a high number of Venezuelan citizens.
 - The rescue of our cultural and artistic values, as well as our most important traditions.
- Likewise, our seat, Banesco City, has become a space of encounter when people want to enjoy excellent concerts, which we organize and offer every month for free to the community.



Banesco Social Investment in Concerts addressed to the Community – 2005

Event	Group	Venue	Amount Bs.
● Recital	Venezuelan Soprano Ximena Borges	Fernando Crespo Suárez Auditorium	2,033,565
● Concert	Ensamble de Metales (Fesnojiv)	Fernando Crespo Suárez Auditorium	
● Concert	Orquestina Santa Cecilia	Fernando Crespo Suárez Auditorium	
● Concert	Grupo de Percusión Atalaya	Fernando Crespo Suárez Auditorium	
● Concert	Clinica Metropolitana and Lord Mayor Office	Dinning hall	
● Concert	Coral Escuela Canaima	Dinning hall	
● Concert	Orquesta de Jóvenes Arcos	Fernando Crespo Suárez Auditorium	4,655,300
● Concert	El Cuarteto (Pedro Nolasco Colón Music School)	Fernando Crespo Suárez Auditorium	
● Concert	Orquesta de Jóvenes Arcos (Fesnojiv)	Fernando Crespo Suárez Auditorium	2,487,402
Total Bs.			9,176,267

Social Investment in Editorial Projects – 2005

Organization/Institution	Project	Amount Bs.
• Galería Muci	Edition of the book Fabbiani	80,000,000
• El Nacional	Sponsorship for the insert "El Nacional in the Classroom"	20,400,000
• Fundación Conciencia Activa de Venezuela	Sponsorship for magazine	30,000,000
Total Bs.		130,400,000



Ernesto Armitano, Juan Carlos Escotet and Juan Pablo Muci at the introduction of the book Fabbiani.

To not forget Juan Vicente Fabbiani

As a contribution for the development of a history record of the Venezuelan arts, Banesco Banco Universal sponsored the publication of Fabbiani, a book that offers a comprehensive examination of the work of painter Juan Vicente Fabbiani. This book was written by the deceased art critic Carlos Silva and edited by Armitano Editores. This was the first effective step towards the much awaited and deserved aesthetic appraisal of the plastic work produced by this artist.

El Nacional in the Classroom

Since 1996 we have supported the program to Form New Readers "El Nacional in the Classroom", promoted by the Venezuelan newspaper El Nacional. This initiative was developed as a response to the call launched in 1964 by the UNESCO to the private sector to encourage its contribution to foster the critic reading of printed media.

We cherished the motivation and interest showed by the newspaper El Nacional to form new readers and carry out since 1989 this program addressed to our children and adolescents from 9 to 12 years of age through the monthly publication of "El Nacional in the Classroom," the direct presence of 2,500 volunteers teachers who dictate workshops in various schools, the use of the press in the classrooms, the availability of copies in more than 700 Venezuelan libraries and the concretion of special projects addressed to students and teachers.

Beginning in 1996, Banesco joined this relevant work and since then we have participated in pages such as: An Integral Education; The Students Organization; Written Communication; Mathematics; Languages for a Better Understanding, Special Friends; Something more than Study; Each One with its Age and The World around Us, among others.

"The winners of the Christmas cards Conquest"



For the last six years we have accompanied El Nacional in the Christmas Cards Conquest, which conveys messages that talk about the future we all want and the future we can reach to

Similarly, we have accompanied El Nacional for the last six years in the Christmas Cards Conquest. We have seen with pride and satisfaction the creativeness and geniality of many Venezuelan children captured in those cards, with messages that talk about the future we all want and the future we can reach to.

Through *El Nacional in the Classroom* we foster the most important values of the human being.

San Francisco Puppets International Festival

This activity was carried out from October 21 to 30, 2005. Eight daily presentations were offered in the following places of Zulia state:

► San Francisco, La Cañada, Santa Rita and Maracaibo

It is estimated that between 60,000 and 70,000 children were the beneficiaries of this initiative.

Oswaldo Vígás' *Trilogy a mural for Banesco*

The Mural Trilogy for Banesco by the renowned Venezuelan artist Oswaldo Vígás was inaugurated in the Central Square of Banesco City in May 2005.

Made with Venetian vitrified mosaic, the imposing mural has an extension of 200 square meters (5 meters of height by 40 meters long). The maestro Vígás devoted more than a year in the making of this work, a period of time during which he was accompanied by Alessio Saladino and Franco Uccelletti, representatives of the Italian Company Bisazza in Venezuela, the house in charge of providing the material used in the work. Vígás explained that the mural was initially conceived

during the 50s, when he was in France and added that it is a part of the works designed for the murals commissioned for the Central University of Venezuela City.

Referring to his "Trilogy for Banesco", the maestro Vígás said that for him it was a real challenge to materialize this mural and thanked for the support of the operators group that accompanied him.

On the other hand, the whole team of Banesco Art Collection was in charge of the art tutorship, museography and assembly of the exhibition made in the framework of the mural inauguration.



Mural *Trilogy for Banesco*, by Oswaldo Vígás

The Sun or the Light
by Jacobo Borges



Banesco Art Collection

Works by Jacobo Borges, Oswaldo Vígás, Pedro Centeno Vallenilla, Jorge Stever and Francisco Narváez, among other important Venezuelan artists, are exhibited in all the areas of Banesco City.

Jacobo Borges: *El Sol y la Luz (The Sun or the Light)*

Francisco Narváez: *Tres Volúmenes (Three Volumes)*

Jorge Stever: *Constelación en Valle Arriba (Constellation in the Upper Valley)*

Oswaldo Vígás: *Mural Trilogía para Banesco (Mural Trilogy for Banesco)*

Pedro Centeno Vallenilla:
• *La Industria y el Comercio (Industry and Trade)*
• *El Cono de la Abundancia (Cornucopia)*



Table Tennis International Championship in Margarita

The promotion of sports that encourage a healthy life style is very important for our organization. That is why we support a variety of national and international competitions.

Social Investment in Sports Institutions and Organizations – 2005

Organization/Institution	Project	Amount Bs.
• Venezuelan Foundation of Table Tennis	Sponsorship of the Table Tennis International League	4,200,000
• A.C. Escuela de Béisbol Menor "Ruales Cerrito"	Donation of sport material	5,163,800
• Venezuelan Federation of Athletics	Sponsorship of the XXXVII International Marathon of San Sebastián	1,500,000
• Fundaventura	Sponsorship of the Margarita Triathlon	4,000,000
• Cultural and Sports Association Mater Salvatori	Sponsorship of the Artistic Gymnastics Coup of the Cultural and Sports Association Mater Salvatori	4,800,000
• Others	Sponsorship to participate in international competitions of synchronized swimming	1,000,000
Total Bs.		20,663,800



Universidad Simón Bolívar course

Banesco and Solidarity

Support to the victims of the heavy rains

We are supportive with the victims of the heavy rains occurred in early February 2005. We launched the campaign "Shoulder with the Country" in order to raise funds, food and possessions bounded to those who have lost their beloved ones as a result of natural disasters such as floods and mudslides.

We opened a current account for the whole community and named it "Ayuda Damnificados de Venezuela" in order to receive the donations from the general public and help thousands of people affected by the natural disasters in Vargas, Aragua, Falcón, Carabobo, Miranda, Yaracuy, the Capital District, Mérida and Táchira.



Our volunteers in Mérida

Likewise, we opened a current account under the name of "Ayuda Damnificados de Asia," in order to contribute to the people affected by the terrible tidal wave that occurred in December 2004 in Southeast Asia.

Support to People Affected by the Heavy Rains

Organization/Institution	Project	Amount Bs.
● Bolivarian University of Venezuela	Various belongings	10,000,189
● 19 de Marzo Community, in Guarenas	Medicines	471,000
● Slums in Falcón and Carabobo states	Food	9,886,000
● Mérida state government	Various belongings	20,000,000
● Zulia state government	Various belongings	10,143,000
● Teleón Unidos por el Sur del Lago	Support	250,000,000
● Sucre Mayoralty	Food	24,995,000
● Aeroclub Caracas (Mérida)	Food	71,320,300
● Centro de Atención Integral al Damnificado Cuartel San Carlos	Food and belongings	29,791,814
● Others	Attention to people affected by tsunami	10,000,000
Total Bs.		536,607,303



Donations for affected people in Mérida

Banesco Social Investment in the Church – 2005

Organization/Institution	Project	Amount Bs.
● Mérida Archdiocese	Sponsorship for the Centenary Congress of the Archdiocesan Archive of Mérida 1095-2005 and the Archdiocesan Museum of Mérida	20,000,000
● Diario Católico Foundation	Press Museum Construction	5,000,000
● San Pedro Apostol Church	Infrastructure revamping	2,000,000
● Cofradía Hermanos de San Juan Bautista	T-shirts donation	200,000
● Maracay Archdiocese/Nuestra Señora de Lourdes Parish	San Ignacio Chapel repair	200,000
● Nuestra Señora de Fátima, Petare parish	Donation in aid of the children of the parish	2,000,000
● Maracaibo Archdiocese	Edition in collectible copies of the book Virgen de Chiquinquirá, Madre y Reina de los Zulianos.	120,000,000
● Santísimo Salvador Temple	Expansion and repair of the temple	5,000,000
Total Bs.		154,400,000

Mérida Archdiocese ²⁴

The Archdiocesan Archive of Mérida, the Archbishopric and the Archdiocesan Museum of Mérida promoted and organized the celebration of the Centenary Year of the Archive with a series of activities turning around the International Congress Centenary Archdiocesan Archive of Mérida 1905-2005.

The central topic of this forum was The Heritage of the Church in Venezuela in the field of archivology, science, museums, culture, arts, historic buildings and the heritage in the Web.

10 national and international lecturers participated, as well as 94 speakers in 20 different work tables from different ecclesiastical, college, museums and research institutions, along with national and international independent researchers. 304 participants, attendees, speakers and commercial supporters attended the event.

These are some of the achievements mentioned by the Archdiocese of Mérida:

► The consolidation of the Archdiocesan Archive of Mérida as a hallmark institution in the field of archivology and research.

► An agreement with the UTAH Genealogic Society was subscribed for the digitalization project of the parish books from the Venezuelan Ecclesiastical Archives.



The creation of the Ecclesiastical Archivology School, attached to the Archdiocesan Archive of Mérida, was proposed

► Through a joint decision, the Archdiocese of Maracaibo and the Cecilio Acosta University proposed the Archdiocesan Archive of Mérida as the seat for the Special Course of Cultural Heritage of the Church (diplomado).

► It was agreed to continue with the workshops on archives management.

► The creation of the Ecclesiastical Archivology School, attached to the Archdiocesan Archive of Mérida, was proposed

²⁴ Information taken from the Report on Results from the Centenary International Congress of the Archdiocesan Archive of Mérida.

Support for Professional Associations and Public Entities

In the framework of its CSR (Corporate Social Responsibility) program, Banesco has helped a myriad of governmental organizations to carry out projects

and activities with a positive impact on the involved communities. Similarly, we have supported initiatives launched nationwide by professional associations.

Banesco Social Investment in Ministries, Regional Governments and Mayoralties – 2005

Organization/Institution	Project	Amount Bs.
● Táchira Regional Government	Support for the Savings Cooperative	89,380
● Metropolitan Mayoralty of Caracas	Carnival Feasts	20,000,000
● Mérida Regional Government	Conservation and Embellishment of the city	250,000
● Baruta Mayoralty	Arts Festival	25,000,000
● Ministry of Food	Donation of Sports Shoes	1,600,000
	Sponsorship of the Exhibition "Guaranteeing the Food for the Present and the Future"	1,600,000
● San José Parish Council	Children Day celebration	308,319
● Zulia Regional Government	Donation of a Laptop	2,932,000
● Chacao Mayoralty/Techno Foundation	Project for the Integral Prevention of drug Consumption for the homeless population of Chacao Municipality	50,000,000
● Ministry of the Defense	Purchase of 800 books addressed to the program Reading Lessons for Military and Civil personnel	2,380,000
● Baruta Mayoralty	Sponsorship for the XV Anniversary celebration of Polibaruta	6,450,000
Total Bs.		110,609,699

Banesco Social Investment in Professional Associations – 2005

Organization/Institution	Project	Amount Bs.
● Construction Chamber of Zulia state	Acquisition of the books untitled 50 Años de la Construcción en el Zulia	2,500,000
● Venamcham	IV Symposium on Social Responsibility	30,000,000
ASODEGAA	Event 2005 Social Perspectives held in Barquisimeto	12,900,000
●	Fair to celebrate the 45th Anniversary of the Association	4,000,000
● FENAPUJUPEV	II National Encounter of Venezuelan Professors, Retired and Pensioners	2,000,000
● Industrial Chamber of Zulia state	Sponsorship for the Industries Dinner	5,000,000
● Medical Visitors Guild	National Championships of the Medical Visitors	4,000,000
● Real Estate Chamber of Mérida state	Forum New Public Policies for Housing and Habitat – "Mérida: A Real Estates Market".	1,500,000
Lawyers Bar of Zulia state	XXVI Lawyers Inter-Colleges National Championships	7,538,000
● Conindustria	Quarterly maintenance quota corresponding to the Active Special Member Companies and Associated Companies	2,475,000
● Civil Association Gerencia	V Laboratory of Small and Medium Entrepreneurs in Lara state	3,000,000
Total Bs.		74,913,000

Micro-Banesco Conquest

In May we launched the Micro-Banesco Conquest in the framework of the II Congress of the Venezuelan Conference on Social Communications (COVEECOS 2005) held in Margarita.

The conquest was oriented to fostering the realization of audiovisual works about this financial institution, its Corporate Social Responsibility program and some of its social partners, among all the students at the different Social Communications schools in Venezuela. In total, 19 work teams participated and their works were evaluated by the Assessment Commission which was composed of Banesco representatives and several national universities.

Finally, on November 29, at the Fernando Crespo Suárez Auditorium at Banesco City, the winners of this conquest received their acknowledgements. They were Giselle Parra and Isabel Salazar from the Andrés Bello Catholic University (Caracas); Daniela León, Débora de Sáa and Juan Manuel Hernández from the Santa María University (Caracas) and Andreína Rojas from the Santa María University, eastern center.

Venezuela Competitiva ²⁵

The National Encounter of the Venezuelan Success is one of the projects that concentrate the contribution of Venezuela Competitiva to the development of competitiveness in Venezuela. Far from academic pretensions or the creation of models or competitive paradigmatic, it has been able to produce a movement based on the exchange among the Venezuelan population with an attitude and vocation oriented to excellence who could be able to spread at the same time the key of their success.

In 2005, the National Encounter took place on November 16th in Caracas, under the motto Cooperation+Excellence+Achievements=Competitiveness. Seven Venezuelan organizations were recognized by Venezuela Competitiva with the Prize to the Excellence 2004: The Central Cooperativa Barinas (Cecobar), Foundation of the Friends of the Child with Cancer, Foundation Botanic Institute of Venezuela "Dr. Tobías Lasser,"

Free Ways Industries, Kelly's Food Products, the UCV Service of Magistral Prescriptions and the Educational Foundation School Canaima belonging to the AVEC, one of Banesco's first social partners. This is a particular reason for us to be very proud and satisfied.

We Foster our Social Responsibility Activities

The Vice Presidency of External Communications and Social Issues gave a lecture to the students from the eighth to tenth semester at the School of Political and Administrative Studies of the Juridical and Political Sciences Faculty at the Central University of Venezuela. This lecture was focused on our Corporate Social Responsibility Program. These students participate in the Seminar of Public Servants which includes the chairs of Social Capital and Social Responsibility and for this reason our organization was invited to participate in view of its outstanding program in this realm.

²⁵ Information taken from the 2005 Annual Report of Venezuela Competitiva.

Banesco Social Investment 2005 Others

Organization/Institution	Project	Amount Bs.
● National Guard San Antonio, Táchira state	Support for the celebration of the 25 Anniversary of the Pre-School El Andinito	35,000
● Equestrian Foundation of the Army	Sponsorship of the National Encounter Banesco Coup held in Fuerte Tiuna	25,000,000
● Regional Command No. 3 (NG)	Exhibition Core 3	4,000,000
● Police Substation No.17, Nueva Bolivia	Tires donation	436,000
● Division Against Informatic Crime - CICPC	Repair of a vehicle	1,750,000
● Venezuela Competitiva	XI National Encounter of Venezuelan Success	23,000,000
● La Hormiga market	Donation of 1 wheelchair and 1 examining couch for the infirmary.	539,000
● Civil Association Hacienda La Trinidad	Sponsorship for the Event "2,000 Trees ... 2,000 Children". Trees Plantation in the Mario Briceño Iragorri Municipality.	2,000,000
● Conacuid	Repair of the elevators	37,079,018
	Revamping of the façade and the seat	52,519,018
	Participation of Conacuid employees in the IX World Anti-Drugs Congress	4,169,645
● CICPC	10 boxes of white paper	760,533.90
● Movistar	Sponsorship of the I Movistar Corporate Accounts Championship	15,000,000
● Hidrosuroeste	I National Games of the Hydrologic Companies	500,000
● Accountability	Advise for the CSR Program and Certification	200,490,316.50
	Activities related to the Prevention of Capital Legitimation	125,917,706
● Others		620,000
Total Bs.		493,816,237.4

Adjustment- 2004

Organization/Institution	Project	Amount Bs.
● Civil Association A Friendly Hand	Sponsorship of the Gold Tournament to Raise fund for the association	4,000,000
● Civil Association Help a Children	Sponsorship Black and White Traditional Dinner	7,000,000
● Children's Foundation	Event "Together for a Venezuela for All" to commemorate the Children's Day	2,800,000
● Venamcham	Sponsorship of the Annual Dinner in Tribute to Nuestra Señora de Chiquinquirá	1,000,000
● Contemporary Museum of Zulia state	Induction Room construction	12,000,000
● San Vicente de Paúl Conferences	Donation of an X-Rays equipment	21,410,000
● UCV	Support to the Academic Vice Rectorate Coordinating the Week of the University Student	6,000,000
● National Academy of Medicine	Edition of the book Friends of the National Academy of Medicine	11,520,000
Total Bs.		65,730,000

Banesco, the Environment and the Community



In Banesco prevails a deep respect for the environment. We incorporate friendly-nature practices in our daily work as well as in the different activities related to the Corporate Social Responsibility Program. With our environmental approach we reduce risks, increase the productivity of our organization and that of third parties, introduce modern and novel practices into the market and strengthen our image and brand.

Banesco City

Our new seat is an evidence of this commitment. During its construction a joint study was carried out with the Baruta Mayorality about the behavior of the environment in the human and vehicular aspects. This study examined aspects such as the duration of the traffic lights signals, transportation from and to the area, buses and public transportation vans, vehicular turn ratios at the corners, pedestrian crossings, etc. Thanks to this study the moving of 3,000 workers to Banesco City had no negative impact on the environment and did not produce bottlenecks in the area.

Social Investment in Colinas de Bello Monte 2003/2004/2005

Work	Amount Bs.
● Supply of concrete for the sidewalks	26,707,840.00
● Signposting and vial demarcation	23,467,552.32
● Stamped concrete on the sidewalks	30,043,203.08
● Traffic lights relocation	1,699,632.00
● Improvement of the traffic lights system	10,296,972.36
Subtotal 2003	92,215,199.76
● External Civil Works	57,371,334.55
● Civil Works Northern Sidewalks	336,024,297.77
● Supply of concrete for the sidewalks	13,021,812.00
● Stamped concrete on the sidewalks	16,098,780.59
● Supply of paint for the bridge banister	589,280.00
● Supply of concrete/paint for the bridge	4,129,650.00
● Vial demarcation	8,426,003.84
Subtotal 2004	435,661,158.75
● Stamped concrete on the sidewalks	287,500
● Southern sidewalks construction	238,224,238.73
Subtotal 2005	238,511,738.73
Total Bs.	766,388,097.24



Water Consumption— 2004/2005

Water 2004 (Bs.)	Water 2005 (Bs.)
317,607,197.55	321,123,346.30

Electric Power Consumption— 2004/2005

Electricity 2004 (Bs.)	Water 2005 (Bs.)
5,709,369,975.15	6,143,045,767.40

Paper Consumption— 2004

Description	Management and Purchase Unit	Total Consumption
Letter Base 20	500-sheet packages	39,114
Legal Base 20	500-sheet packages	8,537
Debit/Credit Banesco Notes	250-form packages	9,718
BanESCO Banco Universal Savings Passbooks	Units	866,555
FAL Passbooks (Liquid Assets Accounts)	Units	43,970
Multiple Drawing Banesco New Image	250-form packages	58,358
Multiple Deposit Banesco New Image	250-form packages	186,244
Total Consumo		1,212,496

Paper Consumption— 2005

Description	Management and Purchase Unit	Total Consumption
Letter Base 20	500-sheet packages	32,380
Legal Base 20	500-sheet packages	5,606
Debit/Credit Banesco Notes	250-form packages	10,012
BanESCO Banco Universal Savings Passbooks	Units	846,700
FAL Passbooks (Liquid Assets Accounts)	Units	74,400
Multiple Drawing Banesco New Image	250-form packages	64,625
Multiple Deposit Banesco New Image	250-form packages	213,305

Construction Project

The building was constructed based on the adjustment of the spaces for the optimization of the resources and processes (horizontal and open areas). This allows the simultaneous work of the operating cells at a very close range. At the same time, this makes possible a higher effectiveness in the work flow and a better communication.

This horizontal structure with 65,483 square meters (including the parking lot) hosts above 3,000 workers who are distributed into four buildings located at different points of the city, allowing operational savings of 15% for the organization.

An Ecological Building

For its construction the engineers employed environmental-friendly and non-pollutant material such as the courting wall or glass façade, which is a low reflexion glass made in Belgium and assembled in Venezuela. It does not produce damages to the surrounding green layer and as it is a low reflective material it absorbs less heat, favours a more comfortable work environment and reduces the costs of air conditioning and energy.

The materials employed in the façade are emblematic and correspond to the corporate image of the bank: tablet and green glass. A new material called Alpolic was incorporated into this new image: it's a metallic little plate made in Japan, non-pollutant, which virtues to be used in outdoors surfaces are excellent and have been well-tested. The future maintenance is very cheap.

Besides, it allowed the work of the external curves of the building.

Additionally, the whole seat has a carpet made of non-pollutant materials similar to those used for the external sealing.

A Smart Building

A software manages all the commands of the TV close circuit and access controls, as well as the electromechanical systems (air conditioning, elevators, mechanic stairways and lightning.) This allows a higher efficiency in terms of power savings and a higher security.



Executive Dining Hall in BanESCO City

The whole seat has a carpet made of non-pollutant materials similar to those used for the external sealing.

Equipment Recycling

Organizations and institutions that further social works within the community use to ask Banesco for the donation of furniture and equipment to furnish their own offices. It is a common practice in our financial institution to evaluate these requests and hand-over computers and furniture that have been discarded from our branches but which are in perfect conditions.

Donations of Equipment and Furniture– 2005

Organization/Institution	Furniture/Equipment
● DIEX (Dirección General de la Oficina Nacional de Identificación y Extranjería)	6 PCs
● Hogar Crea (Female) Maracay	6 chairs, 5 desks, 1 sofa, 4 small cabinets, 3 filing cabinets, 10 paper baskets, 4 sideboards
● Oficina Municipal de Defensa y Educación del Consumidor y el Usuario (Omdecu)	4 chairs, 3 small cabinets, 2 desks, 1 filing cabinet, 5 paper baskets
● Liceo Fermín Toro (Highschool)	3 type writing machines
● UCV: José María Vargas Medicine Faculty	10 chairs, 2 sofas, 4 flippers, 1 filing cabinet, 20 paper baskets, 2 desks, 2 pieces of furniture, 2 calculators
● Centro Comunitario de Protección y Desarrollo Artigas, Escuela Miguel Villavicencio	2 flippers, 2 small cabinets, 1 piece of furniture and 4 filing cabinets
● U.E. Escuela Canaima	19 chairs, 2 sofas, 4 desks, 10 small cabinets, 8 filing cabinets, 4 sideboards, 3 pieces of furniture, 2 palomeras, 8 calculators, 4 type writing machines, 200 paper baskets, 2 doors
● Champagnat Foundation	Chairs and paper baskets
● Cristo Rey Church	12 chairs, 2 desks, 3 pieces of furniture, 3 filing cabinets, 2 tables, 10 paper baskets, 2 metallic coffers, 12 mts of drain tubes
● Civil Registry of Baruta, Miranda state	26 chairs, 10 desks, 12 small cabinets, 12 filing cabinets, 4 tables, 4 pieces of furniture, 30 paper baskets
● CICPC- Informatics Crime Division	22 chairs, 4 desks, 4 filing cabinets
● Metropolitan Police	3 chairs, 1 table
● E.B. Fernando Peñalver	5 chairs, 30 paper baskets
● U.E. San Judas Tadeo	3 tables, 6 chairs, 3 small cabinets, 1 filing cabinet, 10 paper baskets
● State Fund for Children and Adolescent Protection (Fepna), Miranda State	1 sideboard, 1 filing cabinet, 2 small cabinets
● Air Support NO. 5, national Guard	28 chairs, 10 tables
● Baruta Mayoralty	8 chairs

Donation of furniture to the school San Judas Tadeo located in La Pastora parish.





Claudia Amo and Carlos Lorenzo, Branch Manager and Regional Manager of Los Palos Grandes, donated computers to the Pre-School Lya Imber Coronil.

Donation of Computers– 2005

Schools	Quantity
● Pre-School Luis A. García	2
● Apoye Institute	8
● Institute of Special Education Simón Rodríguez	1
● Champagnat Foundation	20
● Basic School Hurtado de Mendirí	1
● Equipo de Integración Número 1	2
● Intelligence Vivision of the National Guard	2
● Unidad Educativa Integral Bolivariana República de Bolivia	2
● Escuela Municipal de Música Benito Canónico	1
● U.E. Nacional Tomás Vicente González	4
● Consejo Municipal de Derechos del Niño y del Adolescente	2
● San José Obrero Parish	10
● Civil Association Comunidad Creciente	4
● Unidad Educativa CEFI	2
● CICPC- Tucacas Subdelegation	1
● Children Foundation of Táchira State	5
● Civil Association Bosco Houses	10
● Miranda State Firefighters – Station Colonel (B) José Antonio Plasencia Ortiz	2
● Canaima School	12
● Pre-school Eugenio Vivas Barillas	2
● Dispensario de Higiene Mental La Castellana	1
● Venezuela without Boundaries	10
● Salesian Ladies Association	20
● Private	2
● Metropolitan Police	1
● Ground Transportation and Circulation Institute	1
● Caracas Sacro Museum	3
● Clínica Médica y Rehabilitación Guaicamacuto	1
● María Claret Parish, Los Dos Caminos	5
● CICPC Simón Rodríguez	2
● Fe y Alegría	216
● CICPC	3
● Juan Landaeta Highschool	1
● Hogar Domingo Savio	1
Total Units	360

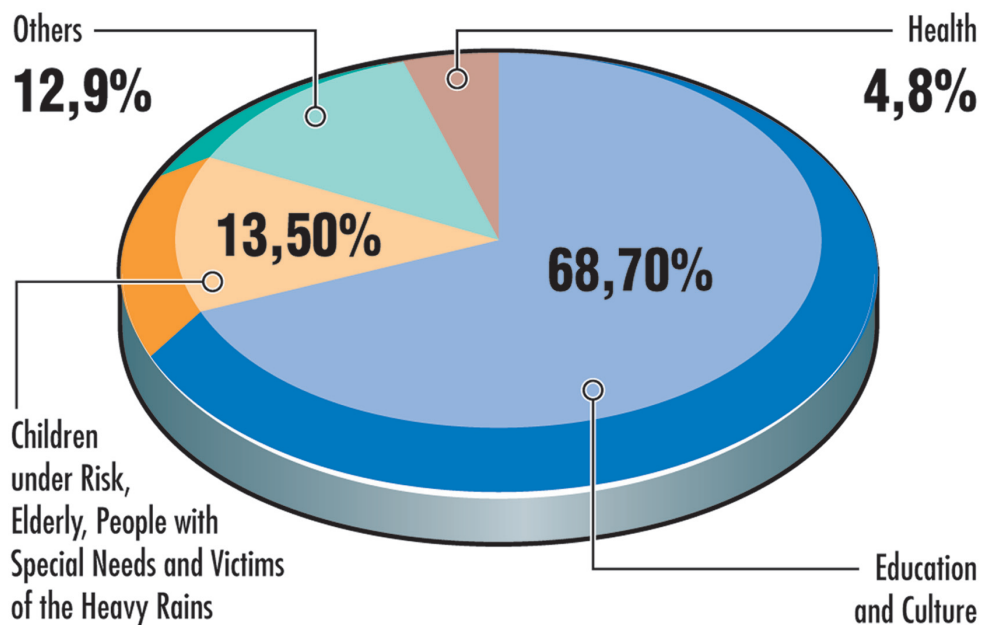
Campaign Water and Soap for Caracas

We have joined the governmental initiative “Water and Soap for Caracas”, which aims to consolidate the cleanliness and the rescue of the public spaces of the Capital region, through the design of a work methodology, a campaign to raise awareness among the population and the joint action of the different mayoralties of the Metropolitan Area: entities involved in the maintenance, presentation and ornate of the capital city, in coordination with the whole community. We handed-over Bs. 122.79 million for this initiative.

Paper Recycling

We carried out a paper recycling campaign. The paper was donated to the Renacer Foundation, an institution that obtained in this way 47,005 kg of recycled material. With this contribution the institution got a gain of Bs. 6,580,700 to finance its activities.

● Banesco Social Investment



Total Banesco Social Investment

Bs. 12,654,489,540.54





Health

Destiny of the Investment	Amount Bs.
● Health Institutions and organizations	607,874,723.40
Total Bs.	607,874,723.40

Children under Risk, Elderly, People with Special Needs and Victims of the Heavy Rains

Destiny of the Investment	Amount Bs.
● Institutions/Organizations	733,686,581.08
● Toys for the children	439,076,020.78
● People affected by the heavy rains	536,697,303
Total Bs.	1,709,459,904.86



Education and Culture

Destiny of the Investment	Amount Bs.
● Educational Institutions and Organizations	1,675,455,176
● Scholarships	141,578,000
● Universities and Higher Education Institutions	3,812,467,769.92
● Cultural Institutions, Organizations and Activities	192,000,000
● AVEC	2,732,584,060.49
● Civil Concerts for the Community	9,176,267
● Editorial Projects	130,400,000
Total Bs.	8,693,661,273.41



Others

Destiny of the Investment	Amount Bs.
● Direct contribution as a support to the raffles of our Social Partners	22,702,805.23
● The Church	154,400,000
● Ministries, regional governments and mayoralties	110,609,699.00
● Professional organizations	74,913,000
● Investment in Colinas de Bello Monte	766,388,097.24
● Sports institutions/organizations	20,663,800
● Various	493,816,237.4
Total Bs.	1,643,936,638.87

Volunteers from the Bottom of Their Hearts



The corporate volunteers team of BanESCO was created in 2003 thanks to the support provided by the Fe y Alegría Popular Integral Education Movement and Social Promotion with the purpose of organizing and enhancing the efforts to support the Social Responsibility Program. We have invested Bs. 25,833,584.07 in this group through different training programs.

In 2005, our volunteers' team devoted 3,251 hours of work in aid of the community through a joint work with the Red Cross, Fundana and Fe y Alegría.

Active Areas of BanESCO Volunteers' Team

Vice Presidency	No. of workers
● Presidency of the Board of Directors	1
● Technology and Processes Direction	2
● VP of Training and Operations	26
● VP of Customers Service	2
● VP of Electronic Channels	10
● VP of the Comptroller's office	8
● Exe. VP BanESCO Insurance	3
● Exe. VP of Quality and Processes	7
● Exe. VP of Integral Communications/Marketing	5
● Exe. VP of Control	12
● Exe. VP of Credit	6
● Exe. VP of Technological Development	8
● Exe. VP of Trust Funds	6
● Exe. VP of Finance and Treasurership	1
● Exe. VP of Human Resources	19
● Exe. VP of Means of Payment	2
● Exe. VP of Financial Products	1
● Exe. VP of Branches Network	46
● Exe. VP of Credit and Collections	10
● Exe. VP of Specialized Banking	5
● VP International	1
● VP Logistics	3
● VP Operations	12
● VP Operations TDC Bank End	12
● VP Security	12
● VP Technology	3
● Exe. VP BCA.ELECTY SPTE TECHN.	16
● Scholarships holders	20
Total Workers	259

Beneficiaries Entities

Entity
● Red Cross
● Fundana
● Fe y Alegría

Post Categories 2005

Category	Workers
● Scholarships holders	20
● Base	34
● Professionals and Technicians	121
● Supervisors	36
● Managers	35
● Vice Presidents	12
● Directors	1
Total Workers	259



Hand-over of toys at the INCE Nueva Granada



A view of the workers at the Technical School Don Bosco



Visit to Colegio San Pedro



Visit to the Centro Académico Infantil Montalbán



Hand-over of toys at the Hospital Vargas



"This is a way of giving a helping hand to the most neediest sectors through an institution that has demonstrated its value on the Venezuelan society"

Banesco volunteers' team through the facilitators group, provide the students of the Instituto Universitario Jesús Obrero in Catia with a program called "Learning Experiences" by means of workshops and lectures in the areas of knowledge and labor performance as well as manual works. Following this schema, Raquel Itziar Ferré, Web Page Designer, and Egybeth Gómez, Accounting Analyst, gave the Mosaic Workshop, while Cornelio Díaz, Manager of El Chorro branch, along with his wife, dictated another workshop of Painting on Wood.

We also count on the participation of our volunteers' team in different activities that give shape to the values of Corporate Social Responsibility with a high sense of commitment to our social partners.

In June, our Unit of Hygiene and Industrial Security launched a training program for the Instituto Universitario Jesús Obrero Brigade with the purpose of training a team of students in the management of emergence and evacuation situations.

In Maracaibo, our volunteers also have an active participation in activities in aid of the community.



Mosaic and painting workshops are offered by our volunteers

With the Toddlers

Following a tradition that started in 1999, Banesco's workers donated a percentage of their profit sharing to Fundana. We raised Bs. 64,374,000. This is our way of giving a helping hand to the have-not through an institution that has demonstrated its value in the Venezuelan society.

Likewise, the workers got together in December in the new seat of Fundana to share with the toddlers at the beginning of the Christmas season.



The Toddlers' Villages

Workshop at the IUJO-Catia



Last but not the least, in December our Corporate Volunteers shared a nice Christmas dinner with the children in the villages' facilities, sharing hopes, smiles and happiness.

In 2005, as a result of the heavy rains that affected the country, the Venezuelan Red Cross activated the Plan of Action in order to improve the situation of the people affected through the distribution of first-need products (humanitarian assistance), health, psychosocial support, water and sanitation.

Particularly at the Instituto Universitario San Francisco de Fe y Alegría, they give workshops on Prevention of Capitals Legitimation, Corporate Ethics, Audit Principles, Projects Formulation, Informatics requirements Formulation, Venezuelan Banking, Introduction to Labour Legislation, Stress Management, Excel, Power Point and Word, among others.

The program of visits to The Toddlers' Villages counted on the participation of above 80 workers

The program of visits to The Toddlers' Villages counted on the participation of above 80 workers.

We joined the project "Assistance in Health, Water and Sanitation"

On the other hand, since last April we planned the work of our Corporate Volunteers in support of Fundana through activities and programs that contribute to the maximum development of the children's potentialities and seek their insertion in a harmonic family environment, improving at the same time their quality of life.

The program of visits to The Toddlers' Villages counted on the participation of above 80 workers. This approach allowed the volunteers to know the villages, share with the children and identify the opportunities of the volunteer work.

The monthly celebration of these toddlers' birthdays is one of the fundamental activities of this program. The purpose is to offer a space that strengthens the family values, fosters a good communication and helps the little ones to establish harmonic relations with their entourage.



Donation Hogar Domingo Savio at Palo Verde



The monthly celebration of these toddlers' birthdays is one of the fundamental activities of this program

Banesco Volunteers in Vargas state



Francesca Carducci, Manager of Banesco Altigracia, donated furniture to the School San Judas Tadeo in La Pastora

in activities of organization and distribution of health kits and the information and education campaign addressed to more than 1,000 families disseminated in Vargas, Miranda, Mérida and Yaracuy states.

The community of Camurí Grande was seriously affected by the rains. For this reason, our medical team joined the Venezuelan Red Cross for a medical activity. At the same time, we attended to the Todasana community.

Other Activities:

► In May we participated in the First National Encounter of Volunteers from the Venezuelan Private Sector, an activity that allowed the exchange of experiences among the participants in the different programs furthered on the matter of Corporate Volunteers.

► We attended the encounter "Volunteers, a Way Towards the Construction of Citizenship" at the Centro de Formación Pozo de Rosas (Los Teques), an activity that was held in the framework of the 50th Anniversary of Fe y Alegría and that was attended by volunteers from several domestic companies.

A well-deserved acknowledgement

In the framework of the National Day of the Volunteer, 47 members of Banesco Corporate Volunteers' Team were awarded by the National Society of the Venezuelan Red Cross as an expression of gratitude for their support to the programs developed by this institution.

The event - held in the Auditorium of the National Society of the Venezuelan Red Cross- was atten-

ded by Dr. Mario Gómez López, VP of the Venezuelan Red Cross and other representatives of this organization, who handed-over awards buttons to these volunteers as a symbol of the humanitarian assistance they have provided to improve the quality of life of the neediest.

Among the speakers at this event were Father Manuel Jaime Aristorena (Fe y Alegría); Alicia Parra (Fundana) and Amalia Fariás (Venezuelan Red Cross).

The Hopes Collector arrived in Banesco

We collected among our workers above 190 books and 196 pieces between clothes and shoes, to be donated to "Venezuela without Boundaries" and its program "The Hopes Collector." These articles would be distributed among the low income families of Venezuela.

This initiative was carried out in the administrative seats of Banesco and Venezuela without Boundaries was in charge of the packages transportation.

Banesco Stock Exchange

As a part of our bonus campaign and the activity called "Banesco Stock Exchange," we devoted a



whole month to the value of the Individual and Social Responsibility. Our Stock Exchange allowed our workers to trade their shares based on their experience in relation to Banesco Values.

We organized 139 groups based on 3,160 workers in order to visit 43 institutions that we consider as social partners, that is, organizations through which we carry out our social work.



We collected among our workers above 190 books and 196 pieces between clothes and shoes, to be donated to "Venezuela without Boundaries."

Social Partners Visited by Our Workers in the Framework of Banesco Stock Exchange

Social Partner	Institution
● Salesian Ladies Association	Centro Don Bosco 88/Central SEAT
● Salesian Ladies Association	Headquarters – Altamira
● Fe y Alegría	Andy Aparicio
● AVEC	Dos Bosco House
● AVEC	San Pedro Cultural Center
● AVEC	Altamira Children Center
● AVEC	Padre Machado Private School
● AVEC	Don Bosco Technical School
● AVEC	María Auxiliadora Popular Technical School
● Fe y Alegría	Fe y Alegría Radiophonic Institute
● Fe y Alegría	Jesús Obrero Technical Institute
● AVEC	San Carlos de Borromeo
● AVEC	Corazón de María Educational Unit (E.U)
● AVEC	Refugio de la Infancia E.U.
● AVEC	San Francisco de Asís E.U.
● Casartes	Casartes
● Centro Techo	Centro Techo
● Red Cross	Red Cross
● Don Bosco	Hogar Domingo Savio
● Canaima School	Canaima School
● Fe y Alegría	Las Mayas Private School
● Fe y Alegría	Don Pedro Private School
● Fe y Alegría	Juan Pablo Bonet Private School
● Fe y Alegría	La Rinconada Private School
● FESNOJIV	Centro Académico Infantil Montalbán
● Fundana	The Toddles Villages
● Venezuelan Foundation Against Infantile Paralysis	Hospital Ortopédico Infantil
● Apoye Institute	Apoye Institute
● Dos Bosco	Don Bosco House – Puerto La Cruz
● Don Bosco	Don Bosco Center – Valencia
● Salesian Ladies Association	María Auxiliadora Center
● Salesian Ladies Association	P. Egidio Viganó Center
● Salesian Ladies Association	La Chinita Center
● Fe y Alegría	Fe y Alegría No. 1
● Fe y Alegría	Fe y Alegría No. 2
● Salesian Ladies Association	Nuestra Señora de la Consolación Center
● AVEC	Niños Cantores de Villa de Cura
● AVEC	Nuestra Señora del Valle E.U.
● AVEC	Virgen del Rosario E.U.
● AVEC	Nuestra Señora de Lourdes
● AVEC	Nuestra Señora del Valle
● AVEC	El Señor de la Buena Esperanza
● Fe y Alegría	Virgen Niño

Avant-garde Products and Services

And now, Banesco's Tailor-made Plans with Credits for all

With the value added of an aggressive offer of segmented credits, Banesco launched its 2005 campaign for the Tailor-made Plans. In this occasion, we enhanced the credits supply aiming to meet our customers' needs in each stage of their life cycle: El Propio Plan, Plan Crecimiento and Plan Años Dorados.

Banesco Green Points: the first and best program based on market loyalty

Because we want acknowledge more and more our customers' loyalty, we launched the campaign for Banesco Green Points, which now are accumulated at a faster rate. With these points you can purchase articles in the affiliated commercial outlets or exchange them by cash or travels.

Instant Financing with Banesco Extra-Credit

Now, with the new Banesco Extra-Credit, Banesco Visa and Mastercard cardholders count on an additional credit line to their credit cards for up to 100% of their credit limit. In this way, they can pay for goods and services in more than 1,288 commercial outlets nationwide.

... And to invest ...

Liquid Rent Account

With the Liquid Rent Account, as of July 1, Banesco offered natural persons an 13% interest over the minimum balance of the month, which is deposited on a monthly basis.

Guarantee your Rate

For the second half of 2005 we offered the best rate of the market to open 90-day shares (participaciones): 13% for natural persons from Bs. 1,000,000. In October we also included 30-day and 60-day terms.

New Locatel Health Credit Card: consolidating our leadership in private cards

Thanks to an important alliance with Locatel network, we launched in October the New Locatel Health Credit Card, a private card exclusively devoted to health with the following virtues:

¿TIENES UN PLAN?

EL PROPIO PLAN BANESCO
SI TIENES ENTRE 18 Y 25 AÑOS
ABRE TU CUENTA
Desde Bs. 20,000 y disfruta:
• Tu primera Tarjeta de Crédito.
• Tarjeta de Crédito Prepagada, con la cual podrás hacer uso de tu cupo de CREDITO.
• Tarjeta de Crédito de Banesco Mercaderes en comercio y crédito automático Banesco, por sólo Bs. 1,500 mensuales.
• Gase Puntos Verdes.

PLAN CRECIMIENTO BANESCO
ABRE SU CUENTA Y GANE EL MEJOR INTERÉS
Desde Bs. 100,000 y disfruta:
• Microcréditos • Microcréditos de Honor • Tarjetas de Crédito • Gase Puntos Verdes.

PLAN AÑOS DORADOS BANESCO
ABRE SU CUENTA Y GANE EL MEJOR INTERÉS
Desde Bs. 500,000 y disfruta:
• Exoneraciones en cuentas • Tasa Preferencial • Políticas de Seguros • Microcréditos de Honor • Gase Puntos Verdes.

Banesco
Innovación y Calidad a tu alcance
www.banesco.com

TODO EL PODER Y LA FUERZA DE SU LIQUIDEZ CON EL MEJOR INTERÉS

12%

NUEVA CUENTA RENTA LÍQUIDA BANESCO
• Monto de apertura: Bs. 100,000
• Intereses calculados sobre saldo mínimo del mes y abonados mensualmente:
Hasta Bs. 999,999 6.5%
Entre Bs. 1,000,000 y 4,999,999 10%
A partir de Bs. 5,000,000 13%

Banesco
Innovación y Calidad a tu alcance
www.banesco.com

► It is accepted in Locatel outlets, clinics, drugstores, medical and dentistry centers, insurance companies, laboratories, and optician's shop affiliated to Banesco.

► Exoneration of the quota during the first year.

► Preferential interest

For Free!...

We welcomed December with a promotion addressed to our Visa, MasterCard, American Express, Sambil, Locatel and Rattan cardholders.

Our Customers

**LA PRIMERA TARJETA DE CRÉDITO
QUE SU MÉDICO LE RECOMENDARÍA**



CON SU TARJETA DE CRÉDITO SALUD, DISFRUTE:

- Aceptación nacional en los establecimientos Locatel, laboratorios, farmacias, ópticas, compañías de seguro, clínicas, consultorios médicos y odontológicos, afiliados a Banesco.
 - Exoneración de la cuota anual el primer año.
 - Afiliación automática a Locatel.
 - Tasa de interés preferencial.
- Póliza de vida totalmente gratis, con cobertura de Bs. 2 millones.
- Descuentos adicionales en alquiler de equipos médicos en Locatel al domiciliar el pago a su Tarjeta de Crédito Salud Locatel.
- Además, acumule **Puntos Verdes Banesco**, para comprar en comercios afiliados a Banesco, convirtiéndolos en millas para viajar o dinero en efectivo.

¡SOLICÍTELA YA!
EN CUALQUIER ESTABLECIMIENTO LOCATEL O AGENCIA BANESCO




In this promotion 100 winners got back their money corresponding to all the consumptions they did between December 1, 2005 and January 5, 2006. The cardholders received an electronic coupon per Bs. 20,000 consumption. If the consumption was carried out through a Banesco Point of Sales, the customers accumulated three coupons.

Sambil Private Card: a World of Promotions and Possibilities

Eat it with Sambil:

Every Tuesday and Wednesday from August to November, our Sambil cardholders enjoyed a 25% discount in the restaurants affiliated to this promotion located at Terrazas del Centro Sambil Caracas.

Each Sambil Mall has a Car for You:

In October 2005, Banesco cardholders multiplied their opportunities of winning 5 cars, 100 pre-paid cards and 50 TV sets with their consumptions in Caracas Sambil Mall, as well as in Valencia, Margarita, Maracaibo and Boleíta Center.

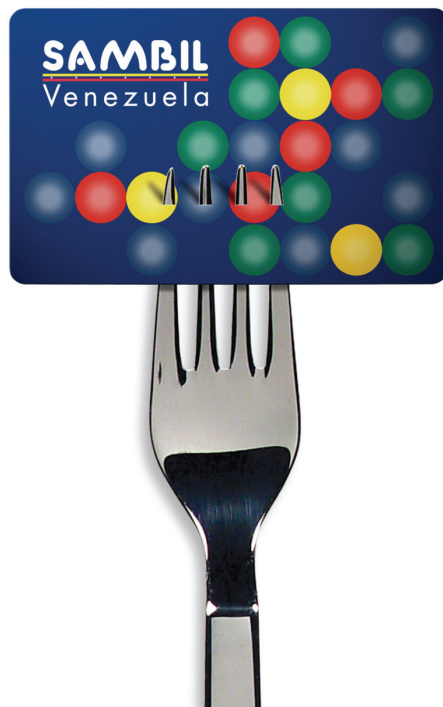
Cash with the Sambil Card:

Since the second half of 2005, our Sambil cardholders can also make cash drawings through our ATMs and branches nationwide or make transfers through 0500-BANCO24.

A Tide of Promotions for our Customers

All on Board!

Our Banesco MasterCard, Visa, Sambil, Rattan and American Express cardholders participated in a raffle of 100 cruises for 2 people to the Bahamas, accumulating Green Points with their Banesco cards from July 1 to September 29.



**¡CÓMASELA
CON ESTA
TARJETA!**

25%

DE DESCUENTO
LOS MARTES Y MIÉRCOLES
EN TERRAZAS
DEL CENTRO SAMBIL
CARACAS.

USE SUS TARJETAS DE CRÉDITO BANESCO Y PARTICIPE EN EL SORTEO DE 100 CRUCEROS PARA 2 PERSONAS



PARTICIPE

Al acumular **Puntos Verdes** con sus **Tarjetas de Crédito Banesco** entre el 1 de julio y el 29 de septiembre, realizando:

- consumos • domicilios • emisión de nuevas tarjetas • avances de efectivo
- pagos a través de BanescoOnline, Banca Telefónica o Autoservicios.

GAÑE

Uno de los 100 cruceros de 5 días y 4 noches para 2 personas:
Miami - Bahamas (Nassau - Cococay) - Key West - Miami.
Incluye pasaje aéreo Caracas-Miami-Caracas.

Visite www.Banesco.com para conocer las condiciones y detalles de la promoción.



Bewitched with Visa

In October we launched the promotion "Visa Bewitches your Purchases". All customers who used their Banesco Visa credit cards to pay for their consumptions in Farmatodo participated in this promotion that also offered instant and cash prizes.

An Unforgettable Visa Story

From November 21 to December 31, our customers accumulated options to win tickets for shows, travels and pre-paid cards per Bs. 50,000 consumption paid with our Banesco Visa Card.

MasterCard World Vacations

From October 1 to December 31, our customers got electronic coupons per Bs. 50,000 consumption paid with the Banesco Mastercard to participate in the raffle of three 14-day travels for 4 people through 3 different cities and enjoy the emotion of 3 games of the FIFA 2006 World Cup in Germany.

Three Great Remedies for a Good Health

Since November 1, 2005, each time our customers paid a consumption in Farmatodo with their Banesco Visa, MasterCard or Maestro cards they received an additional 10% discount in Genven and OTC (Leti Laboratories) products.

Pay Just the Half with Banesco in Cinex

Cinex and Banesco paid the half of the ticket to those of our customers who bought their tickets with the Banesco Visa, MasterCard, Sambil and Maestro cards, from Tuesday to Friday in all Cinex theaters nationwide and up to November.

A Sea of Discounts at Perfumerías Las Villas

Up to September 30, our customers enjoyed a 10% + 5% discount when they paid with their Banesco Maestro, Visa, MasterCard and Sambil cards at Perfumerías Las Villas

Magic Christmas in Metrópolis Shopping Valencia

For the year-end, per Bs. 50,000 consumption paid with Banesco Maestro, MasterCard and Visa cards, our customer enjoyed the advantage of duplicating their chances to win a Gran Vitara and 4-people trips to Orlando.

Platinum Promotion

The Banesco Platinum Visa or Mastercard holders who became shareholders of the Valle Arriba Athletic Club automatically billing their payments to these cards were exonerated from the maintenance quota for a whole year.

The Commercial Outlets also Win!

To encourage the preference for Banesco in their Christmas purchases, we offered a promotion, through an alliance with Movilnet and Sony, for all the commercial outlets affiliated to Banesco. In this way our customers were able to win travels, TV sets and cellular phones

Our customers enjoyed a 10% + 5% discount when they paid with their Banesco cards at Perfumerías Las Villas

EN TODOS SUS CONSUMOS

10% + 5%

—DE DESCUENTO—

EN

PERFUMERÍA LAS VILLAS

CON SUS TARJETAS BANESCO

¡APROVECHE ESTA OPORTUNIDAD!
en el día de la madre y en el día del padre.
Promoción válida hasta el 31 de julio.

Banesco



Towards the Leadership in Transactional Security

In order to minimize more and more the electronic fraud, we developed a tactical educational campaign addressed to the public in relation to the use and care of their Banesco Maestro Debit Cards.

A security scheme was implemented in our ATMs with "Challenging Questions" incorporated into the device. This scheme provides our customers with a cutting-edge technology in the matters of security.

Advanced Electronic Channels

At the closing of the second half of 2005, the average transactions through the electronic channels increased by 40.9% in comparison to the average of the previous year. This accounted for a 73.4% participation of the total transactions, that is, a 4.6 point improvement in against the previous year.

Data Electronic Exchange

A 36.8% increase in transactions was recorded, with a 63.8% increase for managed amounts for payroll services, suppliers payments and direct billing through the data electronic exchange platform, as well as a 50% growth in the amount of customers affiliated to these services in comparison to 2004.

At the closing of the second half of 2005, the services of data electronic exchange have 3,648 customers affiliated, with an average of 2.8 million transactions processed and Bs. 870.16 billion in amounts managed..

We have expanded your possibilities through the following functionalities:

- ▶ Payment of food stamps of the oil industry.
- ▶ Payment of the subsidy for nurseries.
- ▶ Electronic Multicollection: The Commercial Associates can delegate in our bank the responsibility of managing their collections in an automated, fast and safe way. Besides, the EDI service was implanted as well as the schedule of phone support during the banking holidays.

BanescOnline

An increase of 51.1% in the average transactional volume was observed in comparison with the previous year. As a result the base of affiliated customers recorded a twofold increase. For 2005, the channel had above 582,886 affiliated customers and manages a monthly average of 5.66 million transactions and Bs. 488.23 billion. This is a proof of the consolidation of this channel as the main electronic channel in terms of processed operations.

Incorporating New Functionalities

- ▶ New and user-friendly system to access BanescOnline, through a User Name and a Password created by the customer.
- ▶ The customer makes transfers to third parties in Banesco.
- ▶ Change of the Internet access password.
- ▶ Block of the Internet access password.
- ▶ Affiliation to BanescOnline with the Locatel Private Card.
- ▶ Consultation of the Locatel Private Card.
- ▶ Payment of post-payment Movilnet.

An increase of 51.1% in the average transactional volume was observed in comparison with the previous year. As a result the base of affiliated customers recorded a twofold increase

Our Customers

Customers	2005	2004	Absolute Variation	Variation Rate
● SME Customers	112,000	N/A		
● CD People Segment Customers (TDC)	902,822	N/A		
● Credit Cards Holders Customers (TDD)	891,766	749,706	142,060	18.95%
● Debit Card Holders Customers (TDD)	1,468,717	1,201,497	267,220	22.24%
● Customers affiliated to Internet Banking	582,886	401,893	180,993	45.04%
● TDD Customers affiliated to Internet Banking	521,013	362,689	158,324	43.65%
● TDC Customers affiliated to Internet Banking	61,873	39,204	22,669	57.82%
● Business Customers affiliated to Banesco Points of Sales (POS)	21,827	17,767	4,060	22.85%
● New Business Customers affiliated to Banesco Points of Sales (POS)	491	981	-490	-49.95%

Customer Service Phone Center (CAT)

In 2005, the channel managed an average of 2,904,000 telephone calls and 1.89 million transactions per month, with a robotic participation (IVR) above 85%. Of the total of calls, more than 411,000 are received by our phone agents with the highest levels of quality service

Some of our Novelties:

- ▶ Fast response times thanks to improvements in screen navigation and procedures.
- ▶ Implantation of the parameters-adjustable platform for the administration of tariffs and commissions.
- ▶ Massification of the new debit cards approver.
- ▶ Processing of American Express cards in our systems.
- ▶ Fast and safe transactions with our Electronic Banking.

At the end of 2005, Banesco had 774 ATMs (15% of the market), 150 self-service equipment and the widest network of online banking terminals and points of sale (POS) with 244 and 22,414 devices, respectively.

Regional Contacts

In 2005 we continued with our traditional regional tours in order to consolidate closer relations and exchange experiences with our customers all over the country.

In May, we were in Zulia and Nueva Esparta states. For the customers living in the capital city, we organized two encounters at Banesco City.

In July, we visited Barquisimeto and Valencia.

The average transactions as Issuer and Purchaser at ATMs grew by 25.3% and 17.8%, respectively, in comparison to the previous year. This means that Banesco preserved its leader position in transactions as purchaser in the Suiche7B and Conexus networks, with an average market share of 18.44%. Increases of 96.7%, 16.8% and 48.7% were recorded in the monthly average of processed transactions by the self-service networks, online banking terminals and POS, respectively.

Likewise, a service to change the security PIN was implanted in our ATMs, increasing the safety levels for the use of the debit card.

A Sustained Leadership in the Debit and Credit Cards Market

Banesco has preserved its leader position in the Venezuelan market in terms of credit cards sales, recording at the end of December, 2005, a 23.11% share.

Similarly, we are the No. 1 in the market of debit cards in Venezuela, with an 18.68% share in sales at POS.

We Diversify our Credits Supply

At the end of the second half, 2005, Banesco recorded a credit portfolio of Bs. 5.08 billion, accounting for a 102.6% increase against the previous semester (Bs. 2.50 billion).

This important improvement is associated to the strengthening of the domestic economic activity, which led to an increased demand from the different productive sector in Venezuela. They all identified Banesco Banco Universal as the best option in the market to satisfy in a timely and adjusted way their particular needs and financing requirements.

At the end of the second half, 2005, Banesco recorded a credit portfolio of Bs. 5.08 billion

This volume accounted for a 4 percentage points growth of our market share, which reached to 13.6%, raised the intermediation rate in credits up to 57% and ranked Banesco third in the banking ranking. This means that we climbed to the immediate higher position against the previous year, a proof of our firm decision to participate in the activities related to the real sector of the Venezuelan economy.

By 2005, Banesco's agricultural portfolio totaled Bs. 448 billion

Likewise, we keep a direct contact with our customers in the sector and the Venezuelan agricultural regions through visits paid by members of Banesco Board of Directors.

Microcredits

At the end of 2005, Banesco's Microcredit portfolio grew to Bs. 153 billion, accounting for a 178% improvement against the figures recorded the previous year (Bs. 55 billion).

It worth the while to highlight the sharp growth of the mandatory portfolios: agriculture, microcredits and construction.

Supporting Agriculture

By 2005, Banesco's agricultural portfolio totaled Bs. 448 billion, a figure that exceeded by 134% the goal established by the Executive power.

1,047 new credits were liquidated for a total amount of Bs. 423 billion, accounting for a 100% increase in this segment against 2004.

As a part of our credit strategy, we have developed programs adjusted to the producers' needs which have been channeled through the agro-industries and producers' associations. This way, around Bs. 40 billion in credit were consolidated and focused on special programs for the acquisition of agricultural machinery, work vehicles and bovine livestock. Some outstanding examples among these companies are the following: the centrals of Portuguesa and Río Turbio and the National Association of Cotton Cultivators and Productores de Chaguaramas.

This Bs. 153 billion growth stands for 5,95% of the bank's gross portfolio and it's an evidence that this financial institution fulfills at large all the legal regulations.

This portfolio is represented by a total of 5,252 customers, who are mainly devoted to the development of the productive activity in the sectors of trade, technical and professional services, manufacturing industry, transportation and communications, among others, and provide a direct contribution to the improvement of their quality of life and that of their communities as a whole.

In 2005, we advanced step by step towards the positioning of the Banesco Brand as one of the first promoters of Microcredits nationwide. Based on an advanced technological platform and aggressive policies for the credit processes, we were able to make a significant reduction in terms of response time and competitive interest rates; we carried out a growth program that allowed the bank to meet the market needs and foster the development of an important segment of the national productive sector.

SMEs

We encourage the development of the Small and Medium domestic enterprises and support their strengthening in order to favor their competitiveness in increasingly demanding markets, through the introduction of quality products based on advanced technologies. We provide

them with attractive interest rates, a wide array of products and services and conveniences to get credits. Similarly, we have established a relation based on mutual trust with this segment and we guarantee that it will have timely answers to its requests.

Attention to the SME Segment

● Balance of the Total Credit Gross Portfolio of the Bank in Bs.	Bs. 5,180,570,435,955.51
● Balance of the Microcredits Portfolio (granted to SMEs) in Bs.	Bs. 153,598,587,081.74
● Balance of the Business Credits Portfolio (granted to SMEs) in Bs.	Bs. 166,415,580,888.11
● Total Balance of the Credit Portfolio (SMEs) in Bs.	Bs. 320,014,167,969.85
● Balance SMEs Customers in Pasive Accounts in Bs.	Bs. 1.814,000,000,000.00
● No. of SMEs Customers	Bs. 112,000
● No. of Active Companies that deposit Funds of the Housing Savings	Bs.21,533
● No. of Commercial outlets affiliated to Banesco POS	Bs.13,200
● Amount of Credit Letters Processed	Bs.11,000,000 US\$
● CADIVI Transfers	Bs. 13,000,000 US\$



Opening of the UCAB-Puerto Ordaz office

Expanding our Branches Network

With the firm conviction that our customers' comfort is one of our priorities, Banesco Banco Universal incorporated 21 new branches to its network during the second half of 2005, further strengthening its first place in terms of branches all over the country.

Vice Presidencies	Branch	Satellite	Teller	Express Center	General Total
● Capital Downtown	42	6	3	2	53
● Capital East	30	8	3	1	42
● Capital West	46	14	11	--	71
● Center-The Plains Region	38	11	13	--	62
● Western-Andean Region	32	12	7	--	51
● East-Southern	42	3	15	2	62
● Zulia-Falcón Region	30	7	13	1	51
General Total	260	61	65	6	392

The achievement of this important goal was also the result of the professional training of our staff, the development of support tools and a huge effort made by the sales channels to promote the product.

Banesco's efforts and management on the matter of Microcredits was extensive to the whole country, with the decentralization of the credit processes also contributing to a better fluency in each of their stages.

An especial mention deserves the appropriate quality of the Microcredit portfolio, as at the closing of the second half of 2005, the delinquency rate was just of 1.54%.

Housing for All

At the end of 2005, Banesco, the leader in the taking of the Mandatory Savings Fund resources recorded a total of Bs.774 billion in this kind of credits, contributing in this way with 7,078 families (around 35,000 people) to own a home. This is a record within the domestic financial system and a level that exceeds our own benchmark recorded in the previous years.

Another record recorded by Banesco in 2005 was a 66% growth in the number of new members of the Housing Mutual Fund, through the affiliation of remarkable companies both from



Housing Mutual Fund

	Amount Credits Housing Mutual Fund	No. of Credits Granted
● Balance of the Housing Mutual Fund Portfolio	764,536,179,224.77	40,230
● Total of branches and offices, including SEM segment	717,953,971,468.82	36,461
Total	1,482,490,150,693.59	76,691

the private and public sectors. This allowed the bank to mark an important distance against its closest rival in terms of market share. Banesco reached to a total market share of 29.92% of the Commercial and Universal Banking.

The deposit taking in this segment managed by Banesco totalized Bs. 931 billion at the end of 2005, accounting for an increase of 13% against the closing of the first half of 2005 and 33% higher against December 2004.

Specialized Banking

A Solid Presence in the Premium Segment

We could assert that the best period for the Premium segment was the second half of 2005 from the very beginning, as thanks to the commitment of 150 advisors, the support of all our branches and the strategic alliance with the network leaders we have met our goals:

- ▶ This segment shows passive levels that account for 21.6% of the branches network in just 23,040 customers.
- ▶ We have been faithful to the premise that just three years ago encouraged us to create this attention channel, "... an important money mass in the hands of few customers who require customized attention ...". The composition of this passive is of 57% at sight and 43% at term, reflecting a strong portfolio profitability.
- ▶ We have achieved our passive goal at 244% and trusts by 100% thanks to a diversity of products offered by the advisors for our selected group of customers.
- ▶ In relation to the active portfolio, we grew by 337%, a result consistent with our perspectives.
- ▶ The crossing of products is located at 5.01 per customer, with 70% of debit and credit cardholders and 40% of customers that use BanescoOnline.
- ▶ 3,619 credit cards were granted, accounting for 354% of fulfillment over the established goal. We are talking not only about cards granting (56% of cardholders in the customers portfolio), but also considering the quality of our cards portfolio in terms of its low delinquency rate. Finally, the Premium customers' base reflects loyalty in the use of Banesco credit cards.

3,619 credit cards were granted, accounting for 354% of fulfillment over the established goal

Private Banking Deluxe

The main achievement of Banesco Private Banking during the second half of the year 2005 was the definition of customers' micro-segments in order to determine the potential demand of financial products that we are able to offer to the VIP customers based on their needs. The variables taken into consideration were the following::

Equity, level of economic activity (income), risk proneness and age.

The micro-segments defined are the following:

- ▶ First Class Plus
- ▶ First Class Consolidated
- ▶ First Class Growth
- ▶ First Class Classic

It is also important to underline that the volume of credit portfolio managed by the Private Banking, which closed in June 2005 at Bs. 32,469 billion and totaled by December 2005 to Bs. 83,400 billion, accounting for a 157% increase.

Finally, it's outstanding the increase of the volume of the passive portfolio managed, which went from Bs. 768,614 million in June 2005 to Bs. 889,063 million in December 2005, accounting for a 16% increase

Successful Management of our Specialized Banking Renewed Energy Banking

The restructuring of the Oil and Basic Industries Banking was concluded:

- ▶ Change of the name to Energy Banking in order to reflect the specialization of the energy business field.
- ▶ The hydrocarbons, electricity and iron and steel sectors were established in the Capital region.
- ▶ In the province we reinforced the business areas: new staff was incorporated in Maturín and Anaco, while in Guayana we will establish a Regional Management in order to manage in situ the business with the Basic Industries.
- ▶ We keep our leadership in payments and investments with PDVSA and its subsidiaries.

In the new iron and steel sector we increased our market share by 10 additional points. This drives us closer to the leadership in the most important value chain in relation to the GDP, after PDVSA.

We have penetrated as national bank in the three most important world oil companies in terms of business and domestic and international business, leaving behind traditional banks.

We keep an important position in active and passive portfolio that prepares us to take the lead in 2006 in the market of national banks working with the energy sector

Trusts

Excellence

The Trusts portfolio amounted to Bs. 4,434 billion in December, recording a Bs. 47 billion increase during the second half of the year. 49% of this total amount corresponds to the public sector and 51% to the private sector.

Within the total portfolio the Management Trusts amounted to Bs. 2,231 billion, those of Mixed Characteristics totaled Bs. 53 million, with the Investment Trusts at Bs. 177 billion. 25 of the Collective Trusts reached to Bs. 670 billion and finally the Guarantee Trusts amounted to Bs. 1,303 billion.

During the second half of the year 2005, the Collective Trusts recorded the highest growth rate, accounting for a 20% growth.

Upon the closing of the year the revenues totaled Bs. 19.7 billion; 62% of this amount corresponds to the public sector and the rest to the private sector.

The Investments Trusts closed at Bs. 1,816 billion in 2005, that is an 8% increase against the closing of the first half of the year. The most outstanding investments were in Domestic Public Debt bonds (83%) and bonds underwritten by financial institutions in the country (11%).

During the period, 523 new Trusts were established such as those in the administration field: Lagunita Mall, Miranda Regional government, Zulia Regional Government, INDER and Foundation Proyecto País. Regarding the Investment Trusts, we can mention PROAGRO and INVITRAMI in the area of severance payments.

The existent business in Trusts reached to 6,276 plans, with 4,141 focused on Administration Trusts, 738 Collective Trusts, 1,329 Investments Trusts and 66 Guarantee Trusts.

For the financial system as a whole, the Trusts assets reached to Bs. 61,985 billion at the end of December. Excluding the trusts managed by the state-run banking, BanESCO recorded a 16% share equivalent to Bs. 4,434 billion in the private banking field.



Risks Control

Information Safety and Business Continuity

Seeking to preserve and improve our positioning in the Information Safety and Business Continuity area, we continue working in the development of the best international practices and standards, strengthening the protection to the information assets and the operational continuity of the crucial processes for the business, all this in the framework of a services schema for our internal and external customers.

Our efforts have been focused in reinforcing the safety of the technological platform, incorporating upgrades into the monitoring services (prevention/detection), access controls and security schemes in the development and maintenance of applications.

It is important to underline the task aimed to consolidate the Information Safety and Business Continuity culture, through a permanent process to raise awareness along the lines of our internal and external communications practices. In order to support this discipline we have defined and structured a Management Model for Crisis to insure a timely detection and response allowing to prevent and minimize risk events.

We will continue with our efforts in order to consolidate this practice within the Organization. This in turn will allow us to minimize the impact of the interruptions of our crucial processes

Operations at Full Speed



We started an examination as the first step to update and automate the tests processes in our subsidiaries

Custody and Domestic Collection

During the second half of 2005, the remittances sent and received through our subsidiaries increased by 150% and more in terms of transactions and by 200% and more in bolivars.

The VP of Operations, through the Management of the National Collection Division runs the 21 tellers for the collections of our customer CANTV, which had been temporarily managed by the Corporate Banking. In this framework the management focused on the adjustment of processes, structures and services provided by the CANTV tellers to operating parameters, rules and work flows of our bank. This was possible through a 100% migration of the ETI (Empresa de Trabajo Temporal) personnel, which operated 60% of CANTV outsourcing tellers. Today, all the personnel working at these tellers are Banesco employees.

Likewise, we saw an 80% increase in the process of deposits to the customer the same day of the collection and we launched operations in 6 additional tellers.

At the end of December 2005, we had covered a total of 74,000 transactions for a Bs. 11 billion collection in 27 tellers.

Taxes, Cash and Special Electronic Services

The progress of the Electronic Deposit Project keeps going on. This service will allow our corporate customers and companies to make online deposits through our Web page.

In order to duplicate the capacity utilization at the work stations we created shifts in different schedules. This allows the users to interact with the same work tools in a single work station and results in costs reductions.

Compensation

The volume of checks authorized by our institution in 2005 was increased by 11% against the previous year (around 2 million checks). This was possible without increasing our payroll or incurring new costs. We just had to optimize the processes flows to achieve this goal.

Besides, we started an examination as the first step to update and automate the tests processes in our subsidiaries.

Back Office

In order to render a more timely and efficient service to our customers, the CADIVI-Banesco Customer Attention Agents were provided with wireless work stations, so as these customers could be served in their own offices.

The first phase of the SITMES Project was successfully concluded. The SITMES automates the liquidation of payments orders sent by the National Treasury Office to the national banking through the Central Bank of Venezuela. Taking as the standard the SWIFT messages platform it is possible to guarantee not only a safer process, but also more timely and transparent.

We started an examination as the first step to update and automate the tests processes in our subsidiaries.

Support Systems for Decision-Making

We have developed specialized technologies to support the decision-making process of our executives. This, in turn, favours the making of timely decisions with a lower uncertainty levels and results in benefits for our customers and stockholders.

- ▶ Special mention deserves the Empowerment in Information Self-Services, through which the user is able to configure the data and statistics generation to optimize the analysis and establishment of business strategies.
- ▶ Financial Management Model of the Direction of Information Technology and Processes; adjustment of the Integral System of Requirements for Green Points in order to automate the customers' attention.
- ▶ CD+ and SMEs segments: reports for follow-up and control of these market segments.

Credit Cards Franchise Regulations

In order to fully comply with the regulations and commitments established with the regulatory bodies, in BanESCO we have made efforts to develop automated solutions aimed to improve the controls and safety of our operations, such as:

- ▶ MasterCard and Visa Franchises: incorporation of regulations aimed to guarantee an appropriate exchange process, fast and free of financial losses.
- ▶ American Express Issuer Franchises: we have achieved our total independence in relation to the external supplier; costs and risks reduction; a higher control and increase of the credit cards portfolio and quality service, now that our American Express cardholders have access to a quota in dollars authorized by CADIVI for travels; Internet and cash in our wide subsidiaries network all over the country. To this date we have processed more than 665,000 international transactions.

We have developed specialized technologies to support the decision-making process of our executives

Support to the Credit Management

Following the guidelines of our strategy that seeks to devote important efforts to the credit business, the Direction of Information Technology and Processes developed the following systems

to support the different telemarketing campaigns with cutting-edge technologies, the wide array of new credit products, as well as to guarantee the fulfillment of all the applicable regulations:

- ▶ Automation of Telemarketing Corporate Campaigns at the Call Center.
- ▶ Visa Bonifications.
- ▶ Incorporation of the American Express movement into the Automated Accounting Module for Credit Cards.
- ▶ ROCA Information Project and Official Entities-Credit.
- ▶ Project Autonomies of Credit, Discount in Rates and Multi-credits approved in 48 hours.

Advanced Methodology

New methodologies and the best banking practices guide BanESCO towards excellence. As a way of example we can mention the adoption of the Rupcorb Methodology, which is seen as one of the most successful methods to build technological solutions for the business and an enhanced accuracy, optimization of the systems quality and processes of the business under development.

Likewise, we have incorporated to our business areas a series of automated tools bounded to offer easier and more organized solutions to the systems requirements. In order to guarantee an improved offer of technological services we have devoted great efforts to develop the ITIL Methodology, also deemed as a cutting-edge method and used by renowned institutions all over the world.

At this very moment we are displaying the Six Sigma philosophy, used by world class companies to attain quality service standards above the customers' expectations and make of the quality service a value factor that we could be offered in a consistent way in each experience or contact between BanESCO and our customers.

Addressing the need of providing an easier access to our financial services we have encouraged the change from conventional banking channels to electronic and phone channels that are faster, provide a better service and allow lower costs through a series of modern, user-friendly and safer systems now available for our customers.



Delcop representatives at The Toddlers' Villages

We see our suppliers of services and products as allies in the success of our organizational management.

We offer them transparency and equal opportunities as the fundamental criteria for our relationship and we are responsible and punctual in

the payment of their services. Similarly, we encourage them to abide by the principles that rule our Corporate Social Responsibility Policy.

In 2005 we established relations with 2,054 suppliers, ratifying in this way our commitment to the domestic industry to which we paid Bs. 483,494,729,828.41.

Suppliers 2005

Proveedor	New Suppliers 2005	% of total 2005	New Suppliers 2004	% of total 2004	Absolute Variation 2005-2004
Stationery	46	2.24%	38	4.57%	8
Mail, values and messages transportation	61	2.97%	29	3.49%	32
Training	73	3.55%	34	4.09%	39
Travel Agencies and Hotels	133	6.48%	28	3.37%	105
Building rent	141	6.86%	101	12.14%	40
Administrators and Condos	173	8.42%	82	9.86%	91
Advertising and Condos	287	13.97%	119	14.30%	168
Managerial Consulting	289	14.07%	120	14.42%	169
Maintenance	353	17.19%	145	17.43%	208
Others (varied services)	498	24.25%	136	16.35%	362
Total	2,054	100.00%	832	100.00%	1,222



Representatives of Recrea Entertainment in the Toddlers' Villages



Representatives of Recrea Entertainment in the Toddlers' Villages

Amount Paid to Suppliers

Suppliers	Amount Invoiced 2005	% of total invoiced at 2005	Amount Invoiced 2004	% of total invoiced at 2004	Variation Amount Invoiced 2005-2004
● Electric Power Utility	8,467,202,685.53	1.75%	8,115,819,678.67	3.56%	4.33%
● Equipment rental	16,817,258,044.77	3.48%	21,013,988,530.30	9.22%	-19.97%
● Printed matters and value paper	19,176,536,986.30	3.97%	16,495,383,742.55	7.24%	16.25%
● Technology	19,668,867,343.07	4.07%	6,440,843,767.54	2.83%	205.38%
● Building rent	20,466,839,732.70	4.23%	15,368,856,087.83	6.74%	33.17%
● Advertising and Marketing	36,058,074,336.95	7.46%	25,202,432,835.27	11.06%	43.07%
● Managerial Consulting	43,755,814,145.53	9.05%	28,094,528,404.49	12.32%	55.74%
● Securities, Mail and Messages transportation	46,756,801,042.34	9.67%	27,966,634,123.82	12.27%	67.19%
● Maintenance	183,310,180,982.05	37.91%	18,070,934,418.76	7.93%	914.39%
● Others (11 different services)	89,017,154,529.17	18.41%	61,188,020,172.42	26.84%	45.48%
Total	483,494,729,828.41	100.00%	227,957,441,761.65	100.00%	112.10%

We have joined efforts with our suppliers in aid of the neediest. These are some of the companies with social sensitivity that share our Corporate Social Responsibility philosophy.

Our Suppliers' Social Investment - 2005

Organization/Institution	Project	Amount Bs.
● Restaven de Venezuela	Water donation for the Guarenas community, Barrio 19 de Marzo, along with the Red Cross and Banesco volunteers	4,500,000
● Recrea Entertainment 3.000	Transportation for community visits of the Red Cross volunteers to the Guarenas community, Barrio 19 de Marzo	2,500,000
	Cooperation for a visit to Fundana Toddlers (magicians, entertainers, music and decoration)	2,500,000
● Organización Irdesir	Transportation for a visit to Las Villas de Fundana	700,000
● Jackie Robinson Sport	T-shirts for the corporate volunteers	1,200,000
Total Bs.		13,400,000

Donations

Supplier	Donation
● ISF Alitz C.A. Technological Supplier Certified by IBM	1 laptop
● Globex Travel	2 round-trip packages to Margarita
● Sistelemática Clam Club	2 printers
● Insyscom	2 printers
● Met Telecomunicaciones	1 Epson Ink printer
● Corporación Integranet	1 Digital HP Camera
● Grupo Telesis	1 256MB Pen Drive

Our workers contributed to the success of the tickets sales for the Gran Rifa de Fe y Alegría, an initiative carried out on a annual basis with the purpose of raise funds to finance the continuity of its projects. To acknowledge their effort we organized a raffle where 10 people received prizes. The gifts they received were donated by our suppliers

Taxes and Contributions 2005



In 2005, Banesco received profits amounting to Bs. 320 billion; it paid Bs. 144.94 billion in taxes and contributions and declared dividends amounting to Bs. 129.66 billion.

Taxes

Tax	Amount Bs.
● Income Tax	81,200,000,000.00
● Council Tax (municipalities)	17,117,050,209.92
● Banking Debit Tax	7,426,380,056.64
● Value Added Tax	49,647,000,000.00
● Other taxes and contributions	1,387,543,640.42
	76,777,973,906.98
Contributions to Governmental and Regulatory Entities	
● FOGADE	40,229,869,693.99
● SUDEBAN	11,423,277,528.73
	51,653,147,222.72
Employers Payments	
● INCE	2,302,227,901.04
● Social Security	8,120,882,915.88
● Unemployment Insurance	1,148,625,031.63
● Law on Housing Policy	1,769,736,880.30
	13,341,472,728.85
● LOSEP	3,195,220,852.35
Total Bs.	144,967,814,710.90

Our Commitments



Our Commitments

Our purpose is to continue innovating and adjusting our organization to the best national and international practices in all the areas of our financial and social activity. In this sense, we have established a base of commitments to be fulfilled in the short and medium term.

Code of Ethics

The Executive VP of Human Capital will review and update the Code of Ethics of our organization, which shall be duly approved by Banesco Board of Directors. We will adjust our institution to the regulations in force on the matter and to the best national and international practices in this field.

We will also place at the disposition of the general public the "Saving Step by Step" as an option to the so-called San or "little box."

The innovator banking model is based on elements and electronic channels that make easier the banking services, as well as the request of customized credits through an advisor who visits the commercial outlets and micro-entrepreneurs where they could be located.

Indicators of Response Time to Claims

We have developed a very constructive dialogue with the Superintendence for the Promotion and Protection of Free Competition (Procompetencia) in order to channel the claims of our customers and associates and provide them with a timely and effective response. We intend to improve the existent system of claims attention in order to consolidate our purpose of increasing the quality of our services. Currently, we count on a Customer Attention Unit that serves as our link with the customers. We intend, in the short run, to support this information and include it as an indicator.

Disabled People

With a clear conscious that disable people deserve equal opportunities, both in the labor market and in their human rights, we point to a phase-out increase of the number of disable people working in our institution. We have 15 young disable citizens who have joined our work team and the results have been highly satisfactory.

Community Banking

In order to be able to meet the demand of financial services and products of the people and sectors excluded from the banking system, particularly those who live and have business in the low income zones, we will create the VP of Community Banking as a leader area in this project. We will embark on this initiative based on the fact that a mere 25% of the Venezuelan citizens enjoy of at least a product from the banking, that is, only 3 in 10 people have relations with a bank. It is evident that in this sector of the population, characterized as entrepreneurial, there is a business opportunity for the banking with a high social impact.

Banesco Community Banking will count on branches aimed to provide all the required information about this new banking model and the customers will be attended to through different channels that will respond to the needs and habit of the sector excluded from the banking system:

- ▶ Community Advisor
- ▶ Commercial outlets with personal attention.
- ▶ Commercial outlet with electronic points

As far as the credit segment is concerned, Banesco Community Banking will offer its "Loans to Work" through advisors who will make planned visit to the customers where they happen to be. These loans will offer a rate well below those offered by the money lenders that operate in the sectors outside the banking system.

The beneficiaries will be able to open their Community Account with Bs. 0 and it will be managed with a debit card. The account holder will be able to make all his banking operations -including consultations, drawings and cash deposits- in the commercial outlets identified as "Banca Comunitaria Banesco", besides Banesco's ATMs network and points of sale nationwide and the Web page www.bancacomunitariabanesco.com

We will also place at the disposition of the general public the "Saving Step by Step" as an option to the so-called San or "little box", through which the customer will decide how and when he wants to save and to which extend.

Management Model based on Competences

We will complete the adjustment of a management model based on competences that seeks to align the workers' performance with the strategic objectives of our institution.



We have 5 young disabled citizens who have joined our work team and the results have been highly satisfactory

The Executive VP of Human Capital will be the key executive area that will allow the institution to proceed to coordinate all the matters concerning the human capital area with the business strategy. Likewise, it is the cornerstone to design, develop and consolidate the Career Plan of Succession and Development for our people.

In BanESCO we have a clear idea about the vision of our company vis-à-vis 2010. On this base, on the one hand, we want to define the block of technical and attitudinal competences required for the different posts in BanESCO and, on the other hand, the competences already existent in all the workers to be able to achieve the established goals.

One of the virtues of this method is the fact that each boss can assess the competences of their subordinates and each employee can make a self-evaluation. The crossing of these two

instruments results in the “development gap” which will be the base to prepare the Individual Plan of Development. This plan asserts that the competences “belong to each one of us and it is necessary to understand them in this way. Thus, when a competence is developed it is not because the bank has given that instruction but because it is good for me and for the organization.”

To materialize this model we received the advice of Martha Alles, an Argentine expert on Human Management.

Suppliers

In a first attempt to approach our associated in order to create a social action network allowing us to strengthen BanESCO social policies, we will launch a fluent dialogue with our suppliers with the aim to exchange ideas in relation to our Social Responsibility Programs and multiply our efforts on this matter.

Indicators and **Appendixes**





EACH PIECE COUNTS SOCIAL BALANCE

1998-December 2005

ASSETS

APPLICATION THIRD PARTIES RESOURCES AND BANESCO	38,739,330,000
Solidarity (Capital and Regional)	1,792,017,000
Solidarity Asia	100,000,000
Project Social Entrepreneurship with the IESA	140,000,000
FUNDANA	919,582,000
Words for Venezuela	2,814,143,000
Fe y Alegría	6,951,207,000
Investments in Fe y Alegría Trust	3,333,328,000
State Foundation for the National Systems of Youth and	
Infantile Orchestras of Venezuela	1,050,887,000
Civil Association Don Bosco Houses Network	359,751,000
Salesian Ladies Association	142,068,000
Maracaibo Archdiocese	120,000,000
Venezuelan Foundation against Infantile Paralysis	197,806,000
Toys donated to the community in Christmas	852,539,000
Casartes	16,797,000
Editorial Projects	385,400,000
Computers donations	318,698,000
Other contributions	4,813,089,000
Central University of Venezuela (UCV)	123,563,000
Catholic University Andrés Bello (UCAB)	1,735,895,000
Simón Bolívar University (USB)	293,504,000
Zulia University	109,085,000
Los Andes University (ULA)	80,000,000
East University (UDO)	53,000,000
Intervention in works at Colinas de Bello Monte	769,582,000
BanESCO Life scholarships	139,199,000
Non-contractual social benefits for BanESCO's employees	11,094,968,000
Contribution to the Corporate Volunteers	33,222,000
APPLICATION OF ARTICLE 96 OF THE LOCTICSEP	9,038,731,000
Venezuelan Association of Catholic Education (AVEC)	2,899,276,000
Children's Museum	225,000,000
Fundana	110,000,000
Alliance for a Drug-Free Venezuela	100,000,000
ABC Prodein (Santa María City School, Petare-CISAMA)	276,000,000
Education (Anti-Drugs Campaign)	1,972,853,000
TOTAL ASSETS	47,778,061,000
LIABILITIES	
Accounts Payable Fe y Alegría	3,333,328,000
TOTAL LIABILITIES	3,333,328,000
EQUITY	
Contributions from BanESCO Organization	34,962,002,000
Contributions from the public	444,000,000
Article 96 of the LOCTICSEP	9,038,731,000
TOTAL EQUITY	44,444,733,000
TOTAL LIABILITIES AND EQUITY	47,778,061,000

We closed the year 2005 with excellent news. The amount of our social investment was above Bs. 120 billion, accounting for 6.25% of the profits received by BanESCO Banco Universal last year. These resources were voluntarily devoted by the Organization to programs and projects linked to the health and education sectors, as well as to the human resource that accompany this financial institution along its daily operations.

We have carried out our social responsibility work hand in hand with our customers, suppliers, workers and social partners. They are: Fe y Alegría, Fundana (Foundation for the Child who Needs Protection), the Venezuelan Association for Catholic Education (AVEC), the Don Bosco Houses Network, Casarte, the IESA, the UCAB, the Excelsior Foundation, the Children's Museum, the Salesian Ladies Association, the Venezuelan Red Cross, the Venezuelan Foundation Against Infantile Paralysis, the Venezuelan Anti-Cancer Society, the Apoye Institute, Venezuela without Boundaries and the State Foundation for Youth and Infantile Orchestras.

We are also proud and satisfied with the official introduction of our first Corporate Social Responsibility Annual Report which covers BanESCO's internal and external social investment along the year 2004. Our indicators were verified by BDO Guillén, Machado & Asociados -an independent public accounting firm- and we took as the point of depart for its preparation the parameters related to social issues, sustainability and schemes for the management of the Corporate Social Responsibility (Standard AA-1000 and GRI.)

On an annual basis we will prepare this Corporate Social Responsibility Report which will complement the information expressed through the consecutive social balances that we will submit before the country in the framework of a transparent management exercise.

DIRECTORS

Juan Carlos Escotet
Luis Xavier Luján
Jorge Caraballo Rodríguez
María Josefina Hernández
Nelson Becerra Méndez
Gonzalo Clemente Rincón
Fernando Crespo Suárez
Salvador Acosta López
Oswaldo Padrón Amaré



Management Indicators



The Community Evaluates Banesco

We conducted a survey in 2005 in order to evaluate Banesco projection as a factor socially responsible in the Venezuelan corporate market and, particularly in the domestic financial system. The survey was conducted by Nelson Rivera Comunicación Integral.

Sample

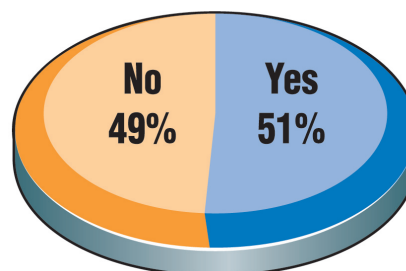
Location	Total	ABC (30%)	C- (40)	D- (30%)
● Caracas	300	90	120	90
● Maracaibo	200	60	80	60
Total	500	150	200	150

Field Date:

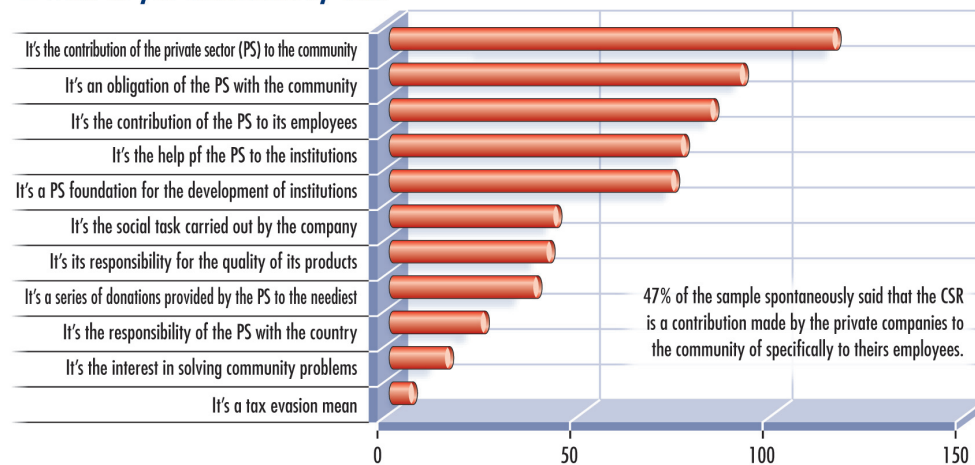
- ▶ Caracas: 29/06 to 09/07 2005
- ▶ Maracaibo: 02/07 to 14/07 2005
- ▶ Methodology: Survey by homes

● The community evaluates our work

Asked if they have heard, read or seen sometime the expression CSR, they answered as follows:



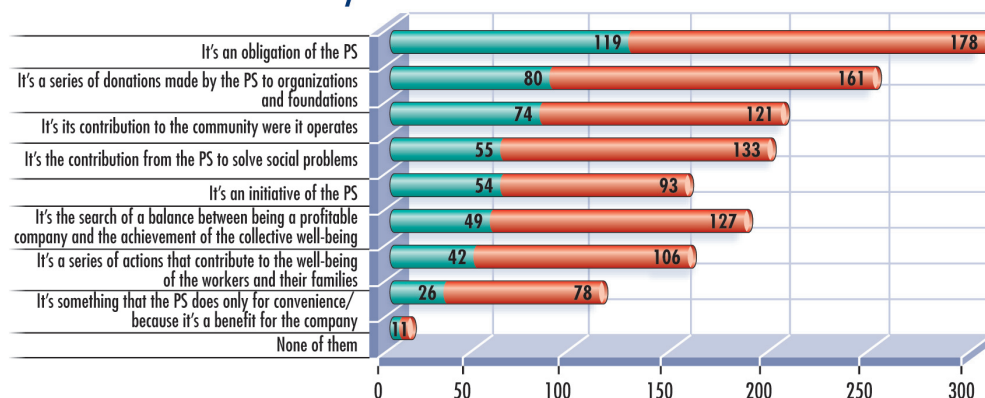
● What do you understand by CSR?



47% of the sample spontaneously said that the CSR is a contribution made by the private companies to the community of specifically to theirs employees.

47% of the sample spontaneously said that the CSR is a contribution made by the private companies to the community of specifically to theirs employees.

Which of these sentences do you associate with the CSR?



Beneficiaries of the CSR Programs

- 47% of the surveyed subjects said that the community is the beneficiary.
- It is understood that the CSR benefits the private sector (35%) because it has a positive impact on the image of the private companies, thus, they attract more customers, increase their sales and produces more profits.

Brand or Company Recalling Rate

- Banesco ranks second in the top of mind of brands or companies that work for the community or country well-being.
- Banesco is recalled as the No. 1 bank that works for the community or country well-being

Recalling of CSR Programs Associated to Banesco

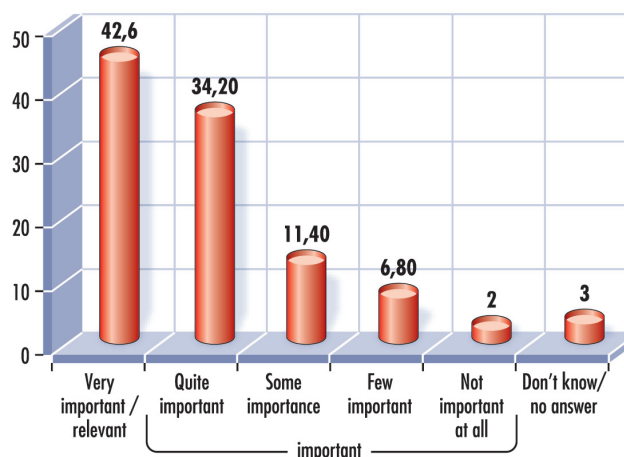
- The CSR associated most frequently (26%) to Banesco it's the support to Fundana's Toddlers. In the second place, with a 19% recalling rate, we find the support to the Maestro Abreu Orchestras System.
- The support to the Maestro Abreu Orchestras System is top of mind in the ABC* socio-economic level; while in the C- and D the top of mind is the support to Fundana's Toddlers.

Advertising Recalling Rate of CRS

- 100% of the subjects who remember the advertising for the Maestro Abreu Orchestras System, Fundana's Toddlers and Fe y Alegría identify Banesco as their unique sponsor.

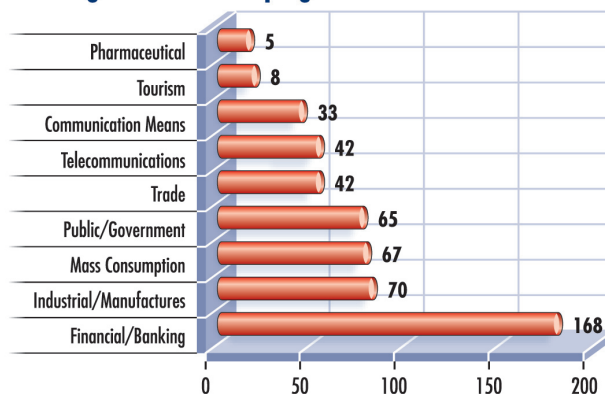


In your opinion, how important is it the CSR activity carried out by the Venezuelan and foreign companies in our country?

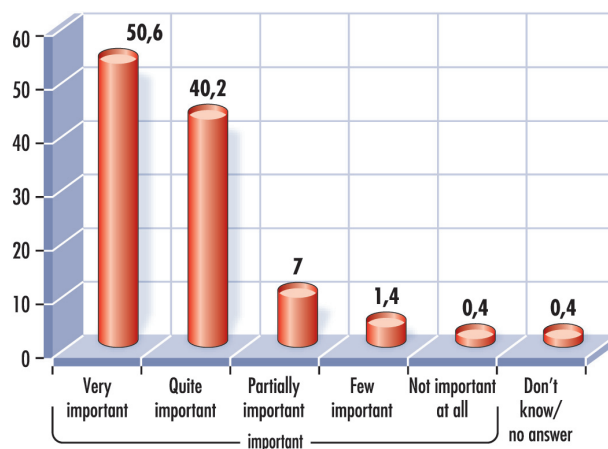




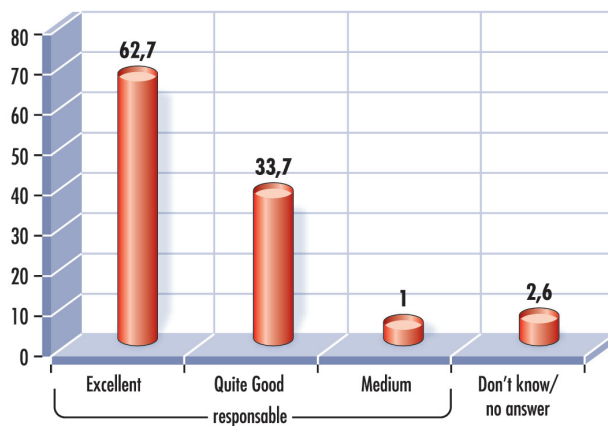
• What sector of the domestic economy would have the highest possibility of producing significant changes with its CSR programs?



• How important is it for you that the banking participate in the search of solutions of social problems through its CSR management?

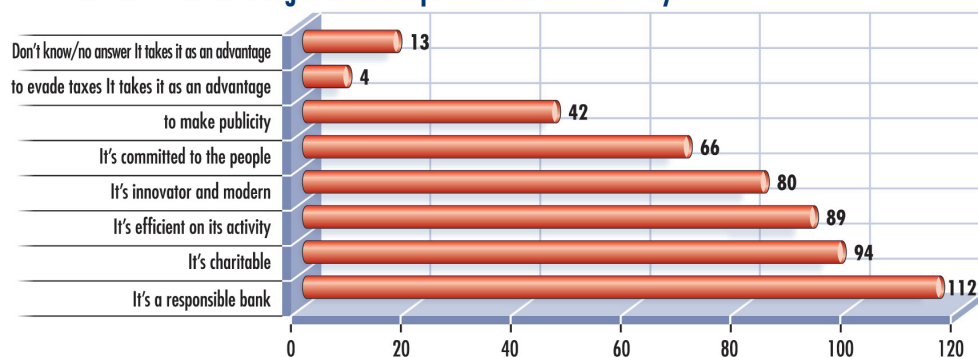


• How would you evaluate Banesco CSR level?





Which one of the following sentences explains Banesco CRS activity?



... And also our Social Partners

We conducted a survey among our social partners in order to pulse their perception about the execution of our Social Responsibility policy. We evaluated four variables linked to our performance: response time to their requests; orientation and support along all the process; quality and quantity of information supplied; and results production.

The result of the survey was really satisfactory. When we considered all the variables we found that our Social Partners are very satisfied with our performance as a socially responsible company.

We also evaluated Banesco position among the main private companies in Venezuela, taking into consideration the recalling rate of this financial institution as a socially responsible company against the recalling rate for the Social Responsibility activities.

On a universe of 500 surveyed subjects in the Caracas Metropolitan Zone, as well in Maracaibo, we found that Banesco ranks first and the CSR

activities more frequently associated to this organization are our support to the Fundana's Toddlers (26%) and our contribution to the maestro Abreu Orchestras System.

Satisfaction Index of our Social partners 2nd Half 2005

Variables	%
Response Time	89.29
Guidance/Support	91.07
Information Quality and Quantity	96.43
Results Production	78.57
Indicator Value	85.27

Management Results

Management Results

Social Partner	Project Title	Description	Direct Beneficiaries	Indirect Beneficiaries
● A.C. Salesian Ladies	Functioning and Training of the "Centro de Formación profesional Don Bosco 88"	Program of Integral Training for the youth in order to raise awareness about the real value of work as a self-fulfillment means	193 apprentices	579 people of the family entourage
● AVEC	Integral Prevention of Drugs Consumption	To launch the development of a culture of heal and integral social prevention of legal and illegal drugs consumption in 30 AVEC schools	6,968 Children and Adolescents	34,840 people
● AVEC	Parents with an Active Consciousness	To inform the families about Christian values and drugs prevention through 12 programs of 60 minutes which were broadcast for 13 weeks	80,000 TV watchers	N/A
● Venezuelan Red Cross	Emergency Appeal	Integral project for health, water and sanitization	1,000 families	5,000 people
● Venezuelan Red Cross	PPD and APS 2004-2005	Project to improve health conditions, reduce the vulnerability to natural disasters on 10 communities of three states of Venezuela	3,774 people	18,870 people
● Fesnojiv	Construction of the Seat Building for the Orchestras National System	Educational space with 90 classrooms of simultaneous rehearsals, 2 amphitheatres and academic classrooms. It has enough capacity to integrate the academic action with the Coral, dance, stage design, production, manufacturing and repair of musical instruments, archives, among others	300,000 members of the Orchestras National System	120,000 people (students, professors, general public and Fesnojiv employees)
● Foundation Friends of the Child with Cancer	Purchase of medications	Purchase of antineoplastic drugs for chemotherapy for children and adolescents	20 patients	80 families of the patients
● Excelsior Foundation	13th Event of Acknowledgement and Encouragement for Students	Award the Academic Excellence to the Best Students of private and public schools in different municipalities and states. They also award children at special education schools	2,262 students	11,310 people 5,000 people
● Children's Museum Private Foundation	Exhibition The Emotion of Living without Drugs	Participation of different Fe y Alegria schools, as well as the children of Banesco's employees in the activities of the Children's Museum for Drug prevention	2,146 Children (students at the Fe y Alegria School and the Children of Banesco's employees)	5,000 people
● Venezuelan Foundation Against Infantile Paralysis	XI Scientific Conferences of the Hospital Ortopédico Infantil Dr. César Vásquez	International scientific event aimed to present advances in surgery, share knowledge and communicate new experiences in this field	297 doctors specialized in Traumatology and Physiatrics	All the patient of the Hospital Ortopédico Infantil (140,000 per year)
● Fundana	The Toddles Villages	A home for infants who have been abandoned or are victims of physical abuse	267 children	2,659 relatives, workers and volunteers
● Fundana	First Auction in aid of Fundana	Funds raising through the auction of works donated by national and international artists	267 children	2,659 relatives, workers and volunteers
● A.C. Don Bosco Houses Network	BoscoBus	Assistance to and family reinsertion of children and adolescents in the streets at a mobile unit	184 children, directly and continuously 132 occasionally attended to 20 incorporated into attention entities 07 incorporated into therapeutic units 07 in Attention Centers for VHI and Attention deficit Disorder, 18 incorporated into its original family	156 families
● UCAB	Edificio Cincuentenario UCAB	Construction of Classroom Type "A" (176 m2, 200 people capacity)	1,000 students	5,000 people
● UCAB	Construction of the Student House and the Amphitheater in UCAB Ciudad Guayana	Area of the Student's House: 899 m2 Amphitheater: 364 m2. Both works were made with concrete, chopped stone and structural steel	2,400 students, professors and employees of this university	12,000 people
● Venezuela without Boundaries	Program "De la Mano Contigo"	Surgeries for children affected by heart diseases	10 children	45 families

Status of the work or project before 2005	Status 2005	Final execution	Land Tax	Percentage executed
● 168 apprentices	The enrollment increased by 14.8% (25 new students)	Project on permanent execution	Capital District and Miranda State	The first goal of exceeding the enrollment recorded in 2004 was met by 114.8%. The second goal for training was met by 78%
● 5,039 children were directly attended to and 25,600 people indirectly	Increase of direct beneficiaries (1,927 children and adolescents) and indirect (9,240 people)	Project on permanent execution	National	100%
● N/A	Carried out satisfactorily	Completed in the scheduled date	National	100%
● N/A	Carried out satisfactorily	Completed in the scheduled date	Vargas, Miranda, Mérida, Yaracuy, Falcón and Carabobo states	100%
● N/A	Carried out satisfactorily	Completed in the scheduled date	Capital District, Miranda and Vargas states	100%
● 14,000 m2 of construction	17,000 m2 of construction	Deadline: 2006	National	100%
● Integral Assistance Program for 439 patients	The number of patients attended to increased to 538	Completed in the scheduled date	All Venezuela's states.	100%
● 2,232 students	Carried out satisfactorily	Annual project	25% Capital District, 24.91% Miranda	100%
	The number of awarded students increased (30 children)		Falcón state (Municipalities: Caricubana and Los Teques), Capital District (Municipalities: Baruta, Chacao) Miranda State: El Hatillo	
● 2,264 children attended to	Carried out satisfactorily	Project on permanent execution	Capital District and Miranda state	100%
● N/A	Carried out satisfactorily	October	National	100%
● The work was inaugurated	Facilities in full operation	Project on permanent execution	Capital District and Miranda State	100%
● N/A	Bs. 266.7 million raised	Annual project	Capital District and Miranda State	100%
● Procedures to implement the project and design of the mobile unit		Project on permanent execution	Capital District and Miranda State	100%
● The Cincuentenario building was partially constructed	Fully operative with all its classrooms and equipment	2005	Capital District	100%
● Planning of the construction	The construction was started on February 14, 2005	Culmination of the work: September 30, 2005	Ciudad Guayana	100%
● N/A	Carried out satisfactorily	Completed in the scheduled date	Children from different states of Venezuela: Guárico (2), Anzoátegui (1), Monagas (2), Trujillo (1), Nueva Esparta (2).	100%

Report on Procedures Previously Agreed upon for the Review of the Indicators Included in the Social Responsibility Annual Report



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To The Board of Directors and Stockholders of
BANESCO BANCO UNIVERSAL, C.A.

We have performed the limited review procedures agreed upon with you and explained relating the accompanying Social Performance Indicators included in the **BANESCO BANCO UNIVERSAL C.A.**'s Corporate Social Responsibility Report, for the year ended December 31, 2005. The preparation and content of the Corporate Social Responsibility Report is sole responsibility of the bank's management. Our responsibility is to issue an independent report of the social performance indicators based on the procedures applied to the limited review.

We developed our work based on the Sustainability Reporting Guidelines issued by "Global Reporting Initiative (GRI)" and taking into consideration in particular the supplement which makes reference to the Financial Institutions issued in November, 2002 and untitled "Social Performance Indicators for the Financial Industry (SPI Finance 2002)" as well as the verification norms set forth by the Accountants International Federation in the International Norm for verification works ISAE 3000 (International Standard on Assurance Engagements 3000) related to restricted assurance. Such standards require we plan and perform our work allow a grade of restricted assurance on the information subject to verification.

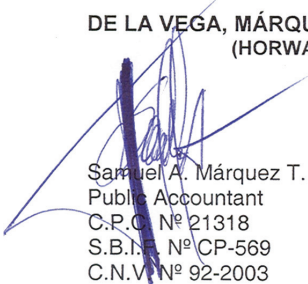
We carried out the following procedures:

- Meetings with **BANESCO BANCO UNIVERSAL, C. A.**'s Staff in order to record their impression about the model of Social Responsibility adopted by the Bank and to gather the required information for its verification.
- Analysis of the processes to obtain and validate the data presented in the **BANESCO BANCO UNIVERSAL, C. A.**'s Social Responsibility Annual Report.
- A verification process to guarantee that the established indicators follow the SPI Finance 2002's recommendations and guarantee the relevance of the information recorded in relation to the Bank's situation.
- A verification process, through out verification tests based on the selection of a sample of the calculation of quantitative indicators included in the **BANESCO BANCO UNIVERSAL, C. A.**'s Annual Report corresponding to the year ended as of December 31, 2005 as well as their appropriate compilation from the data provided by the Bank's information sources.
- Verification process of the GRI qualitative indicators included in **BANESCO BANCO UNIVERSAL, C. A.**'s Social Responsibility Annual Report.
- Review of the steps taken in relation to the identification and consideration of the parties involved throughout the year.



Based on the results of the application of review procedures previously described, which were agreed upon with the Bank's management, we have not found significant deviations or omissions in the revised information, nor have observed any other circumstances that could indicate that the procedures carried out by the Bank to obtain the social information to determine the social performance indicators are not properly described in the **BANESCO BANCO UNIVERSAL, C. A.**'s Social Responsibility Annual Report, for the presentation of the indicators included therein. Should a different approach been applied, other matters would have been identified and reported.

DE LA VEGA, MÁRQUEZ, PERDOMO & ASOCIADOS
(HORWATH VENEZUELA)


Samuel A. Márquez T.
Public Accountant
C.P.C. N° 21318
S.B.I.F. N° CP-569
C.N.V. N° 92-2003

September 25, 2006
Bane120639

Social Performance Indicators

MANAGEMENT OF THE CORPORATE SOCIAL RESPONSIBILITY				
Area	Indicator Title	Indicator Description	HORWATH Review	Reference to page of the Corporate Social Responsibility Report
CSR1	Corporate Social Responsibility Policy	There are documented policies about the management approach to the Social Responsibility areas to which it is committed	Verified	Pages 5, 7, 25, 26 y 27
CSR2	Organization	The organizational structure is created in order to address the matters related to the Corporate Social Responsibility of the Bank	Verified	Pages 5, 7, 25, 26 and 27
CSR3	Audit on the issues related to the Corporate Social Responsibility	It describes the sensitive issues that have been managed by the Bank and the result produced by the application of the Corporate Social Responsibility policies.	Verified	Page 27
CSR4	Management of Sensitive Issues	It identifies the main partners of the Bank, including staff, customers, suppliers, stockholders, individuals and communities affected. A fluent communication has been established with them to inform and consult with them, work together and manage responsibilities.	Verified	Pages 14, 32 and 33
CSR6	Comunicación con sus Socios		Verified	Pages 37, 42, 43, 52, 54 to 74; 76, 81 to 83; 97 to 100; 108

INTERNAL SOCIAL PERFORMANCE				
Area	Indicator Title	Indicator Description	HORWATH Review	Reference to page of the Corporate Social Responsibility Report
INT1	Corporate Social Responsibility Internal Policy	The Human Resources policies of the Bank include elements that describe the relationship with its staff as non-discriminative, based on equal opportunities, with entertainment and personal development, with part-time work policies, dismissal policy, easiness for anonymous suggestions, health and security, etc.	Verified	Pages 32, 35 and 36
INT7	Employees' Profile	It includes reports on the employees' profile by levels and disaggregated by gender, race, disable, etc.	Verified	Pages 30 and 35

PERFORMANCE BEFORE SOCIETY

Area	Indicator Title	Indicator Description	HORWATH Review	Reference to page of the Corporate Social Responsibility Report
SOC1	Charitable Contributions	It includes reports on the contributions to charitable causes, investments and commercial sponsorship for the communities. The information is presented based on cash disbursements, man hours contribution, gifts	Verified	Pages 51 and 52 54 to 79, 81 to 83, 86 and 87 92 to 95
SOC2	Added Economic Value	The Added Economic Value of the activities developed by the Bank is presented in terms of Securities for the employees, the stockholders and the State.	Verified	Page 110

SUPPLIERS

Area	Indicator Title	Indicator Description	HORWATH Review	Reference to page of the Corporate Social Responsibility Report
SUP1	Follow-up of the main suppliers	The emphasis is made on the main suppliers	Verified	Page 108

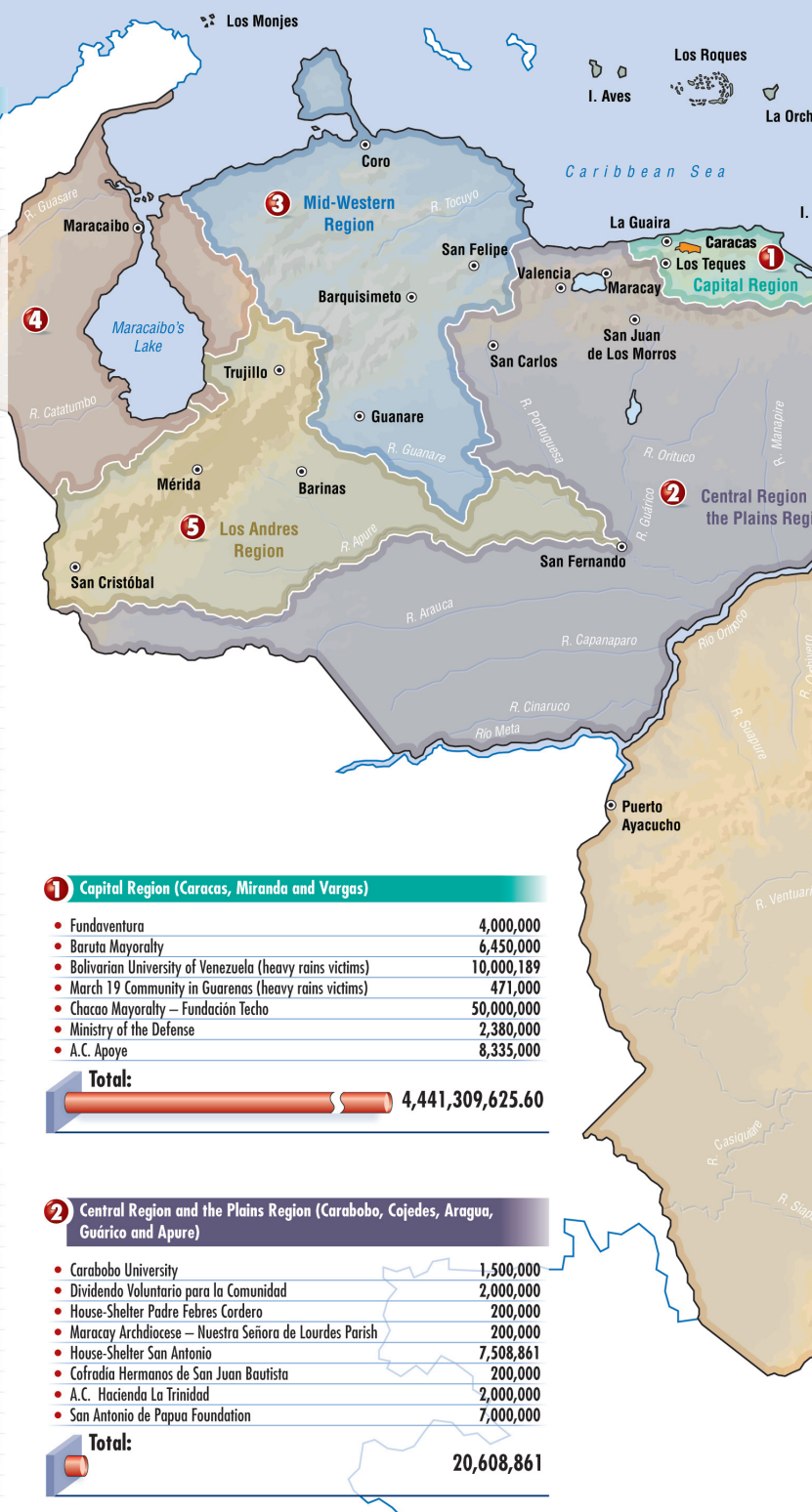
BANKING IN DETAIL

Area	Indicator Title	Indicator Description	HORWATH Review	Reference to page of the Corporate Social Responsibility Report
RB1	Policies of the Bank in detail	Describes the social criteria applied by the Bank in order to increase its services in all interest areas where it operates. Access to its services.	Verified	Pages 97 to 100

Banesco Social Investment all over the National Territory

1 Capital Region (Caracas, Miranda and Vargas)

• Fundana	32,395,627.57
• Venezuelan Red Cross	462,452,723.4
• Venezuelan Anti-Cancer Foundation	6,000,000
• Foundation of Friends of the Child with Cancer	62,502,000
• Medicine Academy	11,520,000
• Hospital Vargas	450,000
• Foundation Children with AIDS	2,950,000
• Venezuelan Foundation Against Infantile Paralysis	63,500,000
• Venezuelan Association of Mathematics Competences	7,500,000
• Santiago de León de Caracas Private School	11,981,825
• Excelsior Foundation	9,000,000
• Fesnojiv	1,093,437,000
• Children's Museum	125,000,000
• Universal Arts Productions	18,000,000
• Casartes	5,375,000
• A.C. Alianza Empresarial Petrolera	3,000,000
• Publications	100,430,000
• Concerts for the community	9,176,267
• Works at Colinas de Bella Monte	238,551,738.73
• San Pedro Apostol Church	2,000,000
• Nuestra Señora de Fátima Parish- Petare	2,000,000
• UCV	67,185,192
• Venamcham	30,000,000
• Medical Visitors Association	4,000,000
• Conindustria	2,475,000
• UCAB	483,000,000
• USB	122,038,850
• Venezuela Competitiva	23,000,000
• CONACUID	93,767,681
• Movistar	15,000,000
• Hidrosuroeste	500,000
• Bambi Shelter	8,000,000
• San Juan de Dios Hospital	1,000,000
• Alliance Francaise	140,000,000
• Children's Foundation	2,500,000
• AVESID	10,000,000
• Oswaldo Guillén Foundation	10,000,000
• A.C. Hermanos Marista de Venezuela	60,000,000
• Don Bosco Houses Network	203,425,355.08
• Salesian Ladies Association	133,568,000
• Alliance for a Drug-Free Venezuela	100,000,000
• A.C. Venezuela without Boundaries	106,105,000
• Siempre Amigos Foundation	1,691,226
• Caracas Metropolitan Mayoralty	20,000,000
• Baruta Mayoralty	6,130,000
• Metropolitan Police	2,510,553.9
• Equestrian Foundation (Army)	25,000,000
• Regional Command No. 3/National Guard	4,000,000
• Ministry of Food	3,200,000
• Sucre Mayoralty (heavy rains victims)	
• Integral Assistance Center for the Heavy Rains Victims	96,315,300
• San Carlos Headquarter (heavy rains victims)	10,000,000
• San José Parish Council	308,319
• Quimbiotec	2,000,000
• Eureka	20,750,000
• Brion Mayoralty	1,196,000
• Consultores Seart	350,000
• A.C. Gerencia	3,000,000
• La Hormiga Market	539,000
• Foundation Forging Future	20,000,000
• Venezuelan Athletics Foundation	1,500,000
• Private	1,000,000
• Cultural and Sport Association Mater Salvatori	4,800,000
• Various scholarships	51,600,000
• Caracas Metropolitan Mayoralty	20,000,000
• IUJO Fe y Alegría – Catia	180,995,777.92



y – 2005 (Bs.)



* While Banesco direct investment in the Higher Education institutes of Fe y Alegría amounted to Bs. 2,000,002,000 in 2005, this educational center executed a lower figure of Bs. 1,127,391,209.25

3 Mid-Western Region (Lara, Falcón, Yaracuy and Portuguesa)

• UCAB	5,865,000
• Civil Association Amateur Baseball School "Cerritos Rurales"	5,163,800
• IUJO Fe y Alegría – Barquisimeto	776,590,116.88*

Total:

787,618,916.88

4 Zulia Region

• Maracaibo Archdiocese	120,000,000
• Zulia Construction Chamber	2,500,000
• Zulia Industrials Chamber	5,000,000
• LUZ	2,245,950
• Internacional Puppets Festival "San Francisco" Foundation	10,000,000
• Zulia Regional Government (most of the funds were devoted to the victims of the heavy rains)	13,075,000
• Telethon "United for the South of the Lake" (heavy rains victims)	250,000,000
• Santísimo Salvador Temple	5,000,000
• Fenapujupev	2,000,000
• Dr. José Gregorio Hernández University	2,000,000
• Instituto Universitario San Francisco – Fe y Alegría	350,801,092.37

Total:

762,622,042.37

5 Los Andes Region (Táchira, Trujillo, Mérida and Barinas)

• Mérida Archdiocese	20,000,000
• Mérida Real Estate Chamber	7,538,000
• ULA	50,000,000
• Foundation House of the Arts Mariano Picón Salas	30,000,000
• Foundation "A Smile for Mérida's Children"	3,300,000
• Mérida Regional Government (most of the resources were devoted to the heavy rains victims)	20,500,000
• Aeroclub Caracas (heavy rains victims)	29,791,814
• Asodegaa	16,900,000
• Police Substation No. 17 – Nueva Bolivia	436,000
• Táchira Nacional Guard	124,380
• Táchira Regional Government	89,380
• Diario Católico Foundation	5,000,000

Total:

183,679,574

6 Northeast Region, Insular Regions and Guayana (Anzoátegui, Sucre, Monagas, Nueva Esparta, Bolívar, Amazonas and Delta Amacuro)

• UCAB Guayana	850,500,000
• Coro Infantil Canaima composed by children from the Pemón Ethnic group	6,000,000
• Luis Beltrán Prieto Figueroa Foundation	1,500,000
• Venezuelan Foundation of Table Tennis	4,200,000
• UDO	53,000,000
• Others	5,000,000

Total:

920,200,000

7 National Territory

• Toys donations	419,978,337.44
• Fe y Alegría	457,024,351
• AVEC School	2,732,584,060.49
• Others	620,000
• Falcón and Carabobo communities affected by the heavy rains	9,886,000

Total:

3,620,092,748.93