

2009 **Corporate Social Responsibility Report**

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To Our Clients, Employees, Shareholders and Social Partners

In Banesco's history as a socially responsible company, the year 2009 is a hallmark: it is the year when we adhered to the *Global Compact*, created and promoted by the United Nations. The *Global Compact* engages us to watch over labor rights, environmental protection, Human Rights, transparency and the fight against corruption. Our move to join this initiative -which hopes to develop into a world model- and embracing with determination the commitment made by the *Global Compact*, has led our organization to a deep reflection process and to face a multiple challenge.

The *Global Compact* demands companies to establish high goals towards the 21st century. If there is something we are obliged to say about 2009 is that this has been the year to take a qualitative step in order to get adjusted and be ready to meet the demands that society is imposing on the companies worldwide.

Reading our *2009 Corporate Social Responsibility Report* shows in all detail our contributions to the almost 14,000 men and women working in our organization. On one hand, these efforts have been aimed to diversify their benefits beyond what is established by law. On the other hand, and this is the source of our pride, there are the programs with a common purpose: to turn every employee into the owner of his home.

Simultaneously, as if it were the other side of the same effort, 2009 has been also the year to encourage our social partners so as, on a daily basis and with an increased discipline and sustainability vocation, they could go deeper into their practices of strategic planning, increase the productivity of their projects and strengthen the quality-quantity ratio of their management. All these factors are likely to increase community benefits in the short term.

2009 was also a year of extraordinary achievements in our aim of becoming the leader institution in the field of credits granted for the expansion of our country's production capacity.

All this management, clearly and accurately exposed in the following pages, not only seeks to fulfill our wish of being accountable before the country where we operate. It is also a way to express what we believe: a productive Venezuela, a nation with a huge potential to progress and for the well-being of the whole society.

If there is something we can anticipate about the coming years, it is a trend to a deepening, an intensification, the development of stronger links with the universe that we recognize as Banesco's Community. For Banesco's Community we understand the ensemble of the members of our organization scattered nationwide. Customers, neighboring communities, stockholders and social partners belong to this Community, as well as any other person, human group, company or institution that have Venezuela's future among the key topics included in their agenda. Our efforts in 2009 as a socially responsible corporation were addressed to all of them and our endeavours for the coming years will continue focused on them.



JUAN CARLOS ESCOTET RODRÍGUEZ
CHAIRMAN OF THE BOARD OF DIRECTORS

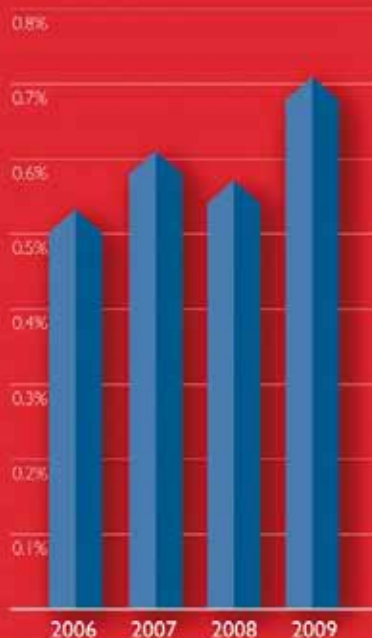
Profile of the Organización

At a glance

Our 2013 Vision

Duplicate the economic value of the Bank against 2008, through a cost/income ratio higher than the one recorded by our peer group. Winning and keeping our customers' preference, thanks to the quality, simplicity and convenience of our services offer.

Economic Value Generated by Banesco on the National GDP



0.68%

of the Venezuelan GDP accounted for the Economic Value Generated by Banesco in **2009**.

0.54%

of the Venezuelan GDP accounted for the Economic Value Generated by Banesco in **2008**.

17.44%

This percentage accounted for Banesco's employees over the total of employees in the banking sector at the end of **2009**.

Mission, Vision and Values

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

It is currently seated in the city of Caracas, with its headquarters, Ciudad Banesco, located at Colinas de Bello Monte neighborhood. It is the bank with the highest called-up and subscribed capital in the whole Venezuelan financial market, which amounts to Bs. 1,125,000,000 and it is represented by 87,500,000 common and nominal shares of the same class, non-convertible into transferable shares with a face value of Bs. 10.00 each and 25,000,000 preferred registered shares, non-convertible into transferable shares, with a face value of Bs. 10.00 each, all this in accordance with what is established in Article 5 of the Bank's Social By-Laws. At 2009 year-end, Banesco's stockholders numbered 38,493: 4,751 common stockholders and 33,743 preferred stockholders.¹

Banesco Mission

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

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

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

Banesco Vision 2013

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

Banesco Values

INTEGRITY AND RELIABILITY

We protect our customers' privacy, we manage our business with honesty and act according to what we are, what we say and what we do.

INDIVIDUAL AND SOCIAL RESPONSIBILITY

Our organization success is based on the principle that each Banesco individual is accountable for the impact of his/her actions at home, at the company and on society as a whole.

INNOVATION AND QUALITY SERVICE

We are willing to break paradigms in order to go beyond our customers' expectations on a permanent basis.

ENTREPRENEURSHIP

We foster the worker's thinking and action as the owner of the business in order to guarantee individual and corporate success.

INTERDEPENDENCE AND LEADERSHIP

We encourage a fair and inspiring leadership, able to forge alliances, empower talents and build successful teams to favor the organization.

PERSONAL UPDATING AND EXCELLENCE

We boost the integral development of all and any of our organization's members in order to be always at the forefront of knowledge and watch over its application in the business.

DIVERSITY AND ADAPTABILITY

We promote adjustment capacity to new realities, markets and cultures in the development of our businesses.

Bases of our business strategy

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

¹ Including Banesco Banco Universal, C.A., employees trust fund

Main Impacts, Risks and Opportunities

Banesco Banco Universal, C.A. has focused a part of its strategy on the development of financial services concentrated at the pyramid's base and to do so it has implemented specific integral programs for Community Banking, Payment Means, e-channels, as well as the SMEs and CD segments. Additionally, it has produced programs which are directly related to the development of the medullar capacity of the Human Capital and Corporate Social Responsibility in order to ensure the business alignment with the sustainability vision. Banesco Banco Universal, C.A. is aware that to be able to achieve a positive impact on the population, the bancarization task must be sustainable from an economic and financial perspective.

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

In 2009, we actively fostered the use of electronic channels (e-channels), automated tellers (ATMs) and mobile phones. The granting of credit cards is also progressively being transferred to more versatile technologies. By doing so, we reduce operational costs and clear our branches in order to offer a better service to our customers.

Another aspect favoring our short-term profitability is an increased empowerment of our regional vice presidencies, as well as the integration of the Corporate Center for Projects (CCP) to the strategic management. Both aspects are explained in detail at the *Our Customers* chapter.

Other actions have been focused on risk management, information safety and business continuity with an integral vision. To do so Banesco counts on an Executive VP of Integral Risk Management which is composed of areas devoted to the management of Operating Risk, Market Risk and Credit Risk. The research conducted by these areas, as well as the prevention adjustments, education and control guidelines for organizational risks are the best expression of how Banesco has embraced a precautionary stance or principle.

Operational Risk

In order to further the strengthening of the Integral Risk Culture

at Banesco, in 2009 a series of specialized training sessions were addressed to some business areas and to over 1,500 new employees. These workshops are focused on the development of a preventive management of risk (see page 35 at the *Our Human Capital* chapter).

RISK TRAINING

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

In 2009 we offered three training programs specialized on operational risk to 30 professionals in this field.

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

Credit Risk

Regarding credit risk management, in 2009 we continued our efforts toward monitoring and follow-up actions of the credit portfolio, through the evaluation of the quantitative and qualitative aspects related to our customers' payment patterns, the review of the documentation in the files and the flows expected from the payment of their operations in order to evaluate the existent risks and keep them within the levels established by the Bank's strategy.

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

Likewise, the review and periodical evaluation of the tools to grant credits is still a part of the regular actions carried out by the dynamic management of credit risk, keeping on a systematized format the report lines and institutional information easily flowing

toward the Risk Committee and organizational units in charge of executing the actions, according to the decisions made in the framework of the continuous process of risk management.

Market Risk and Liquidity

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

Losses Prevention And Business Continuity

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

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

In the area of Business Continuity, the planned tests were successfully conducted for each one of the critical processes defined by the organizational BIA (Business Impact Analysis). The Technological Contingency processes for the crucial services also continued for key services and the Center of Command and Control was set up to follow and monitor the variables corresponding to the implementation of projects with a great impact on the business.

Consultation With Customers, Employees and the general public through satisfaction surveys and focus groups

In all the projects developed by Banesco Banco Universal, C.A. it is important to know and understand the opinion of its

stakeholder¹ and for this reason the Bank has embarked on actions to develop its strategy, depending on what topic are relevant for them, such as.

The Executive VP for Marketing and Innovation conducted 13 studies in 2009, which accounted for a total of 18,633 interviews among the bank's stakeholders, both internal (workers) and external (customers). In 2008, 14 studies were conducted, accounting for a total of 32,500 interviews.

The Executive VP of Human Capital, in turn, applies on a regular basis a series of surveys to the workers through the Intranet in order to measure their satisfaction with aspects such as toys gifts, sport tournaments, uniforms, vacation plans and other topics (according to the activities carried out each year). Additionally, in order to know their satisfaction with the cafeteria service at Ciudad Banesco, a quarterly measurement is taken among the users. These interviews are applied to randomly selected samples, statistically significant and representative of the universe of actors in the stakeholders group. The results appear in the *Our Human Capital* chapter.

On the other hand, the service follow-up and monitoring is one of the main points of interest when we consult our customers about satisfaction levels and expectations fulfillment. Evaluations to improve the design and products offer are also carried out, according to the needs of the different segments. Likewise, we gauge the customers' and general public opinion to value and measure the performance and attributes of our brand.

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

- For the Community Banking: Boosting the relation BCB Commercial Allies, Improvement of the offer at Attention Bars and POS-webs.
- The Mysterious Customer in Credit products; attention and fulfillment of the offer by the sales network staff.
- Project "measurement of the satisfaction with attention and requirements closing".
- Follow-up and Satisfaction program por Commercial Customers.
- Auditing of Banesco Phone Banking.

The creation of quality indicators, along with those prepared by other organizational areas, has resulted in the creation of an instrument panel to manage the service. This instrument reflects the availability and efficiency of our attention channels and the

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

Opinion Studies

Study	Objectives	2009	2008
ADS Branches Satisfaction	- Satisfaction levels with the main service variables according to the channel/business evaluated.	Natural/legal customers who use branches. --	Sample: ±13,000
Commercial Customers		Banesco Commercial Customers. Sample: 1,133	Sample: 1,151
Phone Banking	- Importance for each one of the service aspects evaluated.	Natural Customers who use the CAT. Sample: 3,600	Sample: 3,600
Community Banking Satisfaction	- Quality and satisfaction with the offer.	General Public and Natural Customers. Sample: 600	Sample: 1,560
Private Banking	- Identifying expectations among current customers.	Natural customers of the segment. Sample: 760	Sample: 382
Premium Banking		Natural customers of the segment. Sample: 449	--
Trust Fund		Natural customers. Sample: 500	Sample: 300
International Banking	Determining, based on social-demographic and financial relations variables, the elements describing and discriminating the characteristics of the banking users.	Natural customers. Sample: 370	--
Natural Segments Share	Determining the general population habits about the use of the media: radio, the press and television.	General public – Customers / non-customers. Sample: 1,200	Sample: 1,200
Media use and penetration	In relation to Banesco massive advertising: determining performance level and effectiveness. Information about recall quality, understanding of the message and interest on the offer.	General public – Customers / non-customers. Sample: 3,000	Sample: 3,300
Advertising Tracking T1/T4	Gathering information about the evolution of the variables related to the main banking brands, with an impact on the customers' decision-making process and the assessment of these brands.	General public – Customers / non-customers. Sample: 3,725	Sample: 3,960
Brand Equity Study (Brand Value)	Measuring the impact of Banesco presence and performance on the commercial events where it participates.	General Public – Customers / non-customers / natural / SMEs / Commerces. Sample: 1,875	General public – customers / non-natural customers / SMEs / Commerces / Companies / Corporate. Sample: 1,530
Evaluation of Liabilities offer	Evaluating the incentives program to increase the liabilities in natural customers.	General Public - Customers / non-customers / natural and legal persons. Sample: 900	General public – Customers / non-customers. Sample: 606
Evaluation of Internal Communications	Measuring the satisfaction level of Banesco staff with the internal communities.	Banesco employees who use the internal communications channels. Sample: 521	Banesco employees who use the internal communications channels. Sample: 423
Purchase Reasons / Offers evaluation (Prized ticket other banks)	Determining: - Purchase reasons and attributes / promotion benefits. - If it meets the public's expectations. - Communication channels effectiveness.	--	General public – customers / non-natural customers / SMEs / Commerces / Companies / Corporate. Sample: 519

public assessment in relation with the use of these services. Likewise, the input produced by the different permanent programs and *ad hoc* studies complete the decision-making process of the different organizational units.

For understanding the public's needs and expectations we carried out activities with focus groups or in-depth interviews. Accounts opening, promotions design or purchase motivators are some of the references of the studies conducted. The results go to feed the follow-up and management of Banesco internal

and external service, to adjust the offer to the customers' needs and the market, as well as to evaluate the brand performance, both in commercial topics and the Corporate Social Responsibility field.

Likewise, Banesco Banco Universal, C.A. emphasis as a socially responsible company is translated into its brand follow-up, by evaluating the public opinion about the activities performance. Banking customers and non-customers, as well as the low income sectors, participated in the Brand Equity Study, a survey conducted

by layers in order to guarantee that all segments are represented in the sample.

Direct Tangible Value

The Generated Economic Value (GEV) at 2009 year-end closed at Bs 4,762.00 million, accounting for an increase of 29.23% against Bs. 3,684.79 million the previous year.

Around 97.88% (Bs. 4,660.97 million) of the GEV staples are composed of de Intermediation Margin and Net Fees. The proportion of these Net Fees grew up for the second year in a row.

In relation to the country's economic activity level along the period, the Generated Economic Value of Banesco Banco

Universal, C.A. in 2009 accounted for 0.68% of Venezuela's Gross Domestic Product (GDP), a significant increase against 2008, when it accounted for 0.55%.

The relative participation of the Direct Tangible Value components was as follows: suppliers expenditures accounted for 44.30% of the Economic Value Distributed, staff expenditures accounted for 40.12%, while taxes accounted for 7.66%. The complement corresponding to dividends was 7.92%

The Retained Economic Value (REV) amounted to Bs. 2,037.21million, accounting for an increase of 73.98% against the previous year. By 2008, the REV had rose by 16.97% against 2007.

Creation of Direct Tangible Value: Detail by Stakeholders

(Thousands Bs)

Stakeholder	Value Indicator	2009	2008
Stockholders	Dividends (1)	215,809	316,294
Employees	Staff expenditures (2)	1,093,058	851,478
Customers	Interests and assimilated charges (3)	2,367,059	1,976,765
Suppliers	Other general charges of administration (4)	1,207,202	867,758
Society	Taxes (5)	448,301	478,282
	Resources allocated to support communities (6)	110,355	114,320

(1) Source: Management of Stockholders Unit.

(2) Source: Sudeban. Income Statement for Publication. Transformation Expenditures.

(3) Source: Sudeban. Income Statement for Publication. Expenses for Deposits Taking.

(4) Source: Banesco.VP. of Administration.

(5) Source: Banesco.VP. of Administration. Including: Income Tax, municipal income taxes, Added Value Tax, contributions to FOGADE, SUDERBAN, INCES, Social Security, layoff tax, Housing Policy Law and LOCTICSEP.

(6) Source: Sudeban - Income Statement for Publication. Extraordinary Expenses.

Generated and Distributed Economic Value

(Thousands Bs)

	2009	2008
Generated Economic Value (GEV)	4,762,000	3,684,787
Intermediation Margin	3,331,456	2,816,277
Net Fees	1,329,515	822,978
Other ordinary expenses	80,997	34,980
Other net profits and losses	20,032	10,552
Distributed Economic Value (DEV)	2,724,788	2,513,812
Dividends	215,809	316,294
Suppliers and other general expenses of administration	1,207,202	867,758
Taxes	208,719	478,282
Staff expenses	1,093,058	851,478
Retained Economic Value (REV = GEV - DEV)	2,037,212	1,170,975

Sources: Sudeban, Banesco and Caracas Stock Exchange.

Percentual share of the Generated Economic Value



Sources: Sudeban, Banesco and Caracas Stock Exchange.



Banesco Share in Employment and GDP of the Banking System

The total number of Banesco's employees at 2009 year-end was up to 13,465 people: 8,336 (61.91%) women and 5,129 (38.09%) men. Over the year, the payroll was reduced by 90 posts, equivalent to a 0.66% against 2008 year-end figures.

According to the figures published by Sudeban (Venezuela's Superintendency of Banks) for December 2009, Banesco's workers accounted for 17.44% of the banking system employment against the number of workers in the Venezuelan financial system for that date of 77,227 people.

Our plan of economic compensations is based on a policy of performance evaluations. Having in mind the importance of wages to cover basic aspects of our workers and their families, our economic compensation policy establishes a star-up wage 20% above the minimum wage yearly established by the central government. The average annual income earned by worker was Bs. 45,606.00 in 2009, a figure exceeding by large the national average minimum wage for the period (Bs, 12,338.60).

Generated Indirect and Induced Value

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

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

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

Some of these effects are not subject to quantification (such as the configuration of sound financial systems, or the encouragement to innovation), contrary to the volume of direct suppliers and the amount paid to these suppliers, where we can observe a 12.86% reduction of the quantity of suppliers hired and an increase of 3.06% of the amounts paid to these suppliers between 2008 and 2009 (see pages 106 and 107 at the *Our Suppliers* chapter).

Dialogue with our Stakeholders

In 2009, Banesco Banco Universal, C.A. continued developing its dialogue with internal and external stakeholders. As for the first ones, we implemented a progressive reinforcement of our information means with workers and stockholders (see page 27 at the *Our Stockholders* chapter, and pages 45 and 47 at the *Our Human Capital* chapter), and the application of instruments to measure the aspects with an impact on our staff satisfaction.

Regarding the external stakeholders, we continued working on the participative budget with Colinas de Bello Monte community in Caracas, where is located our headquarters, Ciudad Banesco. Through this process, the representatives of the main community organizations proposed the projects they deemed as the most important ones to improve the quality of life of the whole sector. Then, they selected which of them would receive the funds budgeted by Banesco Banco Universal, C.A. for this neighborhood (see page 27 at the *Social Action in the Community* chapter). We have continued measuring the satisfaction of our Social Partners with the work we have been developing with them for several years (see page 53 at the *Our Social Partners* chapter).

As for suppliers, beginning in 2010 we will apply a survey that will measure not only their satisfaction level with the relation they keep with our organization but will also serve to spread upstream our commitment to the Global Compact, to which we adhered in 2009 (see page 24 in the *Corporate Government* chapter).

We are working with the company Consultoría en Ética y Responsabilidad Social Empresarial (CERSE for its Spanish acronym) to create a Guide for the management of our relation with our stakeholders, which will be transversally applied to the whole organization.

Another remarkable aspect is that in 2009 our Code of Ethics and Behavior for the Banesco Citizens entered into force. We created the Ethics Committee and the direct lines of communication are flowing. These lines are new channels to build a closer interaction with all our stakeholders.

Financial Summary

In Million Bs

	2009		2008		Growth			
	1st Half	2nd Half	1st Half	2nd Half	II-I Half 2009		II Half 2009 / 2008	
					Absolut	%	Absolut	%
Total Assets	37,980	43,066	30,873	37,115	5,086	13.4%	5,951	16.0%
Liquid Assets	9,475	11,611	7,188	9,285	2,136	22.5%	2,326	25.1%
Investments in Securities	6,635	5,983	4,699	6,432	-651	-9.8%	-449	-7.0%
Credits Portfolio	19,958	22,739	17,213	18,581	2,781	13.9%	4,158	22.4%
Deposits Taking	33,326	37,763	26,155	32,690	4,437	13.3%	5,073	15.5%
Deposits in Check Accounts	17,534	19,913	11,163	16,369	2,379	13.6%	3,543	21.6%
Deposits in Saving Accounts	5,636	6,800	4,226	6,258	1,164	20.7%	541	8.7%
Fixed Deposits	3,500	21	2,675	1,596	-3,479	-99.4%	-1,575	-98.7%
Others	6,656	11,029	8,092	8,466	4,373	65.7%	2,563	30.3%
Total Equity	3,113	3,598	2,556	2,930	485	15.6%	668	22.8%
Trusts Assets	6,155	6,020	5,835	5,744	-135	-2.2%	276	4.8%
Housing Mutual Fund	2,890	3,376	2,162	2,451	486	16.8%	925	37.7%
Financial Revenues	2,561	2,588	1,912	2,438	27	1.0%	150	6.2%
Financial Expenses	1,268	1,174	788	1,291	-94	-7.4%	-117	-9.0%
Gross Financial Margin	1,293	1,414	1,124	1,147	121	9.3%	267	23.3%
Financial Intermediation Margin	1,559	1,772	1,333	1,483	213	13.7%	290	19.5%
Transformation Margin	1,176	1,312	896	964	136	11.6%	348	36.1%
Income Tax	5	10	43	29	5	106.0%	-19	-64.5%
Net Result	290	322	338	429	32	11.1%	-107	-25.0%
Accumulated Agricultural Portfolio	3,373	3,816	2,342	2,701	443	13.1%	1,115	41.3%
Takings from Official Entities	2,805	2,820	3,090	2,138	15	0.5%	682	31.9%
Micro-credits	798	1,004	788	882	206	25.8%	122	13.8%
Commercial Credits	5,601	6,431	7,392	7,618	829	14.8%	-1,187	-15.6%
Consumption Credits	6,908	6,950	5,261	5,632	41	0.6%	1,318	23.4%
Vehicles	590	666	517	605	76	12.9%	61	10.1%
Credit Cards	6,318	6,283	4,745	5,027	-35	-0.6%	1,257	25.0%
Mortgage Loans	2,606	3,271	1,501	1,973	666	25.6%	1,298	65.8%
Ratios								
Credit Portfolio/Gross Fixed Portfolio Provision	106.3%	112.6%	133.8%	110.1%				
Fixed Portfolio / Gross Credit Portfolio	1.9%	1.9%	1.2%	1.8%				
Net Result / Average Asset	1.6%	1.6%	2.4%	2.5%				
Net Result / Average Equity	19.0%	19.2%	28.4%	30.4%				
Broad Liquidity	42.2%	41.1%	33.7%	41.4%				

The Banesco Brand

Benefits with the 'B' of Banesco

Banesco Banco Universal, C.A. is a customized brand that has been able to consistently project over the time its richness and achieve stability in terms of presence in the financial market, as well as in the general community. It shows a strong identification between the values distinguishing the brand and its action.

As a live brand, Banesco has demonstrated that it embraces a philosophy with its own values and a determined coherence between what it says and what it does. The brand is associated to the permanent will of knowing, understanding and satisfying the preferences, expectations and individualities of all its customers and the community, adjusting its products and services to their needs, demands, life styles and the fast pace of contemporary life when the customer has to make transactions and business. Banesco brand also shares the public sensibility before the social responsibility that should distinguish any contemporary company.

Banesco has been expanding its attention channels for the public in order to foster the use of remote technologies that allow the customer to save time, money and enjoy a better quality of life. This, in turn, allows the development of new ways of doing business under an environmentally friendly approach, saving paper, making a more rational use of natural resources and pointing to the reduction of polluting emissions, as remote technologies reduce the need of transportation to our points of attention. Our new positioning is based on our slogan *Banesco, you have it with you*, which reflects the commitment of our brand to a higher quality service through Banesco e-banking.

In a globalized world which demands fast responses and dynamism, the slogan *You Have it with You* contains a brief and precise description of our commitment to accompany our customers every minute, 24 hours a day, 365 days a year, through the adoption of a safe and efficient technology, via Internet, mobile phones, points of sale, automated tellers ...

The *Banesco Signal* represents that image of total satisfaction of the public's needs, the real willingness of the bank to be contacted by its customers when they demand so.

In 2009, Banesco was much more than a self-centered banking institution. It was the driving force of that first impulse to create solutions and well-being for the different sectors of our society.



We focused our 2009 Image Campaign on the new slogan "Benefits with 'B' of Banesco", under the concept of Testimonial Stories which put faces, names and family names to Banesco's results and its *raison d'être* as a source of social well-being, articulating and encouraging our domestic economic and social system through its customers, shareholders, employees and all the related audiences.

BESIDES BEING ONE OF
THE BEST POSITIONED
BRANDS IN THE BANKING
MARKET, BANESCO IS
PERCEIVED AS A LEADER
IN CORPORATE SOCIAL
RESPONSIBILITY.



BANESCO 3D

The brand's evolution includes a conceptual level as well as a graphic level. Therefore, the figurative brand of Banesco gets deeper, transcending the two-dimensional level to reach a three-dimensional level. This corporeality of the figurative brand allows a higher versatility and a better display of our corporate colors. Thus, through a sensation of illumination and physical presence the perception of soundness, aesthetic and plastic modernity gains the strength that has defined the brand from its very beginning.

Adjusting the image of the figurative brand to the new trends of design –clearly guided to the three-dimensional level– involves a turning point in the message: the bank provides a more comprehensive offer in terms of organization, products and services without losing its proximity with the customer and its image is in accordance with the technological advances characterizing the current financial market.

This 3D level creates a sensation of depth that along with mobility and flexibility –in a word, activity–, besides the lighting, roundness and easy access, gives real life to the brand. The Banesco brand has become more human, reaching emotions that stir a friendly attraction and fostering a stronger empathy, affinity and identification. It is a brand that reaches the mind, creates behavior; a brand that touches emotions and makes commitments, and for all this it becomes more powerful and lasting. And behind this brand there is efficiency, *savoir faire* and attributes that justify the leadership of Banesco in the market.

“BANESKÍN, THE PAL OF SAVING”

Baneskín is a character that was born at the end of 2008 inspired on Banesco’s figurative brand. His mission is to inform the customers and the general public about how to maintain an optimal banking relationship with Banesco. Baneskín, characterized with the nickname of “pal” or friend, provides pieces of advice to the audience about how to save time and money, with a simple and didactic language. Through the motto “I go saving” and as a part of a banking education program, Baneskín recommends the best options of financing, the safe use of electronic banking and how to get the best benefits provided by the financial accounts. In this way, this charismatic and friendly character makes stronger the emotional bond among Banesco’s audiences and exposes topics of their interest in order to improve our customers’ quality of life and achieve a higher affinity with them.

BRAND EQUITY STUDY IN CSR

The purpose of the *Brand Equity Study*¹ is to get information about the evolution of variables related to the main banking brands that have an impact on the customers’ decision making process and the brands’ assessment. One of the aspects measured by this study is the public perception about financial institutions in terms of their performance on the field of Corporate Social Responsibility (CSR).

For most of the public, the concept of Corporate Social Responsibility is an abstract notion and not easy to understand. Therefore, we have made efforts to simplify the concept by presenting the surveyed subjects with statements such as *“It is a bank that works for the well-being of the nation developing programs that support education, sports or environmental protection, for*

example”. Or *“It is a bank that works together with the community in order to improve the quality of life”*.

The research was conducted by the firm *Comerca Estudios de Mercado*, from June to July 2009, with 1,625 interviews applied to subjects classified as belonging to the levels BC+, C, D and E+ and residents of the main cities of our country.

Within the bankarized segment of the population, Banesco shared the first place this year with other financial institutions of its peer group. In relation to the non-bankarized segment of the population, Banesco Brand ranked second, although the difference between Banesco and the organization that ranked first was below the statistic admissible error (2.4%) in two of the three questions.

This is a confirmation that Banesco is not only one of the brands with the best positioning in the banking market, but it is also perceived as the leader on the matter of Corporate Social Responsibility.

Awards and Acknowledgments received in 2009

ANDRÉS BELLO CATHOLIC UNIVERSITY (UCAB)

For a donation to the Andrés Bello Fundational Chair. June, 2009.

SUCHE7B

This inter-banking network granted an accolade to Banesco “for its devotion to quality” and as the bank with the highest volume of approved operations as an issuing and acquiring member.

“THE GOOD SAMARITAN”

This organization that provides assistance to children with AIDS awarded Banesco “for its excellent and permanent cooperation to sell the 2009 raffle, which helped us to meet our aim to assist these children in need.”

BOLIVARIAN NATIONAL LEAGUE OF VENEZUELAN BASEBALL

For the contribution offered to this league in 2009.

“CHALLENGE AT THE RIFT”

Accolade for its “valuable support to the success of the event” (apnea). September, 2009.

DIPLOMA GRANTED BY THE VENEZUELAN ASSOCIATION OF CATHOLIC EDUCATION (AVEC FOR ITS SPANISH ACRONYM)

In the framework of AVEC 64 anniversary, “for its honest and effective cooperation with the evangelist educational work nationwide”. October, 2009.

¹ The term *Brand Equity* refers to the effects of the brand on the marketing of a given product or service against the results of the same product or service without the brand support.

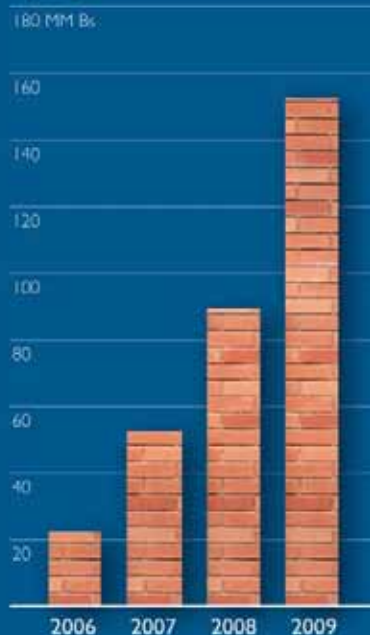
The Internal Dimension of Our Social Responsibility Program

At a glance



We subscribed
the United Nations Global
Compact

Mortgage loans
granted to our
Staff



We offered
Workshops on
Human Rights to
our Security staff

38,493

Number of Banesco's
stockholders at the end of **2009**.

The Code of Ethics
and Conduct of the
Banesco Citizens
entered into force,
and the Ethics
Committee started
operations.

Corporate Government

Main Action Lines in 2008

- Implantation of the new directive and executive Committees established in the new Model of Corporate Government.
- Creation of a new administrative structure to manage the Corporate Government Bureau.
- Consolidation of the Multinational Government schema in the bank management.

Management Evolution against 2008 and main action lines in 2009

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

Commitments made for 2010

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

Our Policy

We seek to strengthen and apply clear policies through the decentralization of the directive power. This, in turn, will create



El Sol o la Luz (The Sun or the Light), sculpture from Jacobo Borges at Ciudad Banesco

opportunities to identify the managerial talents who will lead the organization in the future. In other words, this approach will create opportunities to grow as professionals at all levels.

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

Our Management

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

As a formal structure, Banesco counts on a Human Capital Committee, an Executive VP of Human Capital and a VP of Labor Matters. Among other activities, these bodies shall guarantee fair and competitive labor conditions for our employees.

In 2008, Banesco designed and implanted a new organizational and administrative structure to manage the organization's Corporate Government. This new structure is composed of a series of Thematic Committees that support the tasks and duties of the Board of Directors and it provides more and wider communication channels with our employees. The VP of Corporate Government is in charge of defining and creating the normative base for the constitution and development of the government means (Thematic Committees) composing the New

Model of Corporate Government. It is also in charge of the definition of the various instruments aimed to guarantee its operations, as well as the execution of actions fostering learning processes, development of the corporate culture and discipline among the members of the government committees.

We also support and encourage the right to free association and to do so we provide communicational support and locations to celebrate work meetings and general assemblies convened by the labor union members.

Banesco Banco Universal, C. A., encourages the professional development of each one of its members through training activities specialized on different interest topics related to its business and its social, economic and environmental context.

Banesco Banco Universal, C. A., values the performance of its employees, as well as their contribution to achieve the bank's goals. Therefore, Banesco conducts performance evaluations on a yearly basis to its Vice Presidents and six-monthly evaluations to its employees. This evaluation system allows a measurement of the managerial capabilities as a key tool to effectively achieve the goals of our institution, and provides a mechanism to offer compensations adjusted to the capabilities and results achieved.

The Bank acknowledges the achievements of its staff through a compensation policy based on fixed paybacks, variables paybacks, as well as different benefits in favor of the workers and their families.

For safety purposes, financial institutions do not publish the compensations of its high executives. However, this information is sent to the comptrolling agencies of the Financial System and included in the different reports they require.

Beginning in January 2010, the organizational structure of the bank will be adjusted to Banesco's new Business Corporate Model (BCM). Driven by this initiative, the organization will embark on a series of transformations within the bank, reorganizing the key functions and processes according to their affinity and identifying synergies that favor our strategic vision in order to potentiate the economic value of our organization with a highly competitive cost/income ratio, simplicity and convenience of our service offer.

This organizational change will help us to achieve our strategic goals:

- Having an organization simpler, more efficient and adjusted to the surrounding needs.
- Delivering a service of high quality and differentiated by customers segments, an approach that shall guarantee convenience and simplicity for the customer and cost efficiency to the bank.

- Improving quality, opportunity and commitment around business decisions to increase the efficiency of the corporate government.
- Winning and preserving our customers' preference by increasing quality and improving the simplicity and convenience of our services.
- Improving our management on our customers by going deeper into the best intelligence business practices.
- Encouraging the continuous motivation and high sense of belonging of our human talents.

We also plan to strengthen the structure of our corporate government in 2010 in order to have a more flexible and dynamic organization. To do so we will reorganize the way how our Board of Directors uses its time and implement other actions to increase its efficiency.

STOCKHOLDERS' MEETING

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

BOARD OF DIRECTORS

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

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

Since the decision made by the Stockholders' Meeting on March 30, 2007, the number of members composing the Board of

Banesco Organizational Structure

President of the Board of Directors
Juan Carlos Escotet

Compliance Officer for
Prevention of Capital
Legitimation
Dimas Arias

Management for the Prevention
and Control of Capital Legitimation
Gregorio Chinchilla

VP of Communications and Corp. Social Responsibility Mariela Colmenares	Dir. Technology and Processes Nelson Becerra Executive VP of Business Processes Juan Pagés Executive VP of Technical Support and Operations Marisol Sánchez Executive VP of Technology Development José Di Filippo Executive VP Financial Systems and Comp. Management Yin Wa Ng DTI Management Administration Division Rosaly Rodríguez VP of the Architecture Office Antonio Márquez VP Special Projects DTI Domingo Vargas	Dir. Of Analysis, Control and Operations Salvador Cores VP of Legal Assistance Marco Ortega Executive VP of Operations Victor Cova Executive VP of the Comptroller's Office Maria Campos Executive VP of Human Capital Vacancy Executive VP Management of Losses Prevention and Business Continuity Sergio Saggese VP of Procurement and Contracts Vacancy VP Logistics and Administration Olga Marciano VP Accounting and Analysis Alexis Ríos	Dir. Real Estate, Infrastructure and Follow-Up Fernando Crespo	Dir. Strategic Management, Risk and Finance Miguel A. Marciano Executive VP of Trusts and Treasury Maria Fontalvo VP International Edgar Piñero Executive VP of Integral Risk Management Flavel Castañeda Executive VP of Marketing and Innovation Myrna Hobaica VP of Economy Studies Pedro Coa VP of Finance Ivanova Rojas Executive VP of Strategic Management Vacancy	Dir. Credits, DCC, Channels and Services Gonzalo Clemente Executive VP of Credit José Rivas Executive VP of Credit Admin. and Collections Yalitza Larez Executive VP of e-channels and Payments Means José Padrón VP of Back End Operations and Cards Carlos Silva Executive VP of Push Payment Means Luleyma Escalante VP of Customer Services and Attention William Lecuona	Dir. of Sales Maria Josefina Fernández Exec. VP of Private Banking & Premium Segment Maria Clara Álvarez Executive VP of Branches Network Daisy Veliz Executive VP of Specialized Banking Carmen Lorenzo VP of Community Banking Claudia Valladares Executive VP of Legal Entities Customers Liz Sánchez
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December 2009

Directors was increase from a minimum of 8 members and a maximum of 11 members to a number of members no less than 9 and no higher than 13. Banesco already had two independent directors. According to a resolution issued by the National Securities Commission and published in the Official Gazette of February 17, 2005, related to the principles of the Corporate Government, it is understood that the Independent Directors are those members of the Board of Directors who do not hold executive or managerial positions within the institution that appoints them; other society that, directly or indirectly, owns a

majority portion of stocks or controls the designating society; any other society directly or indirectly controlled by the society that appoints the Independent Director.

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

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

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

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

- **Experience:** Knowledge acquired through practice or the exercise of the banking activity and/or activities related to the banking sector in areas such as direction, management, administration and/or control in banks, saving and loans entities and other financial institutions, currency exchange outlets and border money exchange operators composing or related to the financial system. The practice of the aforementioned functions shall not be less than 2 years.
- **Solvency:** Patrimonial capacity and strength of a natural or legal person to cover, satisfy or meet the obligations committed under the terms they have been hired.
- **Honorability:** The quality of a person to proceed with integrity and rectitude, showing always decency and sound moral values as a rule for his actions and/or the fulfilling of his duties. In the case of stockholders, promoters, directors, administrators and advisors at banks, saving and loans entities and other

financial institutions, currency exchange outlets and border money exchange operators, an indicator of honorability will be the good reputation or prestige enjoyed by a natural or legal person within his social entourage or in the background of the activities he shall carry out.

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

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

PRESIDENT OF THE BOARD OF DIRECTORS

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

It is important to mention that for 2011, the Board of Directors has declared as a goal the separation of the stockholders' tasks from the bank's operations. In fact, since 2006, the company appointed two Internal Executive Directors, who do not own common or preferred stocks of the bank.



An Oswaldo Vigas mural at Ciudad Banesco

SECRETARY

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

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

COMPLIANCE OFFICER FOR THE PREVENTION OF CAPITAL LEGITIMATION

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 its activities and the investment of the resources allocated for training and education of Banesco staff on this matter. He has right to speak before the Risk Committee and reports to the President of the Institution.

External auditors apply six-monthly audits to this area.

INTERNAL COMPTROLLER

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

THEMATIC COMMITTEES

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

CREDIT COMMITTEES

The Board of Directors, exclusively entrusted with this authority, has decided to delegate its power for the granting of credits, up to certain amounts, to several Credit Committees. Therefore, and always considering the compliance with the different autonomies and delegation of capacities, the Executive Credit

Committee, the Metropolitan Credit Committees, the Regional Credit Committees and the individual autonomies have been created.

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

COMMUNITY BANKING COMMITTEE

Its general purpose is to propose scenarios, promote strategies and watch over the fulfillment of Banesco Community Banking Corporate Plan in order to align our business goals with the profitability and social impact levels expected by our organization.

Among its specific objectives to be able to achieve this purpose, we can mention: a) Propose and discuss strategies and guidelines to encourage Banesco Community Banking positioning in the low-income sectors in order to develop a massive business and increase the bankarization levels in Venezuela; b) Propose strategies to leverage our business profitability through the sale of Banesco Community Banking products and services and a timely recovery; c) Propose new products and services to expand the service offer for our present and

potential customers; d) Create opportunities to exchange ideas and develop debates which favor timely decision-making processes and follow-up; e) Encourage the integration with the organizational vice-presidencies in order to consolidate teamwork and support our quality service.

QUALITY SERVICE COMMITTEE

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

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

HUMAN CAPITAL COMMITTEE

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

THE BOARD OF DIRECTORS HAS DECIDED TO DELEGATE ITS POWER FOR THE GRANTING OF CREDITS, UP TO CERTAIN AMOUNTS, TO SEVERAL CREDIT COMMITTEES.

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

This Committee designs the policies on the matter of Human Capital, monitors the main indicators and statistics on the matter of Human Capital, recommends actions on several talent topics emerging from the context or results of organizational indexes. Likewise, it is involved in the performance evaluations of the organization's members, defines strategies for the Corporate Volunteers and other instances of internal social responsibility.

COMMUNICATIONS COMMITTEE

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

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

Finally, the committee evaluates, implements and spreads the best practices on the matter of Corporate Social Responsibility, as it creates processes of change at the several units of the bank in order to enhance competitiveness, cut costs and strengthening the organization's image and prestige.

RISK COMMITTEE

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

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

External auditors apply six-monthly audits to this area.

AUDITING COMMITTEE

In compliance with the recommendations on Good Corporate Government issued by the Stock Market Regulatory Body, the existent auditing committee was modified and it was adjusted to the requirements established by the aforementioned regulation.

The main capacity of this committee is to know the financial statements to be considered by the Board of Directors and submit

them to the Stockholders' Meeting approval; to support the Board of Directors in the implementation of measures aimed to preserve the integrity of the society's financial information, contribute with the supervision and follow-up of the bank's internal and external audits, as well as to make the recommendation to the Chart that it deems as necessary. The Independent Directors participate in this committee.

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

In 2009, through the VP of Internal Auditing, our 462 service points were reviewed against operating risk, prevention of capital legitimization and terrorism financing. That is, Banesco performed a 100% review of its service points. Likewise, 40 central administrative areas were also analyzed; the 2010 CSR Report will determine the percentage represented by these areas in relation to the total.

ALIGNMENT COMMITTEE

The Alignment Committee is composed of representatives from the main Centers of Responsibilities and Core Capacities of the bank. The Executive Committee names the members of this committee, which also includes all the organization's Executive Vice Presidents and VPs of Finance. Its objectives are the following:

- Supporting the Executive Committee in the search of alignment and synergies for the formulation, execution and monitoring of Banesco's strategic plans and initiatives/projects portfolio, as well as its different Responsibility Centers. It also ensures the effective alignment of the budget and the dimensions associated with the corporate and competitive strategy.
- Besides, the Committee determines the priorities and approves the initiatives/projects portfolio and the dimensions of the workforce in the Integral Process of Strategic Planning (PIPE for its Spanish acronym) and participates as a guest in the Executive Committee during the meetings to define the corporate guidelines and wherever key corporate issues require attention.

ASSETS AND LIABILITIES COMMITTEE

This Committee supports the activities of the Board of Directors and to do so it designs, controls and makes the required decisions in order to perform the organizational financial strategy, including among others: liquidity policies, equity adaptation, rates setting, funding strategy, investment policies and strategies for sound management of assets and liabilities.

This Committee is in charge of managing each of the risks associated with the administration of assets and liabilities as identified by the Finance, Treasury and Risk units and business units, among others, as well as watching over the fulfillment of

the equity adaptation policies. The Assets and Liabilities Committee shall guarantee the enforcement of the Integral Management of Risks and Investments policies and is entitled to submit reviews and modifications of these policies before the Risk Committee or the Board of Directors, as appropriate.

TECHNOLOGY COMMITTEE

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Corporate Social Responsibility is a hallmark in Banesco Banco Universal Strategic Map. This says a lot about how important is CSR for our organization and the reason why we have a committee especially devoted to CSR to define and coordinate our strategies on this topic. The CSR Committee rules our alliances with other organizations such as the social partners, handles the information requirements in relation to these real or potential alliances and define what fixed assets of those disincorporated by the organization will be donated or sold.

The CSR Committee is composed of the VP of Communications and Corporate Social Responsibility, Executive VP of Logistics and Administration, Executive VP of Human Capital, VP for the Preservation of Physical and Operational Infrastructure, VP of Economy Studies and VP of Finance.

ETHICS AND CONDUCT COMMITTEE

In 2009, following a research about the best international practices on this topic, Banesco's new Code of Ethics and Conduct entered into force. The Ethics Committee was also created with the mission of providing the bank with a transparent and efficient tool and process to address the reception and resolution of issues related to its Code of Ethics for Banesco Citizens and the Rules on Conflict of Interests.



- **Main Component:** Code of Ethics and Conduct for Banesco Citizens.
- **Technical Components:** Schema to funnel the claims.
 - **Internal Mail:** "línea directa comité de ética" and "línea directa juan carlos escotet".
 - **External contact:** etica@banesco.com and escotet_etica@banesco.com.
 - **Phone Number** (internal contact 501-1818 and external contact 502-1818).
- **Policies and Procedures:**
 - Documentation of Policies, Rules, Functions, etc.
 - Education, sensibilization.
- **Organizational Components:**
 - **VP Control of Losses / Management. Div. Administrative Investments:** to manage and coordinate the research, analysis

How to apply the Code of Ethics and Conduct



and evaluation on a permanent basis of the claims received through a continuous follow-up in order to guarantee the transparency of actions and results.

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

■ Members:

- President of the Board of Directors: Juan Carlos Escotet.
- Two Directors: Josefina Fernández y Salvador Cores.
- Executive Vice-President of Comptrolling: Mari Cruz Campos.
- Executive Vice-President of Human Capital: Judith González (entrusted with the secretariat and decisions follow-up).
- Executive Vice-President for the Management of Losses Prevention and Business Continuity (EVPMLPBC): Sergio Saggese (alternate secretary).
- Executive VP for the direct report of the areas involved (guest /only voice, no vote).
- Legal Consultancy Office (advisor / guest /only voice, no vote).

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

It shall be noticed that:

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

Last but not the least, we have Banesco’s **employees, suppliers and contractors**, whose active participation have to be encouraged through the use of the channels established to submit claims, so as they could provide information and show their best willingness during the inquiry.

Workers’ Participation

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

Cases managed by the Ethics Committee 2009

Type	N° of cases	% of Total
Rules contravention	192	46.49
Fraud	92	22.28
Patrimonial affectation	35	8.47
Non-fulfillment of procedures	22	5.33
Alleged infidelity	21	5.08
Infidelity	19	4.60
Conflict of Interest	18	4.36
Damage to people	6	1.45
Non-Fulfillment of the Code of Ethics	2	0.48
Others	6	1.45
Total	413	100%

Regulation, Unions and Corporate Participation

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

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

- Central Bank of Venezuela (BCV): Operations Committee and Cash at a regional level, which establishes the general guidelines allowing the coordination and control of the currency species, at the branches and offices of the financial institutions located in the countryside.
- Banesco also represents before the BCV the Project of Payment Means, Truncating and images and Electronic Compensation Chamber (checks, transfers and direct credits).
- Venezuelan Banking Association (ABV for its Spanish acronym):

• *Swift Executive Committee of the Banking Association*: Banesco is one of its active members and it’s an important leader during the sessions of this committee. It presides over the Subcommittee of Standards of this body, where the Bank introduces proposals for the implementation of changes for the national banking community. Likewise, it supports the BCV in the development and implementation of procedures related to the modernization of payment systems in Venezuela, such as SITMES (Standardized Messages System Swift), LBTR (Gross Liquidation in Real Time), among others.

• *Operations Committee*: Banesco acts as Chairman of this committee, which aims to give technical support to the Board of Directors and takes care of the issues related to the by-laws of the Electronic Compensation Chamber. Besides, it is in charge of two sub-committees: Banking Conciliations and Cash Committee.

• *Payment and Electronic Inter-banking Transfers Committee:* The main purpose of this committee is to enforce the standard processes designed by the banks which compose the Automated System and watch over its good operation. This covers from the reception of the order sent by the customer at the requesting entity to the publication of the payment at the recipient institution, including all those procedures that because of the system and committee scope are included in the inter-banking system.

• *Taxes Committee:* Banesco is an active participant in this committee, which main purpose is to articulate criteria that could emerge in relation to the interpretation of the provisions and binding rules and their impact on the financial sector.

• *Swift Corporation:* Banesco is an active member of the Cooperative Society in charge of the world financial inter-banks telecommunications.

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

From the social action perspective, Banesco is a member of Venezuela-USA Chamber of Industry and Trade (Venamcham) with national scope and is also a member of *AccountAbility* with international scope.

Corporate Social Responsibility Policy

Banesco voluntarily has integrated the principles of Corporate Social Responsibility into its business strategy in order to create sustainable value in economic, social and environmental terms. To do so, it encourages at all its operating levels a series of policies based on the following principles:

- Strengthening the corporate values and principles of our Code of Ethics as integral elements of our culture.
- Fostering individual and professional development among our staff members, safeguarding their health and safety, respecting their rights and compensating their efforts with a fair remuneration.
- Building a permanent dialogue with all our stakeholders: employees, stockholders, customers, authorities and society as a whole.
- Offering a proposal of value composed of quality products and services designed to meet our customers' needs.

- Integrating into our corporate culture the concerns and demands of our society, fostering actions and activities that favor and improve quality of life.
- Protecting the environment, by reducing the environmental impact of our activities and fostering among our stakeholder the environmental preservation.
- Avoiding acts that could result on practices that discriminate or violate Human Rights, as well as promoting among our stakeholder Human Rights observation.
- Clarity and transparency in all our internal and external communications.

Code of Ethics and Conduct

For Banesco Banco Universal, the ethical conduct of the organization and its staff is a matter of paramount importance and it's included as a value of our Corporate Social Responsibility Policy. For this reason, we have created and implemented a Code of Ethics and Conduct which entered into force in 2009. This Code follows the best national and international practices, defines the values that shall guide our behavior and the treatment that should prevail among our staff and with the public, as well as those behaviors deemed as reprehensible. It also establishes that during the duties of all our staff, fairness and objectivity should prevail.

It emphasizes aspects such as prevention and control of capital legitimation, secrecy of information, respect for diversity, conflicts of interest resolution and acceptance of gifts by our staff. For the last two items, we also created specific rules for 2009.

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

Our Policy on Ethics and Human Rights

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

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

All along this report, it will be observed that Banesco includes in all its activities social and environmental concerns, although

the organization has not yet defined formal policies to vote on these issues at the instances where the organization has the right to vote or to advise about a vote.

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

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

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

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

HUMAN RIGHTS

- Principle 1: The companies shall support and respect the protection of internationally proclaimed and fundamental Human Rights in all their operations and activities,
- Principle 2: The companies shall ensure that their enterprises are not accomplices to the vulneration of Human Rights.

LABOR STANDARDS

- Principle 3: The Companies shall support the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: The companies shall support the elimination of all forms of forced and compulsory labour.
- Principle 5: The companies shall support the effective abolition of child labor.
- Principle 6: The companies shall support the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- Principle 7: The companies shall support a precautionary approach to protect the environment.
- Principle 8: The companies shall foster and undertake initiatives to promote a greater environmental responsibility.
- Principle 9: The companies shall favor and encourage the development and spreading of environmentally friendly technologies.

ANTI-CORRUPTION

- Principle 10: The companies shall work against corruption in all its forms, including extortion and bribery.

As a member of the UN Global Compact, an organization is committed to implement changes in its commercial operations to include the Ten Principles as an integral element of its strategy, culture and daily actions and its relationship with all its stakeholders. Likewise, it is expected that any member company foster publicly the UN Global Compact and its principles through the company's communication channels, such as press releases, lectures and fora. The company shall also communicate each year its progress on the implantation of the Ten Principles on a public corporate report.

Banesco is including these commitments in its business strategy. In 2010, the organization will adopt the following measures:

- Inclusion in the Request for Proposal (RFP) of our most important suppliers of a clause that bind them to fulfill the Global Compact Principles.
- Application of a survey to our most important suppliers in order to determine which one of the Global Compact Ten Principles they are fulfilling at the moment of the survey.
- Divulagation through our media of the Global Compact Ten Principles.

Integral System for the Prevention and Control of Capital Legitimation

According to Resolution N° 185.01 issued by the Superintendency of Banks and Others Financial Institutions (Sudeban for its Spanish acronym), and dated September 12, 2001, stockholders, managers, directors and employees of the entities regulated by Sudeban are legally committed to prevent that they could be used as intermediaries to legitimate capitals related to the illegal drug traffic.

Banesco Banco Universal C.A. abides by the Rules on Prevention, Control and Supervision of Capital Legitimation Operations established in Resolution 185.01. In this sense, the Bank has established policies and internal mechanisms of prevention and control. Likewise, it counts on an integral system of Prevention and Control which includes sufficient, appropriated and effective measures to prevent that any financial operation could be used as an instrument to hide an illegal source, purpose, object and destiny of capitals, either through disposal, transfer, conversion or investment, including the purchase or sale of securities, use of any type of money or other goods resulting from criminal activities, or to give a legal appearance to transactions and funds related to them.

The structure of our Integral System for Prevention and Control of Capital Legitimation is as follows:

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

By 31 December 2009 and 2008, the Board of Directors had assigned 535 and 351 Enforcement Employees, respectively. Additionally to the duties they normally perform, these officers act as the link with the Compliance Officer for the Prevention of Capital Legitimation and they also apply and supervise the rules of Prevention and Control of Capital Legitimation related to the activities included in each area under their responsibility.

Position	2009	2008
Regional Operational Managers	11	0
Regional Managers	64	40
Financial Service Managers (network of branches)	287	276
Division Managers (located at the different centralized areas)	157	35
Operating Managers	13	0
Fixed and Variable Rent Chief of Dep.	1	0
Total EE	523	351

Report on fulfillment of the Good Corporate Governance Rules. December 2009

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

1. Efficiency: pointing to the creation of the highest value at the lowest costs, in the shortest term and achieving the established goals.
2. Equality: strict respect to the right of equal treatment to stockholders, workers and suppliers, as well as any person related to our company.

3. Respect to our stockholders' economic and political rights.
4. Transparency, communication and information: building the strongest truthfulness and credibility with the public through an integral and truthful divulcation of all the information required to get an upright knowledge of the company.

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

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

The Auditing Committee includes these independent directors and holds regular meetings (at least twice a year) in order to meet the provisions of its Operations Regulations. (One of the Independent Directors passed away and a new Independent Director is about to be named).

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

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

Our Stockholders

Main Action Lines in 2008

- We executed the issuance of preferred stocks in order to democratize our capital stock.
- We gave shares to our workers in order to include our employees into our new stockholders base.
- We strengthened the Stockholders Unit in order to give a more efficient response to their requirements, and to do so we transformed the unit into a Management.

Management Evolution against 2008 and Main Action Lines in 2009

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

Commitments Made for 2010

- Systematization and divulgation of the Stockholders' Unit Management

Our Policy

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

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

Our main objective is to return to our stockholders the trust they have placed in Banesco, through a suitable profitability of their capital, with solvency, a transparent corporate government and a careful risk management. The capital retribution policy seeks a balance between the payment of dividends and capitalization

levels good enough to face the challenges, opportunities and difficulties ahead.

Each year we celebrate two Ordinary General Assemblies. In 2009 these meetings were held on March 30 and September 28, as well as an extraordinary assembly celebrated on March 30.

Stockholders' Unit Management Office

In 2008 we transformed the former Stockholders' Unit into a Stockholders' Unit Management Office with the purpose of providing an improved service to our users. Its mission is to provide our stockholders with a fast and transparent service. Here they can get all the required information about their investments: states of account of their dividends (historic registry), claims,

Basic Traits

Capital Stock (Bs)

2009	112,500,000
2008	10,500,000

Shares

	2009	2008
N° of Shares	112,500,000	10,500,000
• Circulation	109,545,467	10,204,546.619
• Treasury	2,954,533	295,453.381

Face Value (Bs)

	2009	2008
	10	0.10

N° of Stockholders

2009	38,493
2008	29,399

Dividends

	2009	2008
In Cash (Bs)	76,000,000.00	75,962,690.00
Benefit per share	0.01	0.01241313
In Cash (Bs)	60,000,000.00	73,434,478.67
Benefit per share	0.686	0.012
In shares	75,000,000.00	1,585,006,730
Benefit per share	0.097	0.2590075
In shares	79,000,000.00	--
Benefit per share	0.09	--
Dividends Preferred Shares	--	--
In Cash (Bs)	46,121,667.61	27,083,332.72

external auditing certifications, stocks transfer in case of death or divorce, guarantee, reports delivery at request and everything related to their stocks.

In 2010 we will carry out the systematization and divulgation of the Stockholders' Unit Management.

Modification of Stocks Face Value

In order to bring the value of Banesco stocks to a price adjusted to the stock market, the Board of Directors –during the Stockholders' Meeting on September 22, 2008– agreed to increase the face value of the “common” and “preferred” stocks which represent the capital stock of the Bank. The face value was raised from Bs. 0.10 to Bs. 10.00 per share. This agreement was ratified by the Stockholders' Meeting held on March 30, 2009.

Therefore, each stockholder with 100 or more stocks with a face value of Bs. 0.10 each received one (1) share with a face value of Bs. 10.00.

The remaining fractions were acquired by Banesco Holding C.A., according to the engagement made by this company, at the average price of Banesco's shares quoted in Caracas Stock Exchange, the last business day of the stock market. All this was carried out based on Official Letter N° SBIF-DSB-II-GGTE-GEE-09578, dated June 26, 2009, where the Superintendency of Banks and Other Financial Institutions (Sudeban) approved the increase of the “common” and “preferred” shares face value which represent Banesco's capital stock, as well as in Resolution N° 088-2009, issued by the Venezuelan Securities and Exchange Commission during its meeting of August 7, 2009.

The notification addressed to the Stockholders was published on September 29, 2009, indicating October 13, 2009 as the closing date and October 19, 2009 as the exchange date. The Venezuelan Securities and Exchange Commission approved the suspension of the quotes and transactions of Banesco Banco Universal C. A. from October 14 to October 16, 2009, so as the Bank could proceed to change the face value and exchange of shares.

Preferred Stocks

At the end of 2009, Banesco had 38,493 stockholders: 4,751 were the owners of common stocks, while 33,742 owned preferred stocks.

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

- August 2008: Bs 46,710.43
- November 2008: Bs 45,717.05
- February 2009: Bs 45,717.05
- May 2009: Bs 44,613.70
- August 2009: Bs 39,835.76
- November 2009: Bs 39,836.06

Dialogue with our Stockholders

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

- Stockholders' Unit Management: it provides all the required information about the stockholder's investment, as well as about the financial institution. This information can be delivered on a regular basis or through the Stockholders' Meeting.

- Our Corporate Social Responsibility Report, which is an annual publication and was delivered for the first time in 2004. This report includes data about how the bank allocates part of its revenues to social action projects approved by the Board of Directors. The CSR report is also available in the Internet.

- Our six-monthly reports.

- *TiempoBanesco*, monthly publications of our Organization.

- CableBanesco (a CCTV)
- Our corporate website, www.banesco.com
- The Board of Directors.
- Our Corporate Government practices.
- Contacts and direct meetings.
- The media all over the country.
- Our branches network.

**AT THE END OF 2009,
BANESCO HAD 38,493
STOCKHOLDERS: 4,751
WERE THE OWNERS
OF COMMON STOCKS,
WHILE 33,742 OWNED
PREFERRED STOCKS.**

Our Human Capital

Main Action Lines in 2008

- 8,811 Banesco's employees were included as our partners through the allocation of preferred stocks.
- We created the new VP of Branches Network for Caracas-South area.
- Banesco established a significant record with the successful implantation in just 9 months of the SAP-HCM module for planning, compensation, development, personnel administration, benefits and payroll.
- We trained our managerial staff in methodologies to identify competences, as a part of Banesco Model of Competences.
- The bank encouraged new opportunities so as our employees could be able to buy their own houses, according to the needs of our Human Capital.
- We launched "Banesco Ideas Big Bank" campaign, where our collaborators provided ideas and strategies to improve our organizational profitability and productivity. This is a way to foster our staff participation in the growth and development of our organization.
- We continued our training programs focused on strategic points of our organization.

Evolution of the Management against 2008 and Main Action Lines in 2009

- Implantation of a new Code of Ethics and Conduct for Banesco Citizens and establishment of mechanisms for its divulgation through all our internal communication channels.
- Training on Human Rights addressed to 764 employees from different areas of our organization.
- Continuation of Banesco technological updating activities addressed to our Human Capital Systems, through the implementation of the second stage of the SAP-HCM module.
- Culmination of the implantation process of Banesco's Organizational Model of Competences. Strengthening of the competences associated with the Organizational Leadership, through the development of training programs.
- Expansion of instruments to measure the satisfaction level of

our internal customer in relation to the services and products offered by the Executive VP of Human Capital.

- Creation of new economic and non-economic compensation strategies in order to support our employees' quality of life.
- Configuration of a map with the critic talents of our organization in order to consolidate career and succession plans.
- Expansion of the Food Coupons benefit, going even beyond what is established by law.
- Implantation of the segmented payment of annual profits in July and November in order to improve the employees' cash-flow by mid-year.
- Training of 1,066 employees belonging to the Managerial and Supervisory levels on programs addressed to the development of the following competences: "People Management" and "Work-Teams Guidance".
- The Medical Management was ascribed to the VP of Protection and its activities were synchronized with the Industrial Security area in order to safeguard the integral health of our workers and guarantee the fulfillment of regulations on the matter.

Commitments Made for 2010

- To enhance training on regulatory matters, by holding activities related to Prevention of Capital Legitimation, encouraging Health and Industrial Security topics within the organization and to continue the education of our staff in line with the strategic focus of "People Management", "Quality Service" and "Commitment to Profitability".
- To implant the new Model of Human Capital Attention in order to reorganize functions proper to this area and bring them closer to our internal clients. This new model creates more efficient mechanisms to optimize services and provide timely solutions to the organizational needs based on the promotion of self-management on those topics related to Human Capital and co-responsibility in the management of talents and satisfaction of their needs.
- To negotiate and homologate the Collective Bargain 2010-2013.
- To foster the massification of the Model of Competences from

Distribution per age rank and gender

Age rank	2009			2008			Variation (%)		
	F	M	Total	F	M	Total	F	M	Total
15-17*	20	14	34	107	59	166	(81.31)	(76.27)	(79.52)
18-25	1,864	1,076	2,940	2,052	1,240	3,292	(9.16)	(13.23)	(10.69)
26-30	2,461	1,362	3,823	2,332	1,368	3,700	5.53	(0.44)	3.32
31-35	1,635	909	2,544	1,613	904	2,517	1.36	0.55	1.07
36-40	1,140	757	1,897	1,073	787	1,860	6.24	(3.81)	1.99
41-45	628	533	1,161	562	510	1,072	11.74	4.51	8.30
46-50	344	302	646	312	273	585	10.26	10.62	10.43
51-55	159	110	269	143	92	235	11.19	19.57	14.47
56-60	62	44	106	51	36	87	21.57	22.22	21.84
61-65	17	16	33	15	16	31	13.33	0.00	6.45
66-70	4	5	9	4	3	7	0.00	66.67	28.57
71-75	1	1	2	0	2	2	100.00	(50.00)	0.00
>75	1	0	1	1	0	1	0.00	0.00	0.00
General Total	8,336	5,129	13,465	8,265	5,290	13,555	0.86	(3.04)	(0.66)

* Employees included in this age rank are INCES apprentices.

a 360° perspective and unify the performance evaluation platforms, enabling at the same time the required tools, so as each employee and supervisor could be able to manage their development and that of their teams within the organization.

- To design career routes based on individual profiles: knowledge, competences, potential and interests and to design replacement and succession plans for key and crucial positions.
- To identify Banesco's key-crucial positions in order to undertake differentiating actions of development, retention and succession.
- To design retention plans aligned with the best market practices.
- To evaluate new economic and non-economic compensation strategies in order to improve our employees' quality of life.

Our Policy

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

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

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

Our Management

Banesco's success is based on the quality and competence of its employees. Therefore, the management of our Human Capital seeks to contribute to their development through the establishment of policies and processes that add value to all the members of our organization both, as individuals and professionals.

In 2009, we made efforts to protect our employees payroll guaranteeing the stability and safety of our collaborators. Additionally, we filled the vacancies. At the closing day of the 2009 fiscal year, Banesco payroll was composed of 13,465 employees, 0.66% below the previous year figure.

The employee distribution per position and age group shows that we are a young and dynamic institution, with an average age

Main Indicators

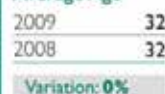
Total employees



Per gender



Average Age



Average Seniority



Distribution per age rank and position category

Level / Age groups	2009						2008					
	< 18	18 - 30	31 - 40	41 - 50	> 50	Total	< 18	18 - 30	31 - 40	41 - 50	> 50	Total
Base	34	432	1,079	444	123	2,112	166	3,989	1,049	434	108	5,746
Professionals and Technicians	0	3,308	2,013	479	90	5,890	0	2,719	1,951	434	79	5,183
Supervisory	0	2,744	866	420	63	4,093	0	232	852	364	55	1,503
Managerial	0	230	471	404	119	1,224	0	52	509	363	99	1,023
Vice-Presidents	0	48	13	54	23	138	0	0	16	56	20	92
Directors	0	0	0	5	2	7	0	0	0	5	2	7
President	0	0	0	1	0	1	0	0	0	1	0	1
Total	34	6,762	4,442	1,807	420	13,465	166	6,992	4,377	1,657	363	13,555

*Corresponds to INCES apprentices.

Distribution per gender and position category

Level	2009			2008			Variation (%)		
	F ♀	M ♂	Totales	F ♀	M ♂	Totales	F ♀	M ♂	Total
Base	3,161	2,259	5,420	3,258	2,488	5,746	(2.98)	(9.20)	(5.67)
Professionals and Technicians	3,644	1,682	5,326	3,547	1,636	5,183	2.73	2.81	2.76
Supervisory	830	749	1,579	783	720	1,503	6.00	4.03	5.06
Managerial	650	392	1,042	623	400	1,023	4.33	(2.00)	1.86
Vice-Presidents	50	40	190	53	39	192	(5.66)	2.56	(2.17)
Directors	1	6	7	1	6	7	0.00	0.00	0.00
President	0	1	1	0	1	1	0.00	0.00	0.00
General Total	8,336	5,129	13,465	8,265	5,290	13,555	0.86	(3.04)	(0.66)

Distribution per type of contractual relation and gender

Level	2009		2008		Variation (%)	
	F ♀	M ♂	F ♀	M ♂	F ♀	M ♂
Apprentices*	306	160	292	170	4.79	(5.88)
Under contract	54	40	82	103	(34.15)	(61.17)
Fixed Employees	7,976	4,929	7,891	5,017	1.08	(1.75)
Total	8,336	5,129	8,265	5,290	0.86	(3.04)
General Total	13,465		13,555		(0.66)	

* Corresponds to INCES apprentices

among our employees of 32 years, but without any discrimination based on age. In 2009, 91.84% of our Human Capital, that is 12,407 employees, were people aged between 18 and 45 years.

Banesco's intention is to be a solid and discrimination-free employment source and as a proof of this assertion, 95% of our workers are fixed employees. 62% of them are women and the personnel filling the base positions accounts for 41% of the total payroll.

NATIONAL DISTRIBUTION

Banesco has carried out a territorial division based on its business strategy. As a result, Banesco is an important employment source at the different regions of the country. 96% of our payroll is composed of fixed employees.

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

National Distribution

Region	2009		2008		Variation (%)	
	N° Employees	% of total	N° Employees	% of total	N° Employees	% of total
Capital City	8,289	61.56	8,423	62.14	(1.59)	(0.93)
Middle-The Plains	1,598	11.87	1,531	11.29	4.38	5.07
Western-Andean	1,275	9.47	1,278	9.43	(0.23)	0.43
Eastern-South	1,253	9.31	1,262	9.31	(0.71)	(0.05)
Zulia-Falcón	1,050	7.80	1,061	7.83	(1.04)	(0.38)
Total	13,465	100%	13,555	100%	(0.66)	



Banesco branch at Lecherías, Anzoátegui state

Vice-Presidents of the Network

Region	2009		2008	
	No.	% from the local community	No.	% from the local community
Capital City	5	100.00	4	100.00
Middle-The Plains	1	100.00	1	100.00
Western-Andean	1	100.00	1	100.00
Eastern-South	0	—	1	100.00
Zulia-Falcón	1	100.00	1	100.00
Total	8	100.00	8	100.00

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

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

In the regions, the hiring process of the executives ascribed to the sales area helps to support the local communities while, at the same time, allows a better understanding of the regional situation based on particularities of each region. There is no available information about the media turnover of employees by gender, age and region. These data will be included in the 2010 report.

ADMITTANCE AND EXIT PATTERNS

The Turnover Index is a function of the percent index between admittances and exits in relation to the number of employees in the area and over a given period of time. From 2008 to 2009, the index went from 19.29% to 13.13%, accounting for an

Turnover Index ⁽¹⁾

Concept	2009	2008
Fixed admittances	1,702	3,253
Fixed Exits	1,686	1,727
Fixed Average Population	12,892	12,103
Fixed staff turnover index (%)	13.13%	19.29%

(1) The Turnover Index is calculated with the following formula:

$$[(\text{admittances} + \text{exits}) / 2] / \text{monthly average population} \times 100$$
 This year we did not include the data about employees under contract, as we consider it is not relevant for the purposes of this Index.

improvement of our Human Capital stability against the previous year.

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

PERFORMANCE EVALUATION AND PROFESSIONAL DEVELOPMENT

The main input of the Model for the Management of Competences is the result of the performance evaluations for the planning and starting up of training programs, remuneration plans and strategic achievements pointing to our employees' professional development. To do so, we take as a base the evaluation of competences, the adjustment of corporate competences and the identification of the candidates' development potential.

The percentage of employees evaluated in 2008 was 82%, while in 2009 this figure soared to 95.20% (the remaining corresponds to employees who were admitted to the organization after the evaluation period). It is important to mention that the Vice-Presidents are submitted to a yearly evaluation program to measure their performance.

In order to cover the Performance Evaluation cycle 2009, the following activities were carried out:

- Integration of the Performance Factors used for the evaluation into the Corporate Model of Competences. The purpose here is to determine the alignment degree between people's performance and the organizational strategy.
- Design of a new tool in the Intranet to carry out the process of Performance Evaluation of the managerial levels for Banesco Banco Universal.

Based on the evaluation process results, an analysis of opportunities

Performance Evaluations



to improve the Web tool was conducted during 2009 first-half. To do so, the following changes were included: possibility to edit objectives, visualization of graphics for follow-up reports, association of the strategic objectives with the organizational Balance ScoreCard and; previous establishment of the evaluation metrics, all this with the purpose of optimizing both, the functionality of the Objectives Registry Process 2009 and the Performance Evaluation Process 2010.

JOBS PROMOTION

In Banesco we believe in our employees' talents. Thus, we have designed plans of retention and succession in order to leverage the strategic management of our business. Through our promotion policy we provide our employees with the possibility of growing internally towards positions of more and more responsibility.



People handling training course, 2009

Jobs Promotions

Direction	2009		2008	
	Total	% of total	Total	% of total
President Board of Directors	0	0.00	14	0.55
Dir. Strategic Management, Risk and Finance	15	2.18	43	5.91
Dir. Sales	470	68.21	461	63.32
Dir. Real Estate, Infrastructure and Insurance	12	1.74	15	0.69
Dir. Credit, TDC, Channels and Services	68	9.87	62	8.52
Dir. Technology and Processes	35	5.08	96	13.19
Dir. Analysis, Control and Operations	89	12.92	57	7.83
Total	689	100.00	728	100.00

REMUNERATION POLICY

Having in mind the importance of a fair remuneration and wage, so as our employees could cover their basic needs and support their families, our wages policy establishes an initial wage which is 20% above the minimum wage fixed by the Executive Government on an annual basis. In January 2009 we granted a wage raise which was higher than the peer group average wage in the banking system, in terms of effective raises.

In the same token, on August 10, 2009 the Board of Directors made the decision of improving the schema of Food Coupons for the employees, a labor benefit established by law. To do so, Banesco allocated an additional portion to the Tributary Unit established by law for all our employees at the supervisory level. This benefit favored 13,171 families, accounting for 92% of Banesco total employees. This improved benefit, in turn, increased by 10.1% the monthly liquidity of the employees.

EMPLOYEES WITH DISABILITIES

From the very beginning, Banesco has been deeply committed to the creation of jobs for people with disabilities able to participate in the labor market when they are previously prepared and trained

by specialized associations on this matter. We have provided these people with the possibility of dealing with flexible and dynamic activities. No doubt, their development has turned them into productive persons and their effort and perseverance have become an example to be followed both within and outside the Bank.

At the end of 2009, 31 people with physical-motor, intellectual or visual disabilities are working in stable labor environments and under conditions adjusted to their performance. It must be observed that although this figure shows a reduction against the previous year, we keep the aforementioned policy, favoring the inclusion of people with disabilities into the Bank's payroll.

Hand in hand with our Social Partners, the incorporation of each individual with disabilities creates a new opportunity to enhance sensibility and close the learning gaps between the condition of these individuals and the understanding of this reality by the rest of Banesco's population. The firm belief that it is possible to overcome setbacks and hurdles, as well as a strong sense of responsibility and commitment to these workmates, encourages us to achieve the goal of improving our programs to identify and include people with disabilities.

Employees with Disabilities

Region	2009	2008	Var. %
Capital City	28	37	(24.32)
Middle-The Plains	1	3	(66.67)
Western-Andean	2	3	(33.33)
Total	31	43	(27.91)

TRAINING

BanESCO offers training to its employees on different topics with a specific interest for our business, but also complementary training. The training programs are designed according to the gaps identified by the performance evaluations and based on our Model of Competences, always looking for the individual and professional development of our workers.

Aware of the strategic value of Human Capital to achieve our goals, in 2009 we focused our efforts on the strengthening of the competences that enhance and favor the main strategic lines of our organization. In comparison with the previous year, the percentage of employees who received training rose from 64.96% to 80.59%. The total investment in training during the year totaled Bs 11,490,718.36.

Among the strategic focus addressed during the year we can mention the following:



■ 1,066 employees belonging to the Managerial and Supervisory levels were trained on programs addressed to the development of “People Management” and “Work-Teams Management”. These competences are defined in our Model of Competences and they point to the development of leadership skills among our managers and supervisors in order to strengthen an organizational culture based on team-work and service to the customer.

Training *

Description	2009	2008	Variation %
Banking, Finance and Insurance	80,605	106,431	(24.27)
Managerial Competences	45,704	17,020	168.53
Management Control	6,490	4,106	58.06
Personal Development	36,448	36,560	(0.31)
Specialized	6,684	16,505	(59.50)
Legal and Regulatory	7,925	8,742	(9.35)
Marketing, Sales and Services	120,216	53,276	125.65
Industrial and Physical Safety	20,912	14,391	45.31
Technology and Information Safety	30,867	43,602	(29.21)
Total Training Hours	355,851	300,633	18.37
Average Training Hours	32.79	34.14	(3.96)
Total Employees Trained	10,852	8,805	23.25
% of Employees Trained	80.59	64.96	24.07

* Excluding congresses, national and international events

Training per position level *

Level	N° of Employees Trained			Total Hours of Training			Average Hours of Training		
	2009	2008	Variation %	2009	2008	Variation %	2009	2008	Variation %
Base	3,763	3,785	(0.58)	102,238	127,728	(19.96)	27.17	33.75	(19.50)
Professionals and Technicians	4,659	3,475	34.07	159,250	123,443	29.01	34.18	35.52	(3.77)
Supervisory	915	687	33.19	26,050	18,007	44.67	28.47	26.21	8.62
Managerial	1,510	772	95.60	68,128	27,535	147.42	45.12	35.67	26.49
Vice-Presidents	5	86	(94.19)	184	3,920	(95.31)	36.8	45.58	(19.26)
Total	10,852	8,805	23.25	355,851	300,633	18.37	32.79	34.14	(3.96)

* Not includes congresses, national and international events.

- Training sessions associated with the competence “Commitment to Profitability”, which aims to create awareness among the participants about the efficient use of resources, within and outside the organization.
- Training on the matters of “How to Guide Customers”, a crucial competence to encourage conducts and attitudes bounded to optimize the service offered to internal and external customers.
- Continuation of the certification programs in key areas of the business, such as Branches Network and Specialized and Credit Banking, in order to enhance knowledge about the products and services offered by the organization.
- Strengthening of other key competences, such as Adaptability and Flexibility, Planning and Organizational Capacity, Efficient Communication.
- The VP of Communications and Social Matters kept training its staff on the matter of Corporate Social Responsibility. In 2010 this specialization process will continue with a workshop about the AccountAbility Security Standard AA1000, which will include other areas of the Bank.
- Additionally, the staff of the security area ascribed to the Executive VP of Losses Prevention and Business Continuity attended an introductory workshop on Human Rights. The workshop was given by members of PROVEA, a well-known Venezuelan ONG.

TRAINING PROGRAM FOR THE BRANCHES NETWORK

The training program addressed to the staff working in our national branches network seeks to enhance the abilities and skills required to offer a quality service to our customers, as well as provide them with the best financial products and services.

This program has been designed to provide our staff with routes or career plans that help them to potentiate their professional education and foster their development within the organization.

Our team of facilitators has a presence in all the regions of the country to support our collaborators with technical and specialized knowledge in each state. Likewise, our organization has opened training centers at these states with the ideal conditions to develop these learning experiences.

In 2009, 30% of the budget allocated to this program was devoted to training on the matter of Quality Service, while 26% was devoted to training on sales.

75% of all the subjects invited to the courses succeeded. The workshops with the highest attendance rate were the following:

- Sudeban Resolution 209-08: Preferential Treatment for People with Disabilities
- Updating on Prevention and Control of Capital Legitimation.
- Quality Service.
- Sale of Banesco Products.

Likewise, our training strategy is focused on the enhancement of the supervisory and managerial roles, through novel training proposals that are also adjusted to the dynamics of the national banking system.

SAP-HCM PHASE II

The Project of Technological Updating scheduled for 2009, with the implementation of the SAP-HCM Phase II, will be ready in 2010. This project aims to optimize the implantation strategy of the new model of Human Capital Attention.

In 2008 the Phase I of the SAP-HCM was implemented. Over 2009, the organization decided to acquire a solution to enhance the SAP Platform. For this reason, the Phase II will be executed in 2010.

The Phase II of the SAP module will support the new Model of Human Capital Attention, as it will provide:

- Self-management tools for the workers and supervisors, so as they could be closer to the Human Capital processes through a portal that makes easier and optimizes the interaction between the employees and the products portfolio offered by Human Capital.
- Additional strength to the processes associated with the Development and Growth of our staff both locally and globally, through:
 - Standardization and automation (massification) in a single tool of the different types of evaluations to be applied to the employees.
 - Identification of internal candidates with the potential to fill vacancies within the organization both locally and globally.
 - Contribution to the maturity of the internal transfer process and employees development.
 - Encouragement of the self-development schemas, with design and execution tools for the Individual Development Plan.
 - Consolidation of the measurement culture, evaluating the employees' contributions.
 - Encouragement of the supervisory-technical competences through a portal allowing the formulation of requests, status visualization, time control, service agreements and other functions.

WORKSHOPS AND TRAINING ON OPERATING RISK

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

In 2009, 46 regular training workshops were given nationwide (addressed to new employees). 1,505 people attended the workshops. 24 of these training activities were held in the Capital City (Ciudad Banesco), while the remaining 22 were held in the rest of the country, specifically at the cities of Barinas, Barquisimeto, Coro, Maracaibo, Maracay, Maturín, Mérida, Porlamar, Puerto La Cruz, Puerto Ordaz, San Cristóbal, Valencia and Valera. With these workshops we ensured that, at the right moment to begin their activities, our new employees count on a general description of the operational risk and the functions associated with the area in charge of providing advice about how to manage businesses.

On the other hand, this year we also gave three specialized training workshops which were attended by 30 people.

Additionally, during 2009 second-half were held the VI Sessions of Prevention and Continuity, called "Banesco People, Integral Security". These sessions focused on topics such as: "express kidnapping", AH1N1 influenza, management of labor stress and ergonomics, and home safety. These activities were attended by 532 people from the different area of our organization. At the end of the sessions, a 10-question survey was applied to gauge our employees knowledge about Operating Risk Methodology, the Operating Risk Delegate Role and Failures and/or Losses Events. The results of the survey showed that our employees do have a basic knowledge on Operating Risk Management.

In addition and in compliance with the provisions established in

Inductions on Operating Risk to New Employees

Number of sessions



Variation: (19.30)%

Number of participants



Variation: (40.20)%

Note: The figure of 3,225 participants included in the 2008 Report was a mistake. The aforementioned figure was, indeed, the result of adding the number of attendees to the Prevention and Continuity sessions and the number of attendees to the Policies Divulgarion sessions.

Specialized Workshops on Operating Risk

Vice-Presidency	2009		2008	
	Workshops	Particip.	Workshops	Particip.
Payment Services / Exchange				
Control / Securities	1	4	-	-
Operational Technical Support	1	14	-	-
Auditing	1	12	-	-
Legal Consulting	-	-	3	33
Trust Funds Operations	-	-	2	44
Execution Corporate	-	-	13	95
Management and Business Processes				
Total	3	30	18	172

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

Article 96 of the Organic Law against the Illegal Traffic and Consumption of Narcotic and Psychotropic Substances (LOCTICSEP for its Spanish acronym), Banesco made the corresponding reserve of one percent (1%) on its net annual profits for integral social prevention programs to fight the

Budget for the Training of Operating Risk Delegates

Objetivo 2009

To increase the maturity level about risk culture in the Organization.

Objetivo 2008

To increase the penetration index of the culture (training) from 50% at the base staff to 100% for directors, Vice-Presidents and Managers.

Budgeted Bs

2009	48,184.00
2008	116,500.00

Variation: (58.64)%

Executed Bs

2009	42,066.00
2008	87,000.00

Variation: (51.65)%

The difference observed last year is the result of specialized training sessions given to the Operating Risk Delegates in 2008, although these sessions were not scheduled for that fiscal year. This explains the reduction.

Training on Prevention and Control of Capital Legitimation

	N° Employees			Variation %	Amount Bs			Variation %
	2009	2008			2009	2008		
New employees	1,583	3,048		(48.06)	1 5,694.60	1 6,962.67		(18.21)
Active staff	3,188	1,211		163.25	290,162.43	252,871.69		14.83
Total	4,771	4,259		12.02	296,057.03	259,834.36		13.94

trafficking and consumption of illegal drugs. These programs are addressed to our workers and their family entourages and consist of different activities that support the integral development and proper enjoyment of leisure among our employees.

During these workshops the employees received general knowledge about this area, its functions and the importance of identifying, assessing and managing the operating risks present at the bank, as well as clarifying their doubts and sharing their labor experiences. This, in turn, favors the articulation between the activities they carry out and the management of operating risk.

As we did not increase our payroll in 2009, we focused our efforts on expanding this training to a wider segment of our active staff.

WORKSHOPS ON HUMAN RIGHTS

In April 2009 we offered, for the first time, an introductory workshop on Human Rights addressed to the staff ascribed to the Security area of the Executive VP of Prevention of Losses and Business Continuity in Caracas. This activity was organized by members of the Venezuelan ONG known as Provea (Programa Venezolano de Educación Acción en Derechos Humanos), along with the VP of Communications and Corporate Social Responsibility.

The attendees received induction about the principles of Human Rights, Corporate Social Responsibility and the protection of vulnerable population groups, among others. According to a survey applied to the attendees, these activities were highly satisfactory and the interviewees deemed as very positive their inclusion in Banesco training programs. Likewise, a series of proposals were made about their labor conditions and the continuation of these workshops. It is worthy of mention that 57 out of 68 employees ascribed to the Security area in Caracas, attended these workshops, that is 84%.

On the other hand, and in compliance with Resolution 209-08 of the Superintendency of Banks and Other Financial Institutions, this year a 4-hour workshop was given in order to increase awareness among the Executive VP of the Branches Network employees about the preferential treatment for people with disabilities, pregnant women and the elder. 707 workers attended this workshop.

Thus, the total number of Banesco workers trained on Human Rights in 2009 rose to 764.

MODEL OF MANAGEMENT BY COMPETENCES

The configuration and attachment of competences to certain positions is a source of profiles and identification of the ideal attributes for those positions within the bank. These information, in turn, favors the process of attraction, retention, evaluation and development of competences.



Workshop on Human Rights offered to the Security personnel, April 2009.

We created a Dictionary of Interviews that has become a fundamental tool for the people in charge of Recruitment and Employment during the scouting process to find talented candidates, as it allows to identify personnel with the competences outlined by this model.

Through the design of instruments for the diagnosis of competences we have been able to make progress in relation to the identification of the current profile of our employees, according to the profile expected for their corresponding positions. Part of the staff ascribed to the Direction of Sales and the Executive VP of Quality and Processes was already submitted to this instruments.

Finally, the Manual of Competences created by Banesco provides our managerial staff with an indispensable tool to guide their own work teams, as it establishes the competences, its levels and behaviors.

The scope of the management under the Model of Competences ensures that Banesco counts with a Human Capital always looking for the individual and business success.

In order to develop and enhance competences, in 2009 we carried out the following activities:

- 400 managers were trained on the methodology of competences through the workshop "How to observe Behaviors".
- Design and execution of 6 cinema-forum to consolidate the specific competences of the steering levels: adaptability and flexibility, people management and work teams management, customers guidance, influence and negotiation. The purpose of the cinema-forum is to offer learning options through the movies, a very attractive media.
- 6,862 employees trained on educational programs specifically addressed to foster the development of top competences planned for 2009: commitment to profitability, people management and customer guidance.

- Publication of the “Guidelines for the Development of Competences” on the Intranet Competences Web site, which recorded 11,726 visits. These guidelines define a series of activities proposed within and outside the workplace in order to help people to improve the competences of the model.
- Continuation of the identification process of competences, through diagnosis and self-diagnosis tools applied at the Executive VP of Integral Management of Risk and the Technology Direction.
- Design of the PDI tool (Plan of Individual Development), which allows the employee to plan and monitor actions required to the development of competences through the Intranet.

INTERNSHIPS PROGRAM

Banesco’s Internships Program allows the early recruitment of talents to be incorporated into our Organization in order to foster their long-term development within the Bank.

In 2008 Banesco signed an agreement with the organization Fe y Alegría. Under this agreement, each year Banesco receives 30 high school and Middle Technicians students from this institution as interns for occupational internships. In this way, the Bank provides them with a theoretical-practical experience and the opportunity of fulfilling this academic requirement, which is mandatory to complete their studies and enter the labor market. The Ministry of the Popular Power for Education, Universities and Higher Education Institutions established the duration of

these internships at no less than 240 hours, according to the Rules for the National Program for Internships.

Banesco assigns a mentor to each intern. This “corporate mentor” shall review the development of the activities established in the program and supervises its fulfillment.

Banesco Internships Program			
Type	2009	2008	Variation %
External	101	119	(15.13)
Internal	205	183	12.02
Total	306	302	1.32

Quality of Life, Free Time and Personal Development

Improving the quality of life of our employees is one of the central goals at our organization. For this reason, Banesco has developed a recreational-sports program for our workers and their families, so as they could share activities to encourage positive behaviors and healthy life styles that enhance the social, physical and emotional well-being of our employees.

SPORTS AND RECREATIONAL ACTIVITIES

NATIONAL MINI-OLYMPIC GAMES

In June 2009 were held the National Mini-Olympic Games under the motto “We can do it without Drugs”. This tournament took place at the Simón Bolívar University facilities. 1,478 Banesco employees attended the games, participating in softball, football, basketball, volleyball and kickingball games with the teams classified at the five regions where Banesco has operations: Capital City, Middle-The Plains, Zulia-Falcón, Eastern-South and Western-Andean regions.

Family members, employees not included in the teams and their children also participated in different recreational activities. Banesco invested a total amount of Bs 1,987,077.76 to hold these mini-olympic games.

FIRST CHILD TALENT CONTEST

“Banesco’s Children Build the Future”, our First Conquest of Children Talent, was held from August to September 2009. The purpose of this conquest is to foster family integration and strengthen values in the framework of the integral social prevention program. This conquest was addressed to our employees’ children with ages between 5 and 17 years and its aim is to raise awareness among the children about the importance of the wise use of our natural resources, recycling and environmental protection.

174 children and adolescents joined this activity in the following categories: comics, short stories and artistic creation. The jury was composed of employees ascribed to the VPs of Human



Banesco National Mini-Olympics' Marathon, 2009

Capital, Marketing, Technology and, Communications and Corporate Social Responsibility.

CHILDREN VACATION PLAN

We offer an annual Vacation Plan for our workers' children between 5 and 13 years of age. The Plan was scheduled, as usual, for the summer 2009 but we were forced to suspend it following the official recommendations of avoiding children concentrations due to the AH1N1 influenza epidemic.

So, our employees' children had their vacation plan, called "Magic Christmas 2009", at the end of the year, which was held as a part of our Program of Integral Social Prevention with a view to reduce the risks factors encouraging a healthy recreation, sports, artistic learning and development, environmental and cultural awareness, as well as a fun and entertained environment.

To guarantee the best results, the activities were designed according to the age of the attendees as follows:

- Day Camp (Capital City): 5-13 years.
- Camping (the rest of the country): 8-13 years.

A total of 647 children and adolescents, the children of 543 of our employees, joined these activities. Banesco invested a total amount of Bs 2,330,624.48 on these activities.

HEALTH AT THE WORKPLACE

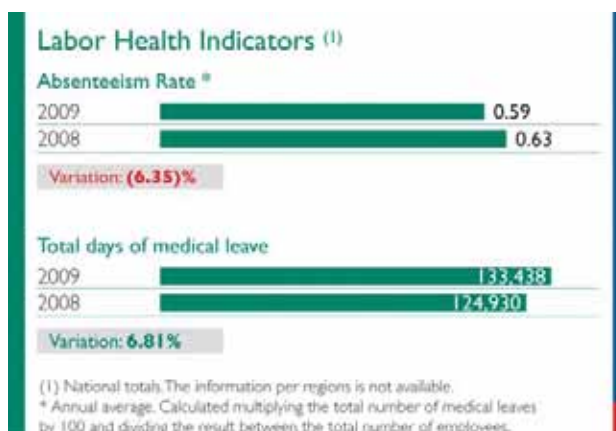
In 2009 we continued providing Medical Assistance at the facilities of our Health Care Center located in Ciudad Banesco. This medical care was provided to 7,041 employees, with 9,229, immediate doctor's appointments, successive doctor's appointments and emergency care.

In 2008, we started to refocus our system of medical attention on accidents and diseases prevention in order to encourage physical and emotional well-being and cut the amount of medical assistance to cure ailments. Under this new approach and during the VI Sessions of Prevention and Continuity, held in November 2009, we provided preventive medical care to 1,216 people, applying medical tests such as corporal mass measurement, blood pressure tests, spirometry, osteoporosis, glaucoma and visual tests, among others.

On the other hand, this year we focused our work on the prevention of AH1N1 influenza, supporting the divulgation of abundant information to our staff and through all our internal communication channels. In addition, we took special steps such as the change of date for our summer Vacation Plan for the Children, a more limited access of family members and children to our administrative offices, reduction of cultural activities at our headquarters (Ciudad Banesco) and installation of disinfectant gel dispensers for hand care at number of areas, particularly at the cafeteria.

Likewise and taking advantage of the synergy existent between the different areas, this year we ascribed the Medical Management to the VP of Protection. This change allowed the synchronization

of their duties with those of Industrial Security in order to safeguard the integral health of our workers and guarantee the fulfillment of mandatory regulations.



LABOR SECURITY

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

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

121 elections of Prevention Delegates were held in 2009 at the 461 facilities of our organization. Besides, a series of training sessions on the matter of Industrial Security were given via Internet and focused on the following topics:

- Security steps in case of earthquake.
- Security steps in case of heavy rains.
- AH1N1 virus: comparison with the symptoms of common flu.
- Some measures to prevent the contagion of the AH1N1 virus.
- A better knowledge of dengue fever. Help us to prevent it.
- Establishment and importance of Emergency Brigades.
- What to do during an earthquake at your workplace.
- Help us to give a timely response to requirements related to Labor and Health Security.
- Clean hands save lives.

A workshop on Integral Management of emergencies was also given to 49 people by the Security Auxiliaries of the Metropolitan Area and the staff of Health and Industrial Security.

During the aforementioned VI Sessions of Prevention and Continuity, held in November, our employees also attended a series of lectures on Labor Security and Health. Each lecture was attended by around 150 people.

And finally, in 2009 a series of meetings were held in order to organize the participation of the Emergency Brigades as a part of the Plan for Action and Control of Emergencies at Ciudad Banesco. 45 people attended these meetings. The employees and Brigade members at Ciudad Banesco and Towers I and II in El Rosal, El Recreo North and South, Torre América and Torre La Primera attended lectures about how to act in case of earthquakes and how to evacuate a building.

In 2009, Banesco did not record any labor accident involving damages of any kind to the employees. The same is true for the so-called occupational diseases.

LABOR RELATIONS

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

To expand the universe of employees benefited by the Collective Bargain, the economic and social benefits of our employees under open-ended work contracts were expanded, as of November 2008. These benefits exclude the excess and inclusion of family members in the Hospitalization, Surgery and Maternity Insurance Policy.

This collective bargain includes 55 clauses of different nature: preliminary, general, economic, social-economic and labor union, and it grants economic and social benefits very competitive in the banking market. Its central purpose is to improve the quality of life of our workers and their families, as it grants additional economic benefits, such as Hospitalization, Surgery and Maternity Insurance Policy for the employee and his family (spouse, children), scholarships for the worker, and toys for their children, among others.

Additionally, and in order to avoid the devaluation of the amounts granted, several clauses included in our Collective Bargain establish

yearly adjustments for scholarships, aid for school supplies, contribution for marriage and birth of children.

At the end of 2009, 12,940 employees were protected under Banesco Collective Bargain, accounting for 96.10% of all the employees of Banesco Banco Universal.

In order to support and guarantee the right of free association, we provide all the communicational support and foster the opportunities and places to celebrate work meetings and general meetings of the affiliates

There is no a single practice in Banesco where the freedom of association and affiliation to collective bargain could be violated. On the contrary, we encourage a growing consolidation of the bargaining process with the workers union for the benefit of our employees.

Employees under Collective Bargain

	2009	2008	Var. %
Total employees	13,465	13,555	(0.66)
Employees under Collective Bargain	12,940	12,993	(0.41)
% of Employees under Collective Bargain	96.10	95.85	0.26

Banesco Banco Universal guarantees all and each one of the rights established in the National Constitution, particularly the right of free association with legal purposes and the right to create and participate in labor unions, as established in Articles 52 and 95 of our National Constitution. The Bank provides all the conveniences, so as its workers could exert all these rights, as a legitimate expression of freedom to develop the activities they deem appropriate for their interests, without any restriction, but those established by the Law. As a fundamental characteristic of these rights we can mention the affiliation of our employees to the National Union of Banesco Financial Group (SITRABANESCO for its Spanish acronym). This means a significant participation of our staff as subjects with rights and duties in the labor unions field.

Our Collective Bargain does not include clauses establishing or mentioning minimum notice periods in relation to organizational changes. This aspect, as well as the rest of the aspects related to staff disincorporation from the Organization, is ruled by the notice of termination of employment and other provisions established by the Organic Law of Labor. However, the bank is committed to maintain the labor stability of the workers who carry out their duties with efficiency and responsibility. Thus, the first step of the bank is not the disincorporation of the employee, but rather the

**96.10% OF OUR
EMPLOYEES ARE COVERED
UNDER THE COLLECTIVE
BARGAIN**

relocation of the employee, according to the organizational technical and economic possibilities and the employee's performance evaluation. In this way, Banesco demonstrates that we are interested on ensuring stable employment relations for the mutual benefits of the parties involved: the employees and the organization.

The new negotiation and homologation of our Collective Bargain 2010-2013 will take place in 2010 in an effort to create an instrument even more competitive in the banking sector and always focused on the improvement of our workers' quality of life.

STEPS TAKEN TO DEAL WITH CORRUPTION INCIDENTS

Financial institutions are exposed to all kind of risks, mainly those linked to Capital Legitimation. In Banesco we are protected by our Integral System to Prevent and Control Capital Legitimation, which also serves to keep informed all our employees and customers about the issue of Capital Legitimation and Terrorism Financing.

In this sense, we provide induction lectures to our new employees, as well as specialized training workshops for the staff in charge of our sales network and centralized areas. Likewise, we have included in our Intranet all the necessary information about this topic, urging at the same time our workers to support the actions of the Unit for the Prevention and Control of Capital Legitimation. We also count on direct lines of communication with the Committee of Ethics and Conduct (see chapter 'Corporate Government')

The main tool to reduce these risks is to maintain and apply comprehensive and effective control mechanisms available to the customer ("Knowing your Customer" policy) in order to avoid relations with sensitive or vulnerable customers to the unintentional use of financial institutions for illegal activities, such as fraud, capital legitimation, swindle or any other act of corruption.

When an employee suspects that he is before a corruption case, first of all he has to analyze the facts in order to determine if the displayed behavior falls into any kind of illegal action, according to the Venezuelan regulation on the matter. If this is so, the employee shall make a formal complain before the competent national authorities, so as they could start the necessary investigations to prove the crime.

EQUAL OPPORTUNITIES AND NON-DISCRIMINATION

Banesco Banco Universal takes all the required steps likely to establish an honorable, ethical, respectful, gentle and fair labor environment, free of any and all discriminatory treatment for all the employees working in our organization or those with expectations of joining our ranks.



We act based on our organizational values and all the legal principles created to this end and established by the different instruments that compose Venezuela regulatory bodies, such as the Constitution of the Bolivarian Republic of Venezuela, the Organic Labor Work and the LOPCYMAT.

We provide an equal treatment to all our employees, without any discrimination or consideration based on age, ethnical group, religious, political or sexual preference or of any other kind. We encourage and respect the freedom of people to develop and strengthen their capabilities, to chose and materialize their professional and individual expectations. Therefore, to this date Banesco has no reports of discrimination against its employees.

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

Relation between Base Wage and Gender			
Relationship between Men and Women			
Position Category	2009	2008	
Base	1.01	1.01	
Professionals and Technicians	1.02	1.14	
Supervisory and Managerial	0.99	0.93	
Vice-Presidents	1.13	1.06	
Directors	0.93	1.02	

The base wages of our employees are equivalent for men and women for all the categories (positions with equal degree of responsibility), that is, there is no wage discrimination of any kind whatsoever based on gender. For all the cases, the only

possible difference is the result of the individual performance evaluation.

Banesco offers equal opportunities without any discrimination based on gender. A proof of this assertion is the fact that 56% of our Vice-Presidents are women.

CHILD EXPLOITATION

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



"Magic Christmas" children vacation plan, 2009

rules of this institution, the trainees shall be 14-17 years old. These apprentices devote most of their time to educational activities rather than working for Banesco, so their activity cannot be qualified as child labor. Therefore, no risk incidents of child exploitation have been identified within the organization.

FORCED LABOR

At all moments, the organization has been a guardian not only of the enforcement of the national legislation in force but of all those international treaties signed by the nation on this matter. For this reason, Banesco labor force has never reported any incident of forced labor whatsoever.

Benefits Granted to our Employees

For Banesco its most important assets is its Human Capital. Therefore, we always try to improve on a permanent basis the quality of life of our collaborators. This is an integral element of our strategy and also helps us to preserve our leader position among employers with the best labor conditions. As members of Banesco, our employees have many opportunities to improve their quality of life. Our benefits program covers all the staff, including those employees under part-time contracts or temporary workers.

Our contractual and non-contractual benefits have been designed to grant economic encouragements and give support to our employees based on a fair approach with equal opportunities for all. We are at the forefront of Venezuela's financial sector, particularly on food coupons, health assistance and housing. The Hospitalization, Surgery and Maternity Insurance Policy enjoyed by our employees, as well as the programs offered to then to acquire their own houses are outstanding among our package of benefits.

Contractual Benefits

Contractual Benefits	Investment (Bs)			N° employees benefited		
	2009	2008	Var. %	2009	2008	Var. %
Contribution to Saving Fund	38,813,271.00	30,150,981.10	28.73	12,835	13,350	(3.86)
Scholarships	141,010.00	68,750.00	105.11	235	199	18.09
Uniforms and equipment	6,449,337.14	4,882,805.00	32.08	7,440	6,494	14.57
Christmas Toys	3,182,800.00	2,609,207.00	21.98	7,957	5,525	44.02
Vacations and Vacation Bonus	25,832,915.19	19,917,042.58	29.70	11,207	8,882	26.18
Acknowledgment Policy – Seniority Acknowledgments	968,250.18	939,229.00	3.09	1,076	1,130	(4.78)
HCM Insurance ⁽¹⁾	85,667,297.91	46,572,507.00	83.94	36,363	34,680	4.85
Marriage Bonus	29,420.00	14,480.00	103.18	222	165	34.55
Contribution for Death of Direct Relatives	22,560.00	16,620.00	35.74	96	83	15.66
Contribution to Relatives for Employee Death	182,088.00	62,984.00	189.10	10	4	150.00
Contribution to tellers and promoters	687,639.80	579,002.21	18.76	4,628	7,058	(34.43)
Family Subsidy	207,705.00	187,990.00	10.49	3,093	2,584	19.70
Contribution to Mothers' Day	215,550.00	196,550.00	9.67	4,311	3,931	9.67
Birth Bonus	100,940.00	60,040.00	68.12	767	583	31.56
Contribution for School Supplies	498,000.00	450,090.00	10.64	3,684	3,650	0.93
Total	162,998,784.22	106,708,277.89	52.75	—	—	—

(1) Includes employees and family members.

We firmly believe that the success of our employee must be acknowledged as a contribution to the business and this has an impact on our performance culture and innovation. For this reason, we apply a policy based on jobs promotion according to the proven achievements of our employees, which are measured with yearly performance evaluations and the corresponding wage raises.

Likewise, we develop permanent training programs that help to improve the quality of life of our workers and their families, with preventive health activities, sports activities and vacation plans for the children of our employees.

In order to measure the levels of personal satisfaction, we conduct frequent surveys, which results are published in this section.

CONTRACTUAL BENEFITS

SAVING FUND (CABANESCO):

This benefit granted under Banesco Collective Bargain establishes highly favorable conditions for our staff: the employer's contribution amounts to 11% of the monthly wage. The Saving Fund management is based on a sustainable vision and takes as reference the best investment instruments available in the market. It is characterized by transparent practices (at the end of its annual fiscal year it distributes its dividends proportionally to the assets of each member and once it has deduced the corresponding reserves). The Saving Fund always tries to provide its members with a timely and fast response to their needs.

On an annual basis, the Saving Fund contract a Funeralary Service Policy that covers all its affiliates and direct family members. Likewise, it counts on a fund for medical emergencies that provided assistance to 15 cases in 2009, for a total amount of Bs 54.625,57.

STUDY SCHOLARSHIPS:

This benefit is an encouragement for the professionalization of our employees, particularly for undergraduates and postgraduates studies related to the economic, financial and banking activity. This year we granted 235 scholarships with which the beneficiaries will be able to compensate a portion of their educational expenses and achieve a successful culmination of their studies.

UNIFORMS:

The Program of Corporate Image (uniforms) is one of the contractual benefits for our employees, particularly those who provide direct service to the customers. In 2009, 7,440 employees (55.25% of the total payroll) received their annual procurement.

CHRISTMAS TOYS

In order to offer a higher satisfaction to our employees and their families, in 2009 we introduced a change related to this benefit. In this occasion our employees received the electronic card



"Magic Christmas" children vacation plan, 2009

TodoTicket Juguete for the benefit of each one of their children aged between 0 to 1 years old. In this way, we provided our workers with the opportunity to chose and acquire a gift adjusted to the quality of the toy Banesco has traditionally delivered. The investment amounted to Bs 3,182,800.00 for 7,957 children that enjoyed their Christmas gifts.

SENIORITY DECORATIONS:

To express our gratitude and encourage our employees' sense of commitment, in November we held our traditional event to reward our employees with 5 up to 40 years of service in our organization, highlighting the importance of the professional and human contribution of these employees to our organization. A total of 1,076 employees were decorated.

COLLECTIVE INSURANCE POLICY OF HOSPITALIZATION, SURGERY AND MATERNITY:

This is an important benefit offered by our organization to its employees and their direct relatives (spouse and under-age children), an insurance policy with a basic coverage 100% paid by the Organization. In 2009, we increased this basic coverage from Bs 10,000 to Bs 20,000, with a total investment of Bs. 85,667,297.91. In addition, this policy allows the employee to expand the coverage margin to include their parents and at very competitive prices.

NON-CONTRACTUAL BENEFITS

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

Non-Contractual Benefits

Activity	Investment (Bs)			N° employees benefited		
	2009	2008	Var. %	2009	2008	Var. %
Unsecured Loan for Housing	11,591,401.44	9,935,954.83	16.66	942	1,199	(21.43)
Parking subsidy (1)	360,000.00	171,107.40	110.39	714	693	3.03
Cafeteria subsidy	10,568,981.53	8,794,395.55	20.18	4,066	4,757	(14.53)
Medical service (2)	1,075,306.92	722,128.45	48.91	7,041	7,551	(6.75)
Medical Assistance for Serious Diseases	81,793.27	155,602.00	(47.43)	10	20	(50.00)
Total	23,677,483.16	19,779,188.23	19.71	--	--	--

(1) Corresponds to the number of places rented by employees at Caracas headquarters.

(2) The amount of employees corresponds to curative consultations along the year.

“YOUR HOUSE WITH BANESCO” PROGRAM

In 2005, the Organization established as a concrete goal that all its employees with a seniority above a year in the organization should have a house of their own. To achieve this goal we have made significant investments which, at the end of 2009 reached to an accumulated total of Bs 681,326,101.68 for the benefit of 3,623 employees. The amount invested corresponds to the amount of loans liquidated by Banesco for its employees, with its own resources and also resources from the Housing Law Saving Fund. In 2009, Banesco granted Bs 152,536,951.85 to 897 of its employees.

UNSECURED LOANS

The Unsecured Loan provides is an additional support to the mortgage loan for our employees who have been working in our organization for over a year and it's addressed to base, professional and technician levels. It is a complement for the down payment required to buy a house. This loan is paid up with years of service in our Organization, that is, there is no money involved. In 2009 we granted 942 loans and increased the amounts granted by 30% against 2008: from 12,500 to 16,500 for those employees with a base wage up to Bs. 1,400 and from Bs. 9,000 to Bs. 11,800 for those with a base wage between Bs. 1,401 and Bs. 2,800. Since December 2005 and up to December 2009, 3,255 unsecured loans were granted to our staff.

HOUSING FAIRS AND OTHER BENEFITS

Another activity carried out in 2009 to encourage our housing policy among our employees was the “Housing Mega-Fair” (2-13 November) for the second year in a row at the facilities of Ciudad Banesco. This event was attended by 16 companies that offered their buildings under construction and located in the

Metropolitan Zone, with preferential credit conditions. The event was attended by 620 employees. A “Housing Mini-Fair” was also held on September.

Likewise, from May 20-22 we carried out an special session to help our staff with their doubts and concerns about “Your House with Banesco” Program. During this activity a group of experts from the Mortgage Unit (Mortgage Credits and Human Capital)

provided information about the different aspects related to this program. The sessions were attended by 691 employees who were interested on buying their own houses. All these events were held at Ciudad Banesco.

It has to mentioned that when a Banesco employee buys a house from another employee of our Organization, and if it is the first time he acquires a principal house, the buyer is exonerated of the three first installment payments of the credit requested.

In addition, this year our staff voted to decide that the amount invested in the past for our organization in the Christmas Party now will be devoted to a raffle of 125 bonus of Bs. 20,000 each for housing acquisition. This raffle

was held in December and was recorded in a video taken at our administrative subsidiaries all over the country.

NEIGHBORS TRAINING SESSIONS

On September 22, 23 and 24, 2009, were held the Neighbors Training Sessions at the Fernando Crespo Suárez Auditorium (Ciudad Banesco), addressed to the owners of the Viviendas de Salamanca neighborhood in Charallave (Miranda State), where number of Banesco employees have acquired their houses through the program “Your House with Banesco”. These sessions were attended by 375 employees.

The lectures were organized by Fundación de la Vivienda Popular,

**3.623 EMPLOYEES WERE
BENEFITTED BY THE
“YOUR HOUSE WITH
BANESCO” PROGRAM FROM
2005 TO 2009**

an institution with 50 years of experience devoted to the encouragement and social development for housing and habitat. Among the topics discussed we can mention citizens' values, self-management, legal framework, conflict and mediation, work team, community management, administrative-accounting aspects, maintenance and conservation and environmental issues.

CAFETERIA AT CIUDAD BANESCO

In the cafeteria of our headquarters, our employees have the opportunity to enjoy a balanced and rich lunch at very low prices. Around 74% of the cost is subsidized by our Organization.

The cafeteria offers balanced menus, according to what is established by the Panamerican Health Organization (the menu includes soup, main dish, fruit juices and desserts), designed by experts on nutrition. The cafeteria facilities are in accordance with the quality, hygiene and cleanness standards. It also counts on an structure adjusted to the number of guests and the architectonical design of Ciudad Banesco. As a complement, we regularly publish on our internal communication channels some advises for a healthy and balanced diet.

In 2009, the subsidy granted for Banesco to the cafeteria amounted to Bs. 10,568,981.53.

PROFITS SEGMENTATION:

Besides the competitive advantage of offering a profits' package which is highly superior to what is established by law, during 2009 our organization implanted for the first time the profits payment segmentation to offer the availability of cash flow during the months of family needs (for example, to plan ahead vacations or pay school tuitions). Thus, a 50% advance was delivered in July and the remaining portion in November, in anticipation of the Christmas festivities.



Banesco branch at Barquisimeto, Lara state

OTHER BENEFITS

Among other benefits provided to our staff in 2009, we can mention:

INCREASE OF FOOD COUPONS

In order to support the quality of life of all our employees, we implemented the following two measures as of October, 2009:

- We rose the base for the calculation of the daily food coupon.
- The beneficiaries population was expanded. Now all technicians and professionals, besides those at the base wage level, enjoy this benefit.

Other Benefits Granted to our Employees

	Investment (Bs)			N° employees benefited		
	2009	2008	Var. %	2009	2008	Var. %
Mortgage credit for housing acquisition ⁽¹⁾	152,536,951.85	89,247,060.29	70.92	897	423	112.06
Mortgage credit for housing revamping ⁽¹⁾	31,730,746.69	23,020,483.98	37.84	338	232	45.69
Credit cards approved during the year for the employees	--	--	--	1,561	2,252	(30.68)
Contribution for medical emergencies from the Saving Fund	54,625.57	81,206.93	(32.73)	15	23	(34.78)
Banesco credits for vehicles (own resources)	49,669,000.00	51,252,000.00	(3.09)	1,006	1,309	(23.15)
"Venezuela Móvil" Plan ⁽²⁾	0	2,176,000.00	(100.00)	0	114	(100.00)
Vacation Plan for the children of the employees ⁽³⁾	2,330,624.48	3,079,229.41	(24.31)	647	1,900	(65.95)
Sports and Recreational Activities ⁽⁴⁾	1,987,077.76	960,960.00	106.78	1,708	2,000	(14.60)
Bowling Tournament ⁽⁵⁾	0	169,962.00	(100.00)	0	1,500	(100.00)
Education and training programs	11,490,718.36	14,219,911.49	(19.19)	10,852	8,805	23.25
Total	249,799,744.71	184,206,814.10	35.61	--	--	--

(1) Granted with Banesco's own resources.

(2) This governmental program finished on June 2008.

(3) The number of beneficiaries corresponds to the children of our employees. The significant reduction observed is due to the fact that the Vacation Plan was postponed and held on December as a preventive measure for the A/H1N1 influenza sprout.

(4) In 2009 we only held National Mini-Olympic Games.

(5) The tournament was not held in 2009.

Legal Obligations

	Investment (Bs)			N° employees benefited		
	2009	2008	Var. %	2009	2008	Var. %
Nurseries	5,069,884.73	3,261,855.48	55.43	853	730	16.85
Food coupons	35,509,067.86	26,951,292.83	31.75	10,386	9,083	14.35
Mandatory Social Security	36,388,217.07	28,696,032.08	26.81	13,465	13,555	(0.66)
Employment Law	8,201,788.28	8,312,577.97	(1.33)	13,465	13,555	(0.66)
Housing and Habitat Law	12,834,786.43	10,300,029.22	24.61	13,465	13,555	(0.66)
INCES*	9,768,157.01	8,312,578.97	17.51	466	462	0.87
Training on Prevention of Capital Legitimation	296,057.03	259,834.36	13.94	4,771	4,259	12.02
Total	108,067,958.41	86,094,200.91	25.52	---	---	---

* Apprentices

PREFERRED STOCKS

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

Dialogue with our Employees

Having in mind that our employees' satisfaction is a key element to maintain their motivation and encourage best results, we conduct opinion surveys on a regular basis in order to gauge the benefits and services we offer.

In 2009 we conducted surveys to measure the satisfaction level of our staff in relation to the cafeteria, National Mini-Olympic Games, Vacation Plan and Collective Health Insurance Policy. The score scale goes from 1 to 10, where 1 means "Very Bad", while 10 means "Excellent".

"BIG BANK OF IDEAS": INCENTIVES PROGRAM

As a part of our dialogue with our employees, in 2008 the incentives campaign "Big Bank of Ideas" was developed. This program was created to include the proposals submitted by our workers to solve problems and bring new concepts bounded to improve the performance of all the Bank's areas.

In 2009, some of the winner ideas started to materialize, based on the savings or additional income produced by these ideas. Specifically, the "Auction Reverse-Purchases or Contracts" idea was implanted. It is defined as a auction process addressed to our suppliers to guarantee an equal and fair participation of our suppliers. As established on the conquest's bases, the person that proposed the winner idea received 12% of the amount saved by the bank thanks to his proposal.

The implementation of other ideas is expected for 2010 and this time the purpose will be to translate the reduction of paper consumption into simpler processes and more profits for our organization.

ORGANIZATIONAL CLIMATE STUDY

With the purpose of knowing the satisfaction level of our employees, we conducted in August, September and October 2009 the Study of Organizational Climate and Commitment, through a survey via Intranet. The study gathered key factors associated with the organizational climate and allowed to get unbiased and standardized information about:

- Strengths and weaknesses.
- Comparison to the Latin American financial market indexes.
- Focalization of action plans with a positive impact on Banesco, in terms of the satisfaction management, climate and commitment.

Satisfaction Index of our Internal Clients *

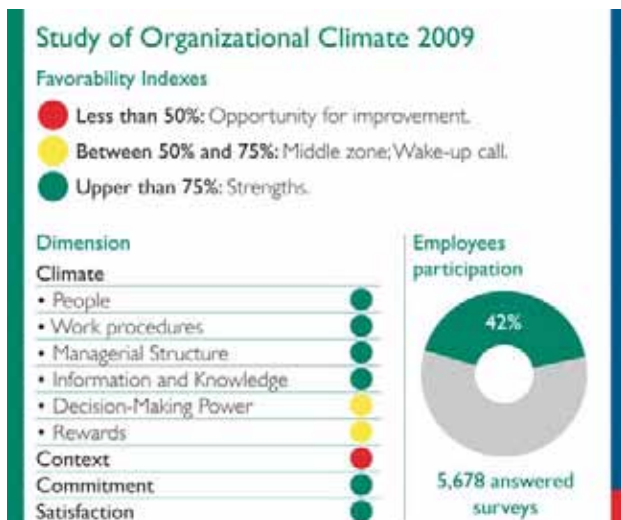
Program	2009	2008
Cafeteria	6.30	7.15
National Mini-Olympic Games	8.30	Non-evaluated
Sports Activities	Non-evaluated	9.07
Bowling Tournament	Non-evaluated	8.80
Acknowledgements and Decorat.	Non-evaluated	8.87
Vacation Plan	8.47	8.81
Toys	8.00	7.65
Collective Health Insurance Policy	7.48	Non-evaluated

* Different items are evaluated each year, according to the needs defined by the Executive VP of Human Capital.

- Quantification of the actions plan to encourage the management of the organizational climate and commitment to maximize results.

The study revealed the employees' perception about the following factors:

- **Climate:**
 1. People
 2. Work Procedures
 3. Managerial Structure
 4. Information and Knowledge
 5. Decision-making Power
 6. Rewards
- **Context:** focused on the influence of the nation's reality on labor environment
- **Commitment**
- **Satisfaction**
- **Labor Values:** related to those aspects that the employees expect to find at their workplace



The *Labor Values* dimension required a special treatment, as it was conceived to mirror the perception of the interviewees about the desired values within an organization and it has no valuation attached to it whatsoever. The result was a list of values organized by frequency of answers and for this reason the *Labor Values* dimension is not included in the figure above.

SURVEY ON THE MODEL FOR HUMAN CAPITAL ATTENTION

In June 2009 a survey was applied as a complement to the design of the new Model of for Human Capital Attention. This is the baseline to measure the progress expected with its implementation in 2010.

With this new Model for Human Capital Attention we seek to re-organize the functions proper to this area and bring them closer to our internal stakeholders. This new model will create more efficient mechanisms, by encouraging self-management on topics related to Human Capital and the shared responsibility in the management of our talents and their needs.

Internal Communications Management

In order to enhance its projection, Banesco has introduced from the very beginning a series of innovations through different communicational approaches with the purpose of providing a mass and/or segmented information to its audiences.

Through our internal communications channels, our employees are connected and updated about Banesco corporate information.

Printed, digital, voice and audiovisual means compose a wide array of options through which the internal customers get information about the developments of the institution, labor issues, benefits for the employees, products, promotions, innovations and processes, among other relevant corporate topics.

These are our internal communication channels:

- **CableBanesco:** a CCT system at Ciudad Banesco and located at the elevators of the main agencies and most of our branches nationwide.
- **Intranet *TiempoBanesco*:** Intranet: a high versatile media, which is under a permanent updating process. In 2009 we started to re-design our Intranet in order to keep it technologically updated and provide a more friendly-user experience. We will continue with the process in 2010.
- **The *Virtual Library*,** available through our *TiempoBanesco* Intranet and operating since the last months of 2008, it was specially created to display all the medullar information related to the business in a simple, updated an easy-access format for all Banesco Citizens. It includes tutorials and sections about: promotions, campaigns and news, products, services and contact points, fees and rates, rules and procedures. It is frequently updated.
- **Bulletin Boards:** a useful electronic tool to place announcements. It is available in LotusNotes and the Intranet.
- ***TiempoBanesco Extra Journal*:** a standard-size monthly journal with information printed on both faces and delivered nationwide to our employees.
- ***TiempoBanesco*:** Bulletin Board located at service areas –toilettes– at Ciudad Banesco: a monthly publication particularly addressed to the personnel with no access to the electronic media so as they could obtain corporate information.
- **Weekly Newsletter:** an electronic magazine sent by e-mail. It

covers the most important weekly news for Banesco's community.

- **Segmented Newsletter:** digital information with a specific value for the organization; topics that require an in-depth communicational treatment.
- **Special Newsletters:** information sent by e-mail in order to spread very important news for the institution, with massive and segmented distribution.

Additionally, the voice system at Ciudad Banesco is composed of an amplifier to broadcasts messages through speakers installed at strategic places.

A communication channel that has become increasingly frequent in 2009 were the messages from the President of the Board of Directors to all the employees with an internal e-mail LotusNotes tool, with messages and exhortations about the circumstances that could have an impact on their work and the most pro-active approach to solve them, as well as the explanation of decisions made by the Board of Directors, for example, the segmentation of the payment of annual profits.

SATISFACTION OF OUR STAFF IN RELATION TO INTERNAL COMMUNICATIONS

In 2009, the Marketing Research Management conducted a Channels Survey in order to measure the satisfaction level of Banesco staff in relation to internal communications. The purpose of this instrument is:

- Identification of perception/assessment elements with an impact on the effectiveness of Banesco corporate communications.
- Identification of communicational habits and practices among our organization members with an impact on Banesco internal communications channels.
- Determination of the levels of knowledge, use, interest and preference towards the information content of the internal communications channels.
- Determination of the assessment of the effectiveness ranking of the internal communications channels.
- Analysis of the main expectations related to internal communication needs in Banesco.

The Channels Survey is a quantitative study conducted through self-applied questionnaires that were designed according to the



objectives established and delivered through the Lotus Notes tool.

This year the instrument was submitted to modifications aimed to improve the evaluation of our internal communication channels, and because of this it is not possible to make comparison of the different annual exercises.

Among the most significant results we can mention the following:

- In general, the electronic communication channels recorded the highest levels of knowledge and use.
- The widest gap between knowledge and use were observed among the *Virtual Library* (51%), *TiempoBanesco* Intranet (40%) and Bulletin Boards for Announcements of LotusNotes (38%).
- *TiempoBanesco* Intranet (40%) and the *Virtual Library* (27%) are considered as the preferred communication channels and perceived by the users as the most versatile communication channels. The first of them is also considered as the most updated of all, whereas the second one is perceived as a channel that enhances labor performance.
- The habits/practices of use of the internal communication channels seem to be linked to regular periods of information publication.
- Seven of every ten employees stated that they have perceived the changes included in LotusNotes-Weekly Newsletters.
- According to the analysis of the scope of the main campaigns developed along 2009, the "Code of Ethics and Conduct for Banesco Citizens" recorded the highest rate of general recalling (76%).
- Regarding the effectiveness of the internal communications channels, the employees considered that all of them are easy to understand, as their scores are above the general average for this attribute. They think that the contents are simple and clear, with the only exception of the bulletin boards located at the toilettes.
- On average, the employees showed an information level of 8.5 points over 10 and a satisfaction level of 8.4 over 10. The branches network and branches located in the countryside recorded scores above these assessments.
- Finally, the employees' comments about the internal communications system were very positive in general terms.

The External Dimension of Our Social Responsibility Program

At a glance



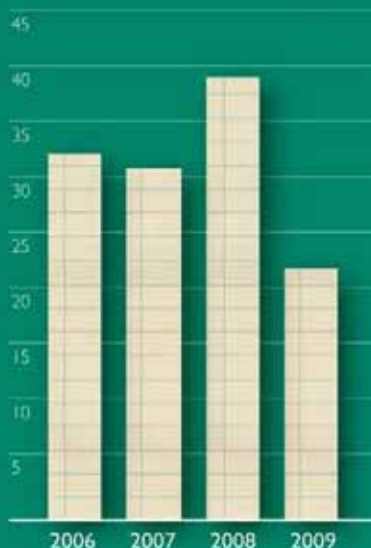
We are still **the Number 1 financial institution** of the country

We implemented a **Protocol of Relationship with the Customers** at our branches network

40%

was the reduction of our paper consumption from 2008 to 2009.

Consumption of office paper (thousand kg)



16.67%

was the reduction of the average time of our customers at branches.



1 out of 5 customers of Banesco Community Banking opened an account and received credit for the first time.

108

micro-entrepreneurs were trained by Banesco on financial, administrative and technological topics.

15,370

kilograms of paper were recycled in 2009.

We increased the percentage maintained in the tourism, manufacturing and mortgage portfolios.

Our Social Partners

Main Action Lines in 2008

- We guaranteed the continuation of the projects and initiatives launched in 2007, through our budgetary planning.
- The survey used to gauge the result of our work with the Social Partners was modified in order to enhance the social impact of our joint projects. The Bank is going to start applying these new questionnaires in 2009.
- We have continued evaluating the satisfaction of our Social Partners, underlying the final results.

Management Evolution in 2008 and Main Action Lines in 2009

- We built the results indicators that allow us to enhance the social impact of our joint projects, measured by number of direct and indirect beneficiaries, through the modification of the surveys we apply on a regular basis.
- We have continued evaluating the satisfaction of our Social Partners, emphasizing the results recorded, all this with a view to identify weaknesses and take the corresponding appropriate steps.

Commitments made for 2010

- The continuous development of a special relationship with our Social Partners.
- Modification of the survey applied to our Social Partners in order to adjust it to our information needs.

Our Policy

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

Banesco's social action in alliance with our Social Partners is based on our organizational goal of supporting the education



Christmas activity with Fundana children, 2009

and health of all the Venezuelan population as a way to create shared value.

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

An indispensable and crucial condition for an organization to be and remain one of our Social Partners is its commitment to provide timely and detailed information about the development of the projects supported by Banesco. In compliance with this policy, the Venezuelan Red Cross as well as the Anti-Cancer Society ceased to be our Social Partners.

Our Management

The following inventory of activities mirrors the interests of our Social Partners and responds to a number of observations made by several Banesco's stakeholders about the content of our Corporate Social Responsibility Report.

Banesco's social action in alliance with its Social Partners is carried out through its VP of Communications and Corporate Social Responsibility, which in turn reports to the Committee of Corporate Social Responsibility composed of the VPs of Conservation and Infrastructure, Administration and Accounting, Human Capital, Economy and Finance Studies.

Our Social Partners

Investment 2008-2009 (Bs)

Organization / Institution	Project	2009	2008	Variation %
Fe y Alegría	Construction and equipment for University Institutions	1,481,640	5,346,749	(72.29)
Don Bosco Houses' Network Civil Assoc.	Bosco Bus	530,000	407,175	30.17
Fundana	Maintenance fee of The Toddlers Villages	180,000	180,000	-
	Others	-	41,140	(100.00)
The Children Museum Foundation	Development of educational web page	3,000	3,000	-
UCAB-Caracas	Research Project – Digitalization of Carlos Rangel and Sofia Imber news records	-	53,000	(100.00)
	Project for the expansion, revamping and enhancement of the Luis María Olaso School	-	100,000	(100.00)
	Contribution for the payment of 5 scholarships (UCAB, Coro)	15,900	-	100.00
	Sponsorship for the Chair of Literature and Writing	250,000	-	100.00
	Encouragement of the UCAB School of Humanities	-	-	-
	Sponsorship for the Foundational Chair Andrés Bello	25,000	-	100.00
	Others	3,960	-	100.00
AVEC	Several projects	1,315,375	1,432,456	(8.17)
Venezuelan Foundation against Infantile Paralysis	Support for the revamping and technological updating of Ophthalmology Service	-	200,000	(100.00)
	Hospitalization area expansion	190,000	-	100.00
	Others	10,000	6,000	66.67
Apoye Civil Assoc.	50% of the headquarters rent	51,000	42,950	18.74
Salesian Women Assoc.	Program to Consolidate Work Training	250,000	295,525	(15.40)
Fesnojiv	Construction of the new facilities for the Center of Social Action for Music	1,637,000	2,750,000	(40.47)
Venezuelan Red Cross (*)	Corporate first-aiders project, with courses on first-aid and training for volunteers and brigadists to manage natural disasters.	-	30,000	(100.00)
	Donations to support the victims of the heavy rains of November 2008	-	351,683	(100.00)
Venezuelan Anti-Cancer Society (*)	Donation to buy furniture	-	52,288	(100.00)
"Siempre Amigos" Civil Assoc.	Scholarships, wages, labor training	40,000	40,000	-
Los Roques Scientific Foundation	Education and Environment Program	20,000	13,339	49.94
Total Bs		5,962,875	11,345,305	(47.44)

(*) Both ceased to be our Social Partners in 2009 as they stopped sending us their results reports.

In this sense, we should mention that through BanescOnline the e-banking users can make direct transfers to some of our Social Partners such as Fe y Alegría, Fundana and Venezuela Without Boundaries.

In 2009 we worked with 12 social partners: Fe y Alegría, Don Bosco Houses' Network Civil Association, Foundation of the Child in Need of Protection (Fundana by its Spanish acronym), The Children Museum Foundation, Andrés Bello Catholic University (UCAB), Venezuelan Association of Catholic Education (AVEC), Venezuelan Foundation against Infantile Paralysis, "Asociación Audaz" for the Guidance and Support of People with Special Needs (Apoye), Salesian Women Civil Association, State-Foundation for the National Systems of Youth and Children Orchestras of Venezuela (Fesnojiv), "Siempre Amigos" Civil Association and Los Roques Scientific Foundation.



"Friends of Nature" was one of the activities performed with the Don Bosco House's Network in 2009

Results of the projects developed along with our Social Partners

2008 - 2009

Social Partner	Project Name	Description	Direct Beneficiaries 2009	Direct Beneficiaries 2008	Indirect Beneficiaries 2009	Indirect Beneficiaries 2008	Work or Project Status 2009	Work or Project Status 2008	Final Execution	Territorial Impact	% Executed
Fic y Alegría	San Francisco University Institution (IUSF), Zulia State	Construction and procurement of Building II.	An average of 3,665 students	An average of 3,341 students	Around 18,325 people (5 indirect per 1 direct)	Around 16,700 people (5 indirect per 1 direct)	Construction finished and in use.	completion of power supply connection. Surface: 5,750 m ²	In use since 2009.	Zulia state	100%
Don Bosco Houses' Network Assoc.	Mobile unit "BoscoBus"	Support and family reversion for children and adolescents living in the street.	75 children and adolescents	200 children and adolescents	140 family members	Around 1000 people (family members and community members)	The current project covers 2009-2011.	Procurement of equipment and furniture. Staff training	Permanent program.	Libertador, Charao and Sucre Municipalities, Capital District.	80%
Fundana	The Toddler Villages	Maintenance of the Villages, which are surrogate homes for children abused or abandoned.	324 children	296 children	Around 380 families (760 adults)	Around 350 families (700 adults)	Consolidation and continuity of the program	Consolidation and continuity of the program	Permanent program.	Capital District and Miranda state.	100%
	Fundana Arts Auction	Fund raising through the auction of art works donated by national and international artists.	324 children	296 children	Around 380 families (760 adults)	Around 350 families (700 adults)	The fifth auction raised Bs. 1,875,000.00.	The fourth auction raised Bs. 1,145,000.00.	Annual program.	Capital District and Miranda state.	100%
The Children Museum Foundation	Curiosikid.com Web page.	Creation of the web page addressed to the children to play and learn: curiosikid.com	All the children and adults visiting the page.	All the children and adults visiting the page.	All the children and adults visiting the page.	All the children and adults visiting the page.	Consolidation and continuity of the program	Successfully executed.	Permanent program.	National and international.	100%
Andrés Bello Catholic University	Research Project - Digitalization of Carlos Rangel and Soledad Imber's TV program.	Project of the Communication Research Center (UCAB) to display all the information on the Internet.	Society as a whole.	Society as a whole.	Society as a whole.	Society as a whole.	(Banesco suspended its support for this project).	202 interviews digitalized in 54 DVDs, edited in 2008.	—	National and international.	N/D
	Sponsorship for the Chair of Literature and Writing Encouragement of the UCAB School of Humanities	Course: "Imagination and literary genres", given by Milagros Socorro.	30	—	N/A	—	The Chair started in March, 2009. The second semester will end in February, 2010.	—	It is expected to become a UCAB permanent program.	Capital District and Miranda state.	100%
	Sponsorship for the Andrés Bello Foundational Chair	Its purpose is to encourage the study of Andrés Bello from a critical and integral perspective.	(information not delivered by the UCAB)	—	N/A	—	The Chair began in 2009.	—	It is expected to become a UCAB permanent program.	Capital District and Miranda state.	100%
Venezuelan Association for Catholic Education (AVEC)	Construction of facilities for educational activities all around the country.	Consolidation of facilities devoted to education and recreation in order to foster positive values for the living of children, adolescents, students and community members.	12,632 children, adolescents and adults.	12,750 children, adolescents and adults.	Around 63,200 people (5 indirect beneficiaries per one direct beneficiary).	Around 63,200 people (5 indirect beneficiaries per one direct beneficiary).	Infrastructure consolidation, construction and procurement of educational material (25 facilities built or revamped).	Revamping and expansion of facilities.	Permanent program.	Capital District and Miranda, Monagas, Lara, Bolívar, Falcón, Zulia, Mérida, Táchira, Yaracuy, Apure and Trujillo states.	100%
Venezuelan Foundation against Infantile Paralysis	Revamping and technological updating of the Ophthalmology Service at Hospital Ortopédico Infantil, Caracas.	Procurement of equipment and furniture.	7,000 patients (children and adults).	7,000 patients (children and adults).	Around 28,000 people (4 indirect beneficiaries per one direct beneficiary).	Around 28,000 people (4 indirect beneficiaries per one direct beneficiary).	Phase II was finished in 2009.	The works were finished at a cost higher than expected. This delayed the execution of the project.	—	This Hospital is a national center of reference for orthopedic treatments and it receives patients from all over the country.	100%

Results of the projects developed along with our Social Partners (cont.)

2008 - 2009

Social Partner	Project Name	Description	Direct Beneficiaries 2009	Direct Beneficiaries 2008	Indirect Beneficiaries 2009	Indirect Beneficiaries 2008	Work or Project Status 2009	Work or Project Status 2008	Final Execution	Territorial Impact	% Executed
Venezuelan Foundation against Infantile Paralysis	To increase the hospitalization area capacity through the construction of new rooms (low-income children and youth aged)	All the patients treated, as the funds are devoted to enhance the whole institution.	The Hospital Ortopédico Infantil treated 724,119 patients, 6,929 surgical events were carried out at this institution.	All the patients treated, as the funds are devoted to enhance the whole institution.	The patients' families.	The patients' families.	Relocation of the Blood Bank and Gastroenterology service to free space in order to build 8 new hospitalization rooms.	—	The rooms will be built in 2010.	This Hospital is a national center of reference for orthopedic treatments and it receives patients from all over the country.	40%
	Bingo de la Bondad.	Sponsorships to print the bingo cards.	Patients and their families.	The patients treated here, as the fund are devoted to improve to whole institution.	Patients and their families.	The patients treated here, as the fund are devoted to improve to whole institution.	—	—	Annual program.	National.	100%
Venezuelan Red Cross (*)	Contribution for the "No Oyentes" project (people with hearing disability).	First aid and training to manage natural disasters for children with hearing disability.	2000 people (4 indirect beneficiaries per 1 direct beneficiary).	500 children.	—	—	—	Successfully finished.	—	National.	100%
	Contribution for "Dipecho V" project.	Campaign to raise awareness at La Morán community, training to manage natural disasters, hygiene at home and early alert.	N/A.	50 neighbors of La Morán community enjoyed the benefits of recreational activities and vaccination sessions.	—	—	—	Successfully finished.	—	La Morán sector, Caracas.	100%
	Donation to support the victims of the heavy rains of November 2008.	(The Social Partner failed to send its Results Report).	N/D.	(The Social Partner failed to send its Results Report).	N/D.	N/D.	N/D.	N/D.	N/D.	N/D.	N/D.
Anti-Cancer Society (*)	Donation to buy furniture.	(The Social Partner failed to send its Results Report).	N/D.	(The Social Partner failed to send its Results Report).	N/D.	N/D.	N/D.	N/D.	N/D.	N/D.	N/D.
Apoyo Civil Assoc.	Payment of 50% of the headquarters rent.	Academic activities, Therapies and workshops on arts and labor reinsertion for youth with Down Syndrome.	58 young people.	55 young people.	Around 175 families (3 families per 1 direct beneficiary).	Around 165 families (3 families per 1 direct beneficiary).	Payment of 50% of the headquarters rent.	Payment of 50% of the headquarters rent.	Permanent program, requires continuity over the time.	Capital District and Miranda state.	100%
	Scholarships.	Labor insertion for youth with Down Syndrome.	3 young people.	2 young people.	3 families.	2 families.	3 young people employed by our organization.	2 young people employed by our organization.	Permanent program, requires continuity over the time.	Capital District and Miranda state.	100%
Salvian Women Civil Assoc.	Work training at "Centro Don Bosco 88".	Training and education for youth excluded from the formal education system.	150 graduates as Administrative Assistants and Accounting Analysts.	200 children.	Around 450 people (3 indirect beneficiaries per 1 direct beneficiary).	Around 600 people (3 indirect beneficiaries per 1 direct beneficiary).	Successfully executed.	Successfully executed.	Permanent program, requires continuity over the time.	Capital District and Miranda state.	100%
Fesiojiv	Funding program to replace the instrumental plant and adjustment of facilities of the different modules and centers of the National System.	The fund are used to purchase equipment and to enhance the instruments plant, as well as to improve the facilities of the centers of the System.	297,433 members of the National System of Youth and Children Orchestras.	350,000 members of the National System of Youth and Children Orchestras.	297,433 members of the National System of Youth and Children Orchestras.	350,000 members of the National System of Youth and Children Orchestras.	Successfully executed.	Successfully executed.	Permanent program.	National.	100%

Results of the projects developed along with our Social Partners (cont.)

2008 - 2009

Social Partner	Project Name	Description	Direct Beneficiaries 2009	Direct Beneficiaries 2008	Indirect Beneficiaries 2009	Indirect Beneficiaries 2008	Work or Project Status 2009	Work or Project Status 2008	Final Execution	Territorial Impact	% Executed
Fesnojv	Expansion of the Center of social Action for Music (CASM).	Expansion of the Center of social Action for Music.	297,433 members of the National System of Youth and Children Orchestras.	—	594,866 (2 indirect beneficiaries per 1 direct beneficiary).	—	The Bank made a contribution for the acquisition of another lot of land to expand the CASM facilities.	—	—	National	10%
"Siempre Amigos" Civil Assoc.	Work training at the Vocational Center "Prosperación".	Payment of tuition for the students of the civil association Mario Amigo A.C., teachers' wages, training for 80 women.	1,100 students, plus 80 women who are trained at the "Prosperación" centers.	1,152 students.	Around 4,720, plus 300 residents of the communities located around the schools.	Around 5,760 (5 indirect beneficiaries per 1 direct beneficiary).	Consolidation and continuity of the program.	(It became a Social Partner in 2008).	Permanent program, requires continuity over the time.	Capital District and Mérida state.	100%
Los Roques Scientific Assoc.	Education-Environment program at the Bolivarian School "El Gran Roque".	This program allows the interaction of Los Roques community with the scientific community. It spreads knowledge about the historic-cultural heritage of the archeological past.	202 students.	196 students.	Around 400 people (2 indirect beneficiaries per 1 direct beneficiary).	Around 400 people (2 indirect beneficiaries per 1 direct beneficiary).	Consolidation and continuity of the program.	Consolidation and continuity of the program.	Permanent annual program, requires continuity over the time.	Los Roques Archipelago Federal Entity.	100%

N/D: Information non-available N/A: Non-applicable
(*) Both ceased to be our Social Partners in 2009.

Survey on Satisfaction and Projects Follow-up

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

In 2009, the satisfaction index was virtually unchanged against the previous year, although the number of partners went from 14 to 12.

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

Satisfaction Indicators of our Social Partners

Satisfaction with:	% 2009	% 2008
Banesco response time	100.00	99.04
Guidance and support provided by Banesco	91.67	92.52
Amount of information provided by Banesco	100.00	92.92
Results	80.00	79.20
Weighted Satisfaction Index*	88.75	87.22
Number of Social Partners	12	14

* The weighting of the importance of the different types of satisfaction is calculated as follows: time 20%, guidance and support 15%, amount of information 15%, results 50%.

Social Action in the Community

Main action lines in 2008

- We held a seminar for journalists in Mérida about micro-economy, macro-economy and currency policy to support their professional development.
- We have held several events to encourage the dialogue with the stakeholders. The most important of these events was a meeting with Colinas de Bello Monte's authorities and the community. Colinas de Bello Monte is the immediate neighboring area to our headquarters.
- We continued with the process of education and specialization of the VP of Communications and Social Matters staff with a view to go deeper into the dialogue process with our stakeholders.
- We opened certain areas at Ciudad Banesco to several institutions and organizations to hold activities with an important impact on the community.
- We organized several free-entrance concerts to entertain the community.

Management Evolution in Relation to 2008 and Main Action Lines in 2009

- Ciudad Banesco continued to be the scene for different activities organized by several institutions and organizations with a positive impact on the community.
- We organized a series of free-entrance concerts for the community's delight.

Commitments Made for 2010

- Continue with our program of participative budget with Colinas de Bello Monte Community.

- Continue giving answers to assistance requests addressed to our organization.

Our Policy

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

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

Likewise, we support cultural activities offering the communities a wide range of opportunities to enhance their aesthetical and intellectual background, such as a number of cultural events, exhibitions, books and many other activities sponsored by Banesco.

Our Management

- We granted study scholarships to 25 people. Nine of them also enjoy the benefit of Banesco Life Scholarships. This initiative was launched in 1996, when we decided to provide our current account holders affiliated to any of Banesco Plans with the opportunity to participate in quarterly draws which prize will be a study scholarship named "Banesco Scholarship". This

Banesco Study and Life Scholarships

Institution	2009		2008		Variation %	
	Beneficiaries	Amount Bs	Beneficiaries	Amount Bs	Beneficiaries	Amount Bs
Alejandro de Humboldt Univ. ⁽¹⁾	--	--	20	61,337.00	(100.00)	(100.00)
Metropolitan University ¹	14	155,263.00	--	--	100.00	100.00
Apoye Civil Assoc.	1	7,030.00	2	8,740.00	(50.00)	(19.57)
Banesco Life Scholarships	9	119,801.00	9	126,154.00	--	(5.04)
Individual	1	125,800.00	1	107,906.00	--	16.58
Total	25	407,894.00	32	304,137.00	(21.88)	34.12

(1) Graduates from IJJO Catia.

Cultural Agenda – Ciudad Banesco

2009

Event	Group	Amount (Bs)
Exhibition	Alejandro Otero Exhibition, A trip towards his Monumental Sculpture and Introduction of his book "Memoria Crítica".	58,321.15
Documentary exhibition	Alfredo Sadel, <i>Aquel Cantor</i>	600.00
Documentary exhibition	Delta Solar y Autorretrato de Alejandro Otero	600.00
Photo exhibition	Periodistas, Vasco Szinetar	14,630.00
Total		74,151.15

2008

Event	Group	Amount (Bs)
Documentary Exhibition	<i>El Reventón</i>	7,440.00
Concert	Pentacorde Group	3,471.80
Documentary Exhibition	<i>Palabras de Mujer</i>	1,439.74
Concert	Cantoría <i>Ludus Vocaliter</i>	2,864.69
Concert	Caracas Symphonic Orchestra	2,682.91
Total		17,899.14

Events at Ciudad Banesco

2009

Institution	Activity	Amounts (Bs)
Álvarez, Gamus and Padrón Lawyers	Introduction of the book "Temas Actuales del Derecho Bancario"	14,089.60
Avesid	Sponsorship for the XIII International Congress on Down Syndrome	0.00
CECODAP	VI Great Annual Seminar "Creciendo juntos".	0.00
Fray Luis Amigó, Private School	Presentation of the Children Chorus	0.00
Editorial Libros Marcados	Introduction of the book "La Gran Depresión del 2009", by Víctor Salmerón	22,575.60
"Paso a Paso" Foundation	Award ceremony of the Photo Conquest "¡Aquí estamos!"	2,699.00
	8th International sessions on Inclusion in education	0.00
Fundana	5th Fundana Auction	11,078.57
Carabobo University	Antonio Gamóneda recital in the framework of FILUC 2009	360.00
Los Andes University	Lecture on Economy to Journalism students	3,735.90
Simón Bolívar University	Introduction of the "Papiros de Poesía" Collection	14,009.65
Venezuela without Boundaries	Resources delivery of the III Social Investment Fund Social (FIS)	14,280.00
Total		82,828.32

2008

Institution	Activity	Amount (Bs)
Bolívar Films	Premier of the documentary "El Reventón"	7,440.23
	Exhibition of the documentary "El Reventón" (Maracaibo city)	10,992.60
Fe y Alegría	Fe y Alegría internal raffle	222.75
Venezuelan Federation for Intellectual Disability (FEVEDI)	2do. Meeting of the National Journalists Guild for People with Disabilities and FEVEDI Congress	1,200.00
Foundation Simón Bolívar Latin American Symphonic Circuit	Presentation of the Latin American Music Festival	763.50
"Paso a Paso" Foundation	VII International Sessions about educational inclusion: Strategies to provide assistance to the educational inclusion of students with autism	2,000.00
	Awards Ceremony of the 3rd "¡Aquí Estamos!" Photo Contest	6,531.01
Saludarte Foundation	<i>Confluencias</i> , Exhibition	52,806.37
Fundana	Auction of art works for the benefit of The Toddlers' Villages	53,038.87
Fundeí	Roberto Salas Capriles Award Ceremony	0.00
Individual	Introduction of the book "Racionalidad y Religiosidad" by Emeterio Gómez	17,036.94
Individual	Photos Exhibition "Atmósferas y Presencias" by Magdalena Ferré	45,076.74
Celebration of Journalists' Day	Introduction of the book "Delicias Zulianas", by the journalist Rosita Regalado, produced by Banesco and Editora El Nacional C.A.	42,317.79
Pedro León Zapata	Auction of art works for the benefit of Pedro León Zapata	42,183.30
Pro-franchises	Introduction of the book "Tres visiones de la Ética y la Responsabilidad Social Empresarial".	12,469.45
Siempre Amigos A.C.	Press conference for the presentation of the Dinner of the Great Chefs 2008.	461.97
Los Andes University	Lecture on Economy addressed to Journalism students.	9,530.00
Simón Bolívar University	Introduction of the new books of the collection "Papiros de Literatura".	59,725.51
Total		363,796.53

Note: Banesco did not invest on the events marked with Bs. 0.00 Bs.



Members of the System of Infantile and Juvenile Orchestras performing at Ciudad Banesco

scholarship covers all the academic expenses from pre-school to higher education, and even post-graduate studies. The beneficiary can also transfer the scholarship to his relatives. As a condition to participate, the customers were required to maintain a quarterly average balance in their accounts equal or over Bs 1,000. Since then and up to this date, we have favored 19 people, with 9 of them still receiving the scholarships.

- We organized free-entrance concerts for the community at our headquarters, Ciudad Banesco, a place that has become a reference point in Caracas. Our auditorium Fernando Crespo Suárez can host 300 people.
- Ciudad Banesco has also been the scene of different activities organized by our Social Partners and other institutions and organizations, which have a positive impact on the community.
- Traditionally, we support our Social Partners and other organizations and institutions to carry out different activities to raise funds devoted to maintain their operations and develop new projects.

Joint Work with *SOS Aldeas Infantiles de Venezuela*

The civil association *SOS Aldeas Infantiles Venezuela*, a subsidiary of *SOS Kinderdorf International*, is an organization devoted to social development that during the last 60 years worldwide and

Donation of New Computers

Institution	Units	City/State	2008 Bs
National Guild of Journalists, Miranda state	1	Miranda	5,703.05
Micro-entrepreneurs (raffle)	1	Caracas	3,724.95
Total	2		9,428.00

Note: In 2009 Banesco did not donate new computers.

above 30 years in Venezuela, has been building families for the children who have lost their families and developing a prevention work to strengthen the family nucleus of those who are under risk to lose their families. This social charity is financed with the voluntary and constant contribution provided by several people ("Amigos SOS") and organizations ("Empresas Amigas de la Infancia"), which are committed to give a voluntary monthly contribution to guarantee the sustainability of these programs.

A total of 1,739 children and adolescents are being served at Aldeas Infantiles SOS, through three Programs of Family Protection (Aldeas Infantiles) and 38 Programs of Family Strengthening. We should point out that a significant reduction was recorded against the amount of children and adolescents attended to in 2008 (over 4,000). This was due to the transfer of administration management of the Basic School "Herman Gmeiner" and two pre-school units (all of them located at Zulia state) from SOS Aldeas Infantiles to the Ministry of the Popular People for Education when the 12-year long agreement between the two institutions reached an end.

Thanks to the support of Banesco, Aldeas Infantiles SOS has incorporated 709 new "SOS Friends" since 2007.¹

"Up to the Last Cartridge" Program

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

Toys Donations

In 2008, Banesco made its traditional donation of Christmas toys to a number of public entities and NGOs. The donations

Printer Cartridges donated to Fundana

Seat	2009	2008	Variation %
Ciudad Banesco	519	613	(15.33)
El Rosal	108	124	(12.90)
El Recreo	234	254	(7.87)
San Martín Branch	18	--	100.00
Total	879	991	(11.30)

Note: The difference between the total reported in the 2008 Report is due to the fact that in that occasion we included Banesco Seguros' cartridges. Source: Fundana

¹ Source: SOS Venezuela.



Children incorporated into the educational system by SOS Aldeas Infantiles de Venezuela

amounted to 25,815 units for a total investment of Bs 791,861.36.

In 2009, partially due to the economic recession, we decided that it was a priority to focus our efforts on the support of our Social Partners' priority programs in order to maximize the impact of the external investment. However, we gave some specific contributions by requests as follows:

In July, on the Children Day, we contributed with:

- The Children Foundation, Carabobo State: Bs 6,000.00
- Health Corporation, Táchira State: Bs 10,000.00
- Mérida State Regional Government: Bs 5,000.00

In December, during the Christmas season:

- Zulia State Regional Government: Bs 10,000.00
- Baruta Municipal Police Corps: Bs 5,000.00

Contest about the of the Independence Bicentennial

In April 2009, Banesco opened a contest of essays called "Venezuelan Independence, 200 Years Later", as a way to celebrate the two centuries of our emancipation (2010). Two categories were opened: university students and general public.

For the first category, university students, the works were to be based on the social, political, economic and cultural aspects of the independency process, while for the "general public" category the essays focused on any of the hallmarks, developments, analysis or valuations related to this fundamental time for the emergence of Venezuela as an independent republic.

The jury was composed of renowned historians, writers and university professors, who will focus their evaluations on the knowledge and understanding of our history, as well as the originality of the approach adopted, structure and quality of writing.

The reception of works closed in November, 2009. 153 essays were received for the "general public" category and 31 essays from "university students". The participant works were sent from all the regions of the country. The winners of each category will receive a money prize and their essays, along with those of the finalists selected by the jury, will be published in a volume edited by Banesco. The verdict will be announced in April 2010.

Funds Raising for our Social Partners' Raffles and other Events

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

Funds Raising for our Social Partners' Raffles and other Events

Amount Raised in Bs

Organization / Institution	Project	2009	2008	Var. %	Direct Contributions	
					2009	2008
Venezuelan Found. against Infantile Paralysis	"Super Bingo for Charities"	167,671.20	87,937.20	90.67	10,000.00	6,000.00
Fe y Alegría	Fe y Alegría Raffle	224,458.17	344,852.00	(34.91)	--	--
The Good Samaritan. Found. for child. with AIDS	Foundation for children with AIDS	106,888.90	79,618.00	34.25	--	--
Anti-cancer/Venezuelan Society	"Great Bonus for Health"	127,866.00	150,992.00	(15.32)	--	--
Fundana	Ciudad Banesco was the venue for of the 4th and 5th auctions for the benefit of this foundation	1,875,000.00	1,145,000.00	63.76	--	41,140.00
Pedro León Zapata	Auction for the benefit of P.Zapata	--	789,200.00	--	--	42,183.30
Total		2,501,884.27	2,597,599.20	(3.68)	10,000.00	89,323.30

Sources: Certified letters sent by the corresponding organizations.

Our Commitment to the Community by Service Areas

Assistance to Children under Risk, the Elder and Disabled People

Organization / Institution	Project	2009	Project	2008
Venezuelan Association for the Down Syndrome Fundación	Sponsorship of XII Avesid International Congress	15,000.00	Sponsorship of XI Avesid International Congress	15,000.00
	-	-	Contribution for maintenance	100,000.00
Always Friends Civil Assoc.	Sponsorship for the Week of Health	50,000.00	-	-
	Sponsorship for the Great Chiefs Dinner 2009	45,451.00	Press conference organization for the Great Chiefs Dinner 2008	50,462.00
	-	-	Sponsorship III Meeting of Youth and Family	15,000.00
ICARO Association	-	-	Sponsorship Christmas dinner	800.00
Association to help Children in Need (ADAIN)	-	-	Donation for maintenance	30,000.00
SOS Aldeas Infantiles	-	-	Contribution for printed material (inserts)	1,000.00
"Paso a Paso" Foundation	Sponsorship for pictures conquest on Disability, also published in notebooks	6,706.00	Sponsorship for pictures conquest on Disability, also published in notebooks	6,540.00
Mother Therese of Calcutta Home-Shelter	-	-	Donation for two clinic beds	7,014.00
Santo Domingo Savio Home-Shelter	-	-	Donation for recreation and delivery of children short stories	2,395.00
Saint Joseph of the Mountain Home Found.	-	-	50 anniversary celebration	300.00
Saint Domingo Foundation (*)	Multiple use hall for the elder of the community	115,760.00	Infrastructure maintenance and improvement	136,850.00
Saint Domingo Foundation (*)	-	-	Education for young people out of the formal education system	68,185.00
Friends of the Elder Foundation	Others	4,788.00	Institutional Video / Others	15,192.00
"Autismo en Voz Alta" Foundation	-	-	Construction of seat	230,794.00
A Friendly Hand, Civil Assoc.	Construction of Filas de Turgua School seat	50,000.00	Construction of Filas de Turgua School seat	50,000.00

Health

Organization / Institution	Project	2009	Project	2008
Anti-Cancer Venezuelan Society	-	-	Donation for furniture	52,288.00
Nurses Social Provision Foundation, Zulia State	Contribution for the celebration of Nurse's Day	202.00	-	-
Friends of the Child with Cancer Foundation	Medications procurement	100,567.00	Medications procurement	119,940.00
Cardioamigos Foundation	Support for raising funds party	15,000.00	Support for raising funds party	15,000.00
SenosAyuda Individual	Sponsorship for Christmas concert	15,000.00	-	-
	-	-	Others	13,975.00

Education

Organization / Institution	Project	2009	Project	2008
Central University of Venezuela (UCV)	6th Conquest of Economy Essays	5,000.00	5th Contest of Economy Essays	8,000.00
Simón Bolívar University	Sponsorship for 'Colección Papiros 2009'	300,000.00	Sponsorship for 'Colección Papiros 2008'	206,000.00
	-	-	Sponsorship for research project and edition of José Ignacio Cabezas works	90,500.00
	-	-	Sponsorship to award the Honors Causa to Mario Vargas Llosa	25,000.00
	-	-	Donation of a Notebook HP	8,420.00
	Others	30,000.00	-	-
Los Andes University	International Fair of the University Book 2009	40,000.00	XI International Book Fair	40,000.00
	Others	5,000.00	-	-
Provea	Workshop on Human Rights	6,000.00	-	-
Gual and España Foundation	Contribution	20,000.00	-	-
Mariano Picón Salas Foundation	Sponsorship for the VII Mariano Picón Salas Literature Biennial	10,000.00	-	-
Siembra de Venezuela Foundation	Contribution to AINASIR program	30,000.00	-	-
Professional training Foro (Evenpro)	Participation in the 'Summit of Popular Marketing'	16,500.00	-	-
Dr Rafael Beloso Chacín University	-	-	Sponsorship for Christmas party	2,400.00
	-	-	Sponsorship for National Festival of Universities Theater (FESTU 2008)	2,000.00
Cecilio Acosta University	-	-	Sponsorship for IV Fair of the Book	3,000.00
UNEXPO	-	-	Institutional contribution to the seat	10,000.00
Mid-Western Usandro Alvarado University	-	-	Institutional contribution of uniforms	15,000.00
Zulia University Foundation	-	-	Sponsorship of the project "Revista LUZ"	27,250.00
Dr Luis Beltrán Prieto Figueroa Foundation	-	-	Saving Accounts for the students winners of the Prize to "Neospartan Excellence"	3,000.00
ArtesanoGroup Foundation	Others	28,880.00	Craftworks	32,508.00
Humboldt Private School, Venezuelan-German Foundation	-	-	Sponsorship of the 28th Youth Music Festival, held in Germany	10,000.00
San Ignacio Private School's Former Students Assoc. (ASIA)	-	-	Sponsorships of 'Gaitas' Festival	10,000.00
Asopica, Civil Assoc.	-	-	Child educational project for the Community Center La Comodoro, Agure	30,000.00
Individual	-	-	Sponsorship for Pre-Hispanic Archeological Research in Los Roques	100,000.00
Foundation for the Social Development of Margarita (Fundesmar)	Donation of a bus	380,000.00	-	-
Asoden, Los Campitos Private School	Sponsorship United Nations Model	3,000.00	Sponsorship United Nations Model	3,000.00

Our Commitment to the Community by Service Areas (cont.)

Education

Venezuelan-American Friendship Assoc.	Sponsorship of the program 'Scholarship based on merits'	60,000.00	-	-
Educational Unit "Francisco de Asis Center for Blind People"	-	-	Sponsorship al XXXVI Anniversary of Special Education Center	500.00
Data Show Solutions	-	-	Sponsorship National Geographic Pictures Exhibition	20,000.00
Capital Market Finance	Sponsorship of the "Perspectives of the Oil Market and Venezuelan Economy" forum	9,000.00	-	-
ABC Prodein (Ciudad Santa María Petare-CISAMA School)	Construction of sports areas	25,000.00	-	-
Tomas Vicente González School	Donation of school texts	320.00	-	-
Serviam Assoc. of Merici Acad. Former Stud.	Sponsorship for Merici Bazaar	15,000.00	Sponsorship for Merici Bazaar	10,000.00
Univ. Institute of Public Relations (IUDERP)	Others	4,905.00	-	-
San Ignacio Private School	Contribution for "Domingo Familiar" event	5,000.00	-	-
Invecap	Program to Strengthen Micro-entrepreneurs / Others	32,115.00	Program to Strengthen Micro-entrepreneurs / Others	70,910.00
UCAB Services Civil Assoc.	-	-	Program to Strengthen Micro-entrepreneurs / Others	68,526.00
Faco Sustentable	Program to Strengthen Micro-entrepreneurs / Others	16,212.00	Program to Strengthen Micro-entrepreneurs / Others	16,212.00
Asunto Público	Program to Strengthen Micro-entrepreneurs / Others	24,125.00	-	-
FUDEP	Program to Strengthen Micro-entrepreneurs / Others	15,066.00	-	-
Individual	Others	8,873.00	-	-
Colegio Santiago de León de Caracas School Civil Assoc.	-	-	Sponsorship VII MUN 2008	10,000.00

Church

Organization / Institution	Project	2009	Project	2008
Venezuelan Episcopal Conference	Support for the workshops 'Principles and Values in Society'	50,000.00	-	-
Lord of the Miracles Civil Assoc.	-	-	Donation for the Musical Band	5,000.00
Nazareth Sacred Family Church	-	-	Donation to revamp the Church building	50,000.00
Congregation Carmelitas Sisters Civil Assoc.	-	-	Donation for the beatification of a sister	10,000.00
Charities of Mother Therese of Calcutta Church	-	-	Donation to revamp the church building	7,000.00
Individual	-	-	Participation in XXIII World Youth Summit in Sydney Australia	9,418.00
Archdiocesan Archive Foundation, Mérida	-	-	Donation for 2008 Publications Plan	5,000.00
Los Roques Church	Contribution to the celebration of a religious event.	-	Donation of 5 floral arrangements for the celebration of the Virgin of the Valley Day	1,188.00
AVESAMAR	-	2,000.00	-	-

Public entities

Organization / Institution	Project	2009	Project	2008
Baruta Municipality Mayorality, Miranda state	-	-	Sponsorship of VII Special Games Baruta	5,000.00
-	-	-	Revamping of Colinas de Bella Monte's Police module	357,196.00
Baruta Policy Autonomous Institute	Contribution to Christmas program	309,108.00	-	-
Eulalia Bureo Municipality Mayorality, Mamporal, Miranda state	Contribution to buy Christmas toys	5,000.00	-	-
Sucre Municipality Mayorality, Miranda state	Donation of 50 jackets to the circulation police	27,295.00	Sponsorship for the International Fair of Mamporal	5,000.00
-	Sucre Mayorality Christmas Project	1,890,000.00	-	-
Single Authority of Los Roques	Contribution to the festivities of the Virgen del Valle	1,000.00	-	-
C.A. Energía Eléctrica, Barquisimeto	Contribution to the celebration of an event with the children of the shelter homes	5,000.00	-	-
Cantaura Fair Foundation (Fundecan)	-	-	Cantaura Fairs celebration	15,000.00
Metropolitan Sports Foundation (FUNDEMECA)	Contribution to Christmas Marathon 2009	30,000.00	-	-
Carabobo state regional government	Sponsorship of Children Painting events	6,998.00	-	-
"Niño Simón" Foundation, Carabobo state	Contribution for the Children Day	6,000.00	-	-
Santa Teresa del Tuy Mayorality, Miranda state	-	-	Sponsorship of the First International "Joropódromo"	5,000.00
Turén and Santa Rosalía Mayorality	-	-	Donation of 40 wheelchairs	16,063.00
Mérida Mayorality	-	-	Contribution to the community	9,976.00
Zulia state regional government	Sponsorship of the Fair of La Chinita	98,030.00	-	-
-	Others	10,000.00	-	-
Foundation for the Assistance of the Family, Children and Adolescents (Fundafam)	Contribution to the celebration of the Children's Day	10,000.00	-	-
Autonomous Institute for Nutrition, Mérida State	Sponsorship of the workshop "El Trompo de los Alimentos"	2,847.00	-	-
Children Foundation, Guárico state	Contribution for the Children's Day	10,998.00	-	-
Falcon state regional government	Sponsorship for the program "For Love to my School"	15,000.00	-	-
IPSFA football selection	Contribution for the celebration of Football, Egypt 2009 classification	10,000.00	-	-
Monagas state regional government	Others	8,457.00	-	-

Our Commitment to the Community by Service Areas (cont.)

Guilds and Professional Associations

Organization / Institution	Project	2009	Project	2008
Venamcham	-	-	Social Alliance Committee	463.00
	Sponsorship for the Annual Dinner of Venezuelan Popular Craftworks	6,000.00	Sponsorship for the Annual Dinner of Venezuelan Popular Craftworks	4,000.00
	Seminar on Social Responsibility	1,600.00	-	-
	Others	823.00	-	-
Journalists Guild	Others	50,000.00	-	-
Savings and Social Prevision Fund of Zulia University Workers (CAPRELUZ)	Sponsorship of Capreluz magazine anniversary edition	5,000.00	Sponsorship for 49th Anniversary celebration	3,000.00
Industrials Chamber of Zulia state	-	-	-	-
Construction Chamber	Sponsorship of 3rd Week of Construction	28,000.00	-	-

Sports

Organization / Institution	Project	2009	Project	2008
Administradora Fray Luis de León, C.A.	Sponsorship to rent sports courses, Instituto Market F.C.	5,600.00	-	-
Fundación Olimpiadas Especiales de Venezuela	-	-	-	-
Individuals	Support for the participation of several athletes in international competitions	6,000.00	-	-
Individual	-	-	Support for the participation of an athlete in international competition	20,000.00

Culture

Organization / Institution	Project	2009	Project	2008
Grupo Folklórico Luso-Venezolano I.Q. Historiadora	-	-	-	-
	Sponsorship of the radio show "It's not a tale, it's history"	43,600.00	Sponsorship of the radio show "It's not a tale, it's history"	119,900.00
Fundación Trasniocho Cultural	Sponsorship for the Exhibition "Immediate Memory of Miguel Otero Silva"	15,392.00	-	-
Museum of Contemporary Arts, Zulia state	Maintenance of Induction Room	57,140.00	Maintenance of Induction Room	20,000.00
Schola Cantorum de Caracas Foundation	-	-	Sponsorship of the social program "To build singing": A Passion according to Saint Marcus	7,500.00
Teresa Carreño Foundation	-	-	Donation of a load vehicle	150,000.00
El Cuarteto Civil Society	Sponsorship of event	50,000.00	-	-

Editorial Projects

Organization / Institution	Project	2009	Project	2008
Venezuelan Society of Medicine History	-	-	Sponsorship for magazine publication	7,650.00
Individual	-	-	Sponsorship for the book "Utopía"	66,490.00
"Santa María Madre de Dios" Parish	-	-	Sponsorship for the book "Parroquia Santa María Madre de Dios"	101,370.00
Editorial C.E.C.	-	-	Sponsorship for the book "Delicias Zulianas"	21,308.00
Panorama Newspaper	-	-	Panorama Notebooks	319,245.00
Ultimas Noticias Newspaper	-	-	Ultimas Noticias School Daily Notebooks	310,000.00
Individual	-	-	Sponsorship for book arthritis to be donated to universities	4,360.00
Others	-	-	Sponsorship of CAPOJUD magazine	5,000.00
BID & Co. Editor	Sponsorship of book "El Día y La Huella"	45,000.00	-	-
Cyngular Editorial Group	Sponsorship of book "El Periodista en el Lente"	257,600.00	-	-

Others

Organization / Institution	Project	2009	Project	2008
National Center for Competitiveness	Cuota anual de membresía 2009	7,224.00	-	-
International Fair of Arts and Antiques	-	-	Sponsorship of International Fair of Arts and Antiques	27,470.00
CSR Activities	Consultant on Ethics and Corporate Social Responsibility Empresarial (CERSE)	22,400.00	Consultant on Ethics and Corporate Social Responsibility (CERSE)	80,000.00
Inversiones Europa	Sponsorship of event "La Innovación se Cultiva 2009"	14,571.00	-	-
-	"Tri-Totem" Sculpture by plastic artist Rolando Peña; installation at Mene Square in Colinas de Bello Monte, Caracas	150,000.00	-	-
-	Speed reducers at Av. Caroni with Motatán, Colinas de Bello Monte, Caracas	14,475.00	-	-

Total

2009	4,772,153.00	2008	3,521,558.00
Variation	35.51%		

(*) The 2008 report had not been included.

Banesco-Colinas de Bello Monte Participative Budget

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

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

In 2008, a Bs 300,000 budget was established with the purpose of delivering social support to Colinas de Bello Monte. The Corporate Social Responsibility Committee decided that these resources would be assigned by the community itself. Pointing to this purpose, community organizations and authorities of the zone were convened: Neighbors’ Association, Community Council, Baruta Municipality Mayoralty, the Technical Office of the Local Council for Public Planning, the Central University of Venezuela, the Municipal Council of the Children and Adolescents Rights, the Parish Board, peace judges, as well as private foundations operating in the sector and several individual citizens.

In the first stage, these representatives were asked to propose projects for the benefit of the community and later a secret vote was carried out by which these representatives decided the priority to establish a schedule to implement the works. The projects selected were:

- “Maintenance and Improvement of Infrastructures” at the facilities of Santo Domingo Foundation, a center devoted to provide assistance to the elder (Bs. 136,850).
- “Young People out of the formal education system”. It consists of a series of training courses in areas such as health for non-scholarized and unemployed young people, aged between 15 and 24 years (Bs. 68,185), also at Santo Domingo Foundation.

As the total of money invested in these projects was lower than Bs. 300,000, the total budget assigned for this zone, the remaining money was reserved for the third most voted project, the “Plan of Recovery of Bello Monte Public Spaces” (reconstruction and revamping of sidewalks), proposed by Baruta Municipality Mayoralty based on a Metropolitan University plan.

In 2009 a similar process was carried out, with a budget of Bs 400,000 assigned by Banesco. The projects selected were the following:

- “Tri-Totem” Sculpture by the plastic artist Rolando Peña, installed at the Mene Square (acquisition and installation:



Tri-Totem, sculpture by Rolando Peña

Bs 150,000), proposed by Mr. Peña. This work was inaugurated in October, 2009.

- “Speed reducers at Caroní with Motatán Avenues”, proposed by the Community Council (Bs 14,475). This work was successfully executed.

- Multiple-use hall for the community elder, proposed by Santo Domingo Foundation (Bs 115,760). This work was inaugurated in July 2009.

The remaining Bs 119,765 was kept on reserve for the aforementioned “Plan of Recovery of Bello Monte Public Spaces”.

It is relevant to mention that the procedure followed at all the meetings with the community is guided by a external moderator (who is neither a representative of the community nor of Banesco). All the participants have the same right to participate; rules and procedures are established in advance; the meetings are recorded in video, and each meeting ends with the preparation of a detailed minute to guarantee the transparency of the process.

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

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



Medical space inaugurated in 2009 at the Santo Domingo foundation

Banesco Corporate Volunteers

Main Action Lines in 2008

- Increase of our workers' participation in Banesco Corporate Volunteers program.
- Two new initiatives were created to encourage our corporate volunteers' actions in education, particularly educational and sports activities addressed to the children.
- Design and organization of new thematic activities for the benefit of the children of Fundana and Don Bosco Houses.
- An improved assistance to minorities and communities in need, through a joint effort with the Venezuelan Red Cross.
- We have continued with the Complementary Training Program addressed to IUJO-Catia students and the organization of new training programs addressed to other instances of Fe y Alegría, such as Fe y Alegría Radio Institute (IRFA).
- We supported our Social Partners in the development of specific events for social action.

Management Evolution against 2008 and Main Action Lines in 2009

- We were able to know our volunteers' perception through measurements of the management (electronic survey) in order to identify opportunities to improve.
- Along with our Social Partners, we trained volunteers as facilitators in the application of pedagogical tools.
- We expanded the training programs addressed to students and the staff of Fe y Alegría in Caracas, Barquisimeto and Maracaibo.
- Through a joint effort with our Social Partners we developed an instructional design addressed to the employees, with a view to strengthen the social abilities that are fundamental for any human relationship and applying them particularly to the general relation assistance-volunteers.
- We created new opportunities for an increased participation and exchange of ideas, among our volunteers.
- We fostered environmental responsibility in the groups served by our Social Partners.
- We created the Environmental Volunteers program.



Commitments Made for 2010

- Continue with the activities based on the initiative "Friends of Nature".
- Training of our Corporate Volunteers on the matter of Human Rights.
- Development of complementary education programs at the university institutions of Fe y Alegría Maracaibo (IUSFRA) and Barquisimeto (IUJO – Barquisimeto).
- Encourage new opportunities for volunteer work.
- Continue fostering spaces for the volunteers' participation.
- Continue developing the Environmental Volunteers initiative.

Our Policy

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

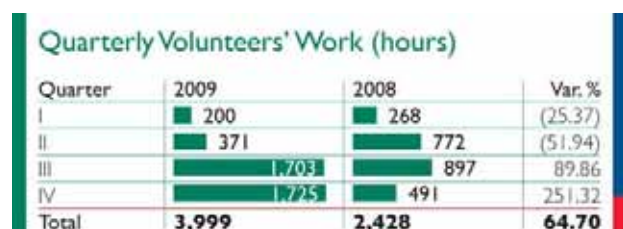
The Executive VP of Human Capital coordinates the process of recruiting volunteers, through the internal communications channels, particularly the Internet where our collaborators are able to get information and know the program. We urge our executives to recruit volunteers ascribed to their directions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

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

Our Management

In 2009, the number of workers who joined the ranks of our Corporate Volunteers soared by 17.88% against 2008. Currently, 59.72% of our volunteers belong to Professionals and Technicians job categories.

Likewise, the average of hours of work per volunteer rose 39.82%. That is 9.48 hours of work per volunteer. This is a clear demonstration of the commitment and devotion of our staff to the community and groups served by our Social Partners.



THE ACTION AREAS OF OUR CORPORATE VOLUNTEERS ARE THE FOLLOWING:

- **Professional Volunteers:** it is composed of a team of professionals from our Organization. These volunteers facilitate learning experiences through workshops, lectures, consultancy and organizational aspects. Currently, these activities are carried out through the sin-monthly programs for university students of Fe y Alegría (IUJO-Catia) and ad of 2010 for students of IUJO Barquisimeto and Maracaibo.
- **Free time invested:** a team of volunteers that accompany the children and adolescents in need of assistance. These activities are carried out through an agenda organized by Fundana and Don Bosco Houses.
- **Group Projects:** Participation in projects involving financial and human resources for each activity; it fosters team work and participation. Participation is encouraged through our internal media, inviting the workers ascribed to each Administration Unit.
- **Specific events of social action:** Participation in specific one-day or one-week long activities for a certain campaign or event,

such as the delivery of donations for a given organization or the volunteers' intervention in emergency situations.

- **Training of Volunteers:** training and educational initiatives to enhance their abilities in the fields of education and communications.

Hours of Volunteer Work by Participation Model

Participation Model	2009	2008	Var. %
Specific events of social action	374	472	(20.76)
Free time invested	297	2	14,750.00
Group project	2,009	1,407	42.79
Professional volunteers	182	407	(55.28)
Volunteers training	1,137	140	712.14
Total hours	3,999	2,428	64.70

During the third quarter we increased by 90% the amount of hours of work devoted by the volunteers against 2008, while the highest amount of hours were recorded during the last quarter of the year, with 1,725.

Investment made by Banesco in the Corporate Volunteers' Activities



Distribution of Volunteers by job levels

Job Category	2009		2008		Var. %
	Volunteers	% of total	Volunteers	% of total	
Base	52	12.32	40	11.17	30.00
Professionals and technicians	252	59.72	213	59.50	18.31
Supervisory and Managerial	109	25.83	95	26.54	14.74
Vice Presidents	9	2.13	10	2.79	(10.00)
Total volunteers	422	100%	358	100%	17.88
Total hours/man	3,999		2,428		64.70
Annual average of hours per volunteer	9.48		6.78		39.82

Main Actions

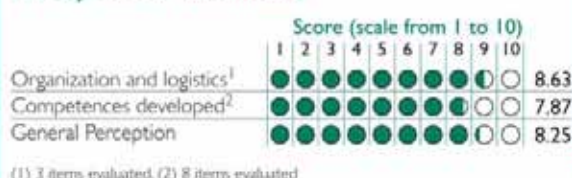
PERCEPTION OF VOLUNTEERS ABOUT THE PROGRAM

Taking into consideration the importance of knowing the opinion of the employees who have worked as volunteers, in 2009 we developed an electronic measurement tool which was sent to the employees at the end of each activity. This survey was based on questionnaires created by bodies of the European Union that are specialized on the matter. It is composed of items that reflect the perception of the organizations and activities' logistics, as well as the competences developed when the individual is a member of Banesco Corporate Volunteers. The survey was taken by 129 volunteers:

Among the answers reflecting the aspects preferred by the volunteers we can mention:

- "Work with the children and share these hours with them; provide them with assistance and affection."
- "It's a task very different to the daily work, with a high approval rate among my workmates".
- "The fact of bringing happiness and joy to other people, particularly the children, is something that makes me feel a better person."

Perception of Volunteers



ASSISTANCE TO CHILDREN AND ADOLESCENTS

As a part of Banesco's actions to support the encouragement of environmental responsibility, we embarked on the initiative "Friends of Nature", through which we developed games and educational activities in the framework of environmental protection. These activities were addressed to the children of Fundana and adolescents of Don Bosco Houses.



Banesco Corporate Volunteers during sport activities with youths from the Don Bosco Houses Civil Association

Likewise, we have continued with our work with our Social Partners with two sports events held in Don Bosco House at Sarriá (Caracas) and two activities related to the Christmas season in Fundana, such as Christmas decoration and Christmas Lunch, held in November and December respectively.

PROFESSIONAL VOLUNTEERS

The Professional Volunteers is one of the most important initiatives included in our program. This year we focused our efforts on the training of our professional volunteers through the Workshop for the Training of Facilitators under the ADA methodology (dynamic accelerated learning). These learning experiences were directed by Odínámica, a specialized firm that with its wide experience helped our volunteers to use the tools of facilitation and oratory. This new knowledge will be applied in 2010, when our volunteers will give workshops to the students of Fe y Alegría's "Jesús Obrero" University Institutes (IUJO for its Spanish acronym) in Barquisimeto and Maracaibo.

Activities carried out by our Volunteers along with our Social Partners

Date	Social Partner	Team in charge	Description	Beneficiaries		
				2009	2008	Var. %
06/20/2009	Fundana	Management Direction of Strategy, Risk and Finance	Handicraft with recycled material	700	680	2.94
07/17/2009		Direction of Credit, CDC and Channels	Gymkhana of the envir.			
09/04/2009		Exe.Vice Presidency of Business Processes	Recycling			
09/25/2009		Exe.Vice Presidency of Specialized Banking / Exe.Vice Presidency of Premium Segment	Ecological Rally			
06/20/2009	Don Bosco Houses	Direction of Infrastructure and Real Estates	Ecological Rally	250	200	25.00
07/11/2009		Direction of Analysis and Operations Control	Ecological handicraft			
				950	880	7.95



ENVIRONMENTAL VOLUNTEERS

Along with the VP of Communications and Corporate Social responsibility, a series of lectures and conferences were given to inform and raise awareness among our workers about paper recycling. These activities were addresses to our workers in Caracas with a view to foster the Environmental Volunteers initiative that was created last year. This is a group of Banesco Citizens who will encourage awareness and actions on the field of environmental protection. Its activities started with a series of lectures about paper recycling

PRESENCE AT PARTICIPATIVE EVENTS

Banesco accompanied ArtesanoGroup Foundation during the delivery of toys to children of Lara and Nueva Esparta states. This was a demonstration of our employees' commitment and devotion in the countryside and also helped to strengthen the bonds between our employees and the communities where they work.

FUNDS (CASH) GRANTED TO FUNDANA THROUGH OUR EMPLOYEES' PROFITS

In 2009, during the Christmas season we raised funds for Fundana through our employees' profits. This year the contribution felt by almost 11% against 2008.



Corporate Volunteers Meeting

In October we held the Corporate Volunteers Encounter "For Peace and Citizens Co-Habitation", which was attended by part of the volunteers who participated in the activities developed this year. The purpose of this meeting

was to promote new opportunities for the interactions of our volunteers and Social Partners and encourage the exchange of ideas about the program situation and plans for 2010.



Our Customers

Main Action Lines in 2008

- We have continued with the development of the Service Model and Empowerment at the branches.
- We launched the implantation of the Projects Corporate Center (PCC), formerly known as Cluster Program.
- We developed a technological platform for collection and payment of electronic services in order to service, basically, the communications, energy and trade sectors.
- We have consolidated our institution as the leader bank in terms of ATMs nationwide.
- We closed the process of Currency Conversion: the “Zero Hour” was monitored, our ATMs and nationwide branches were fed with Hard Bolívars, our branches network started to replace old Bolívars by Hard Bolívars, as well as to withdraw the old notes and currencies (agreement with the BCV). We provided advisory to the general public through our Phone Center.
- We automated the creation of the secret password for Banesco Credit Cards, which is very useful tool, as our customers are not forced to go to our branches to make some transactions.
- We established training programs addressed to the promoters of our branches network in order to reinforce knowledge about credit cards.
- We embarked on a process of renewal and adjustment of our Business Corporate Model, as a key leverage to go forward with our long term vision, focused on the maintenance of its efficient business scale and our leadership in terms of customers preference, thanks to the quality of our products and services.

Management Evolution against 2008 and Main Action Lines for 2009

- We implanted a Protocol of Relations with the Customers at all our branches.
- We fostered a wider use of our e-channels and ATMs in order to reduce the time invested by our customers at the branches.
- The process to grant credit cards was improved with the Lean Six Sigma methodology.
- We furthered the development of the market of regional public institutions.
- Our empowerment model has advanced towards the vice-presidencies of the Middle-The Plains, Zulia-Falcón and



Eastern-South regions, and we finished the implantation process nationwide.

- Our Projects Corporate Center (PCC) has been totally integrated into the strategic management of the bank.
- We modified the measurement process of the Services Auditing (ADS) in order to get a clearer perception of our customers.
- We finished the adjustment and launched the implantation of the new Business Corporate Model.
- The payments and domiciliations services showed a constant increase through the platform of Data Electronic Exchange (EDI).

Commitments Made for 2010

- Implantation of the new Business Corporate Model.
- Use of the Internet social networks (*Twitter, Facebook*) for the dialogue with our customers.
- Launching the implantation of IT transformation.
- Go forward with the creation of procedures to evaluate and examine the business lines in terms of environmental and social risks.

Our Policy

quality service. In accordance with our Business Vision 2013, we encourage a massive bankarization supported by products and

business models that account for a real innovation from the technological perspective. In this way, our strategies guarantee growing levels of financial inclusion.

In 2010 we will held meetings with the different business areas of the Bank with a view to create procedures to evaluate and examine the business lines in relation to environmental and social risks.

The Number 1 Financial Institution of the Country

Banesco has continued expanding its service points all over the country in order to provide a timely and convenient service to our customers nationwide. At the end of the year 2009, Banesco ranked first in the Venezuelan financial market, with a total amount of resources managed of Bs. 41,139, 13.9% above the closing amount of the previous year. This figure accounted for 15.5% of the total managed by the commercial and universal banking.

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

- Bs 43.06 billion in assets (first place among private banks). This accounts for a 13.4% market share. Banesco recorded an increase in absolute terms of Bs 5.95 billion (16.0%) against 2008.
- A capitalization of Bs 668 million during the year that pushed our total stockholders' equity to Bs 3.59 billion (the second best among Venezuelan private banks), with a level of patrimonial sufficiency of 9.34%, above the minimum level required by regulatory bodies. The operations of the period led to an annual net result of Bs 612 million.

- Deposits taking from the public amounted to Bs 37.76 billion at the end of the year (52.73% of them in check accounts). This accounts for a 15.52% growth against 2008, with a 14.9% market share.

- Savings ended the year 2009 with a total of Bs. 6,80 billion in deposits, after a net increase of Bs 541 million (8.7%) during the year.

- Banesco kept its first place in terms of its net credit portfolio with Bs. 22.74 billion, accounting for a 22.4% increase against 2008 year-end and 15.4% market share.

- Bs 9.70 billion in loans were granted to the manufacturing, agricultural, tourism, microcredits and mortgage sectors. This amount was above the 9% required by law for those portfolios, accounts for a growth of Bs 3.27 billion against 2008 closing figures and shows a 57% growth of these state-regulated portfolios.

- Deposits in the Checks Accounts amounted to Bs 19.91 billion, accounting for a 15.4% market share.

- The Number 1 in the credit card market, with a 27.8% of total sales.

- 462 service points available (the biggest network in the country), including remote zones such as Los Roques Archipelago, where Banesco is the only banking institution operating.

Banesco is also proud of its efforts for the benefit of more than 45,000 people with credits granted with its own resources and funds of the FAOV, a mandatory fund for the acquisition of housing which is the preferred option for customers and non-customers. To this date, Banesco has placed credits with its own resources amounting to Bs. 2.30 billion, 12.17% above the percentage required by law (10%).

Staff per region

Region	At December 31 2009		2008		Variation	
	Employees	% of total	Employees	% of total	Employees	% of total
1. Capital	8,289	61.56	8,423	62.14	(1.59)	(0.93)
2. Middle-The Plains	1,598	11.87	1,531	11.29	4.38	5.07
3. Western-Andean	1,275	9.47	1,278	9.43	(0.23)	0.43
4. Eastern-South	1,253	9.31	1,262	9.31	(0.71)	(0.05)
5. Zulia-Falcón	1,050	7.80	1,061	7.83	(1.04)	(0.38)
Total	13,465	100%	13,555	100%	(0.66)	--



Service Points

Region	2009	2008	Var. %
1. Capital	194	192	1.04
2. Middle-The Plains	77	76	1.32
3. Western-Andean	64	64	--
4. Eastern-South	69	70	(1.43)
5. Zulia-Falcón	58	57	1.75
Total	462	459	0.65

ATMs

Region	2009	2008	Var. %
1. Capital	882	782	12.79
2. Middle-The Plains	271	241	12.45
3. Western-Andean	300	270	11.11
4. Eastern-South	276	252	9.52
5. Zulia-Falcón	236	206	14.56
Total	1,965	1,751	12.22

*Service points include branches, bank counters, express and satellite centers, autobanks and others.

Number of Customers

At December 31

Banking	2009	2008	Variation %
Branches Network	4,940,248	4,785,309	3.24
SMEs	161,569	157,844	2.36
Premium Segment	59,800	56,721	5.43
Community Banking	93,234	57,440	62.32
Private Banking	4,345	5,563	(21.89)
Enterprises Banking	7,014	6,284	11.62
Corporate Banking	693	659	5.16
Energy Banking	795	771	3.11
Public Sector Banking*	796	1,279	(37.76)
Agricultural Banking	2,546	2,107	20.84
Total	5,271,040	5,073,977	3.88

* This year, our Public Sector Banking transferred the Natural Person customers belonging to the Military Forces to the Natural Person segment.

At the end of 2009 we recorded in our portfolio a total of 82,317 mortgage credits both, with FAOV and own resources, for a total of Bs. 4.25 billion for the benefit of more than 400,000 people belonging to all the social layers of society.

Specialized banking, however, showed a downturn over the year, as a result of the recessive trend of the economy as a whole.

We should also mention that Banesco manages 23.8% of the national microcredits portfolio, with a total of over 93,000 customers (see the Chapter Banesco Community Banking)

Main Products and Services

MAIN PASSIVE PRODUCTS

- Check Account with Interests
- Check Account without Interests
- Electronic Account
- Savings Account
- Investments: Time deposits and traditional participations
- Sight deposits
- Sight progressive deposits

MAIN CREDIT PRODUCTS

- Credit Cards
- 48-hour multicredit
- ExtraCrédito Banesco
- Credit for vehicles: "Credicarro" by Internet
- Credits for Housing: Mandatory Savings Fund (FAOV), Mortgage loan
- Credits for Tourism and construction sectors

Details of Accounts per Banking

At December 31

Total passive accounts

Banking	2009	2008	Variation %
Branches Network	4,495,472	4,087,952	9.97
SMEs	194,718	179,003	8.78
Premium Segment	134,553	128,935	4.36
Community Banking	93,234	57,440	62.32
Private Banking	11,344	14,575	(22.17)
Enterprises Banking	9,028	10,508	(14.08)
Corporate Banking	916	1,477	(37.98)
Energy Banking	1,072	1,350	(20.59)
Public Sector Banking*	1,477	4,385	(66.32)
Agricultural Banking	3,339	3,192	4.61
Total	4,945,153	4,488,817	10.17

Total credits liquidated

Banking	2009	2008	Variation %
Branches Network+SMEs	33,604	69,988	(51.99)
Premium Segment	3,078	4,257	(27.70)
Community Banking	49,782	28,118	77.05
Private Banking	600	701	(14.41)
Enterprises Banking	2,443	8,645	(71.74)
Corporate Banking	319	326	(2.15)
Energy Banking	371	509	(27.11)
Public Sector Banking*	28	840	(96.67)
Agricultural Banking	2,828	1,204	134.88
Total	93,053	114,588	(19.47)

Total credit cards

Banking	2009	2008	Variation %
Branches Network	1,679,671	1,778,194	(5.54)
SMEs	0	0	--
Premium Segment	85,354	68,946	23.80
Community Banking	0	0	--
Private Banking	8,966	9,647	(7.06)
Enterprises Banking	1,141	1,207	(5.47)
Corporate Banking	217	253	(14.23)
Energy Banking	240	218	10.09
Public Sector Banking*	186	24,444	(99.24)
Agricultural Banking	1,912	1,817	5.23
Total	1,777,687	1,884,726	(5.68)

* This year, our Public Sector Banking transferred the Natural Person customers belonging to the Military Forces to the Natural Person segment.

- Agricultural credit
- Microcredit
- Credit line of Checks Account

OTHER IMPORTANT PRODUCTS

- Trust Funds
- Insurance

MAIN SERVICES

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

Always at the Forefront of Innovation

PRODUCTS AND PROMOTIONS FOR NATURAL PERSON

“BANESCO PUTS ALL THE POINTS IN YOUR FAVOR” (PRIZE-WINNING TICKET)

This is a unique program in the market as it not only rewards Banesco cardholders (debit and credit) but also cardholders of other banks (credit) if they request the operator to slide their cards by a Banesco Point of Sale when they make payments or purchases at authorized commercial outlets. This was an immediate and automated prize at the moment of the payment or purchase. As a confirmation, the operation voucher of the winner customers shows the message: “For Free, Banesco pays for you”.

This promotion has become a permanent program and it is promoted through all our advertising media. In total, 16,352 customers (natural person and legal entities, as well as commercial outlets) enjoyed purchases for free in 2009 under this promotion.

“TODOS GANAN” PROMOTION

As of October 5 to December 31, 2009, we offered the promotion “Everybody Wins 500,000 Prizes”, with the delivery of prizes to all our customers who deposited fresh money for amounts above Bs. 3,000 in their accounts. All the customers who claimed their prizes through BanescOnline, won prizes such refund of fees, tickets to the movies shown at the Cinex chain, groceries for a value of Bs. 200,00, LCD TV sets, mini-laptops, Blackberries and travels to the Caribbean Series 2010, among others. The purpose of this promotion was to encourage the deposits taking during the low season and it was advertised through a wide array of advertising media.

HAND IN HAND WITH BANESKÍN

During 2009 first half, Banesco launched a series of messages through several ads with Baneskin as the friendly speaker of our

organization, all of them with a high brand recall levels. Likewise, we offered several promotions adjusted to our customers’ interests and focused our offer of passive products to catch more of sight accounts.

THE CARD OF SAVINGS. SAVE TIME AND MONEY!

To encourage the use of Banesco Maestro Debit Cards and spread the news of the comfort, speed and convenience of this service, in March 2009, Baneskin offered a Banesco Debit Card for Free, as well as 20 transactions per month for free, with a view to consolidate the positioning of Banesco Maestro Debit Card as the Card of Savings.

ENJOY THE BEST OF BANESCO LIQUID ACCOUNTS

As the best option to make a profitable, safe and liquid investment of your money, Banesco launched in March the campaign Banesco Liquid Accounts. The purpose of this promotion is to enhance passive takings through our Checks Account with Interests and Savings Account.

BANESCO ELECTRONIC BANKING...

YOU CARRY IT WITH YOU!

Over the first half of the year, we focused our market strategy on fostering the use of our Electronic Channels and to do so we funneled to them a series of operations such as Consultation and Printed Balances, Accounts and Credit Cards Movements, Payment of Banesco Credit Cards, Creation of Password for special operations, deposits, withdrawals, transfers, Account Statements and checkbooks delivery. The message delivered by this promotion helped to consolidate our leader position in the Electronic Banking segment.

BANESCO PAYS EVERYTHING FOR YOU

To avoid suspensions and offer security and comfort, Banesco launched an operation addressed to increase banking domiciliation, so as our customers could be freed from the burden of going to different offices to pay services. This direct billing service makes monthly automated payments of your services. To enjoy it you just have to request the domiciliation of your services before the suppliers of services such as water supply, telephone, electricity, cable TV, among others. We also developed a campaign through inserts displayed on the most popular newspapers and magazines, so as the customers of Zulia state companies Enelco and Enelven could make their payments through banesco.com.

The customers can also domiciliate the payment of their credit cards with a call to 0500Banco24.

INCOME TAX: SAFE AND FAST

As of March 8, we have been encouraging the use of a comfortable and safe means to pay the Income Tax through Banesco.com

THE “TODOS GANAN” PROMOTION HAD THE PURPOSE OF ENCOURAGE DEPOSITS TAKING DURING THE LOW SEASON

PRIZE-WINNING TICKET FOR MOTHERS' DAY AND FATHERS' DAY

"For Free, Banesco pays for you" was the message sent to the customer who paid, from March 8 to June 30, with his Banesco Debit Card at a Banesco Point of Sale. The message was printed in the purchase voucher received by the customer at the moment of the operation.

The Prize-Winning Ticket rewarded, on Mothers' Day and Fathers' Day, the loyalty of 1,500 customers who used their Banesco Maestro Debit Cards through a Banesco Point of Sale.

BANESKÍN ENCOURAGES TIMELY PAYMENT

Under this promotion, the first 200 customers who paid on time the monthly payment of their credit cards for three months in a row received Bs. 500 as a prize. The customers who paid on time received coupons, which increased the possibility of winning if the timely payments were consecutive.

At the same time, and hand in hand with Baneskin, an educational campaign was broadcasted by Vale TV and other TV stations with the purpose of raising awareness among the customers about the good use and management of their credits.

GO TO ARGENTINA FOR FREE

USE NO MORE THAN TWO CHECKS PER MONTH

To foster the preference for electronic channels, from June 5 to August, Banesco cardholders enjoyed of our promotion "No more than two checks per month". Under this promotion, those customers who used only two checks per month received an electronic ticket to participate in a monthly raffle to win a trip for two people to Buenos Aires, with all expenses covered and tickets to go to the football game River Plate vs. Boca Junior. Three customers won trips to Argentina under this promotion.

VISA GO FANS, VANCOUVER 2010 OLYMPIC GAMES AND "YOUR LUCK IS ON THE WAY"

With strategies that foster the use of credit cards, and supported by Visa and MasterCard franchises, we launched the promotion "Visa Go Fans" with which our Visa customers were able to win a trip to the FIFA World Cup, pre-paid cards for US\$ 1,000 and instant prizes. We also launched the promotions "Banesco and Visa take you to Vancouver 2010 Winter Olympic Games" and "Your Luck is on the Way", with which the users participated to win one of three cars just using our MasterCard credit cards. Two customers won under this promotion.

"BUY IN CHRISTMAS AND PAY IN CARNIVAL"

Banesco relaunched this promotion addressed to all our cardholders. Under this promotion, our customers could pay in February 2010 their consumptions of December 2009, with attractive interest rates discounts.

PRODUCTS AND PROMOTIONS FOR LEGAL ENTITIES

CHRISTMAS FOR CUSTOMERS OF COMMERCE PLAN: HOLD ON AND WIN!

With a view to increase the deposits taking in checks accounts of the Commerce Plan customers we launched the promotion "Hold on and Win! Under this promotion, those customers who increase by just 20% the monthly average balance of their account affiliated to the Commerce Plan and keep its balance at least for a month, received points to get, without raffles or draws, a series of prizes such as discounts on the credit rate, reimbursement of fees, among others. This promotion was in force from October 1 to December 31, 2009. In total, 351 customers won prizes.

48-HOUR MULTICREDIT

VERSION "TAKE YOUR COMPANY TO THE NEXT LEVEL"

From August 27 to September 10, 2009, Banesco displayed its campaign "Take your Company to the Next Level", through which we relaunched our product 48-Hour Multicredit which is addressed to the entrepreneurial sector of the country and focused on the acquisition of working capital for the SMEs segment. The purpose of this campaign was to increase the credit portfolio through the granting of loans approved in 48 hours (after the fulfillment of all the requirements), for amounts going from Bs. 3,500 to Bs. 300,000 and terms between 12 and 18 months.

Likewise, the customers who are already enjoying a Banesco Multicredit and with an excellent credit record receive an additional financing under the schema Pre-approved 48-Hour Multi-credit. This product favored over 320 companies that were granted with a second credit for the development of their business.

CAMPAIGN FOR LESS CHECKS

With a view to support the productivity and administrative efficiency of our Specialized Banking's customers, we have designed this innovating campaign to foster the use of our electronic channels. This allows the companies to make payments through the service of Payments to Suppliers by Internet, instead of making their financial operations with checks. Under this model, the companies can also make transfers to third-parties through BanescoOnline. During this promotion the participant companies got reimbursements of up to 4% of the monthly amount of their new operations carried out through the electronic channels.

AT THEIR OWN HEADQUARTERS

Aiming to support the business areas and foster the contact, dialogue and proximity with the different segments, we scheduled events with brand presence at the headquarters of the involved customers in order to foster loyalty and enhance the education of our users.

STRATEGIC ALLIANCES

BANESCO – CINEX ALLIANCE: “ANGELS AND DEMONS”

In order to strengthen this 5-year old important alliance, during 2009 first half our VIP customers from the Private, Premium and Enterprises Banking attended to the premier of the film “Angels and Demons”. Likewise, during the Oscar Awards season we continued celebrating this alliance with a remarkable advertising presence in TV, radio, printed press and Cinex theaters, remembering our successful promotion with a 50% discount on the value of the ticket paid with Banesco Maestro Credit or Debit Cards. This promotion became a permanent program and will be offered as a constant benefit to our Banesco cardholders.

In the framework of the activities planned to strengthen this alliance, we also sent tickets to Banesco Private Banking customers.

BANESCO – BLANCICA ALLIANCE: “NEW MOON”

Our alliance with Blanca company rewarded in December a group of our cardholders. They along with their accompany friends or relatives attended to the exclusive premier of the film “New Moon” at Cinex theaters located at San Ignacio Mall, in Caracas.

BANESCO – IESA ALLIANCE

To support the students admitted to the Business Administration Master (part-time) at the Instituto de Estudios Superiores de Administración (IESA), a special agreement to finance the tuition of 50 of those students was established between Banesco and this renowned institution. To ensure the continuity of this initiative, Banesco expects to sign new alliances with the Andrés Bello Catholic University and Nueva Esparta University in 2010.

ALLIANCE WITH TELEFLORES

As of May 7, 2009, TeleFlores started to offer Banesco credit cardholders a 10% discount on each floral arrangement paid with our cards.

ALLIANCE WITH *EL UNIVERSAL*

This year we launched our commercial alliance with newspaper El Universal, to offer discounts to our customers on their subscriptions paid with Banesco credit cards.

PRESENCE AT EVENTS

ALL AROUND THE COUNTRY

Our brand, products and services are always present at highly advertized and interesting events for our customers. In 2009 we had a presence in the following massive events:

- Triathlon Margarita 2009. Porlamar, Nueva Esparta state.
- Seprocebú 2009. Valencia, Carabobo state.
- Agroferia 2009. Guanare, Portuguesa state.
- The Construction Week 2009. Tamanaco Hotel, Caracas.
- Expo-Transporte 2009 (Community Banking). Valencia, Carabobo state.
- Show: “Welcome Iker Casillas”. UCV Stadium, Caracas.

Electronic Banking

ELECTRONIC CHANNELS

In 2009 the transactions through our Electronic Channels recorded a relative increase of 12.9% against the previous year, going from a monthly average of 69,6 to 78,6 million transactions.

The share of transactions made through electronic channels was of 88.99%, accounting for a 1.69 percentage points improvement against 2008.

BANESCOONLINE

In 2009, BanescoOnline closed with 1.9 million affiliated customers. This means that 333,328 customers joined the electronic channel during the period, accounting for a 20.4% increase against December 2008.

The monthly average of transactions carried out through this channel was 45.3 million, recording a 8.7% increase against the previous year. As for amounts managed in 2009, the average monthly figure was Bs. 6,02 million with a 48.8% increase against 2008.

In 2009, new functionalities were added to this channel, such as Pago Click Banesco, Requirement Management/Follow-Up, more companies and services, Fixed, Pre-Payment and Post-Payment Movistar, TV Post-payment, “Everybody wins” promotion.

PHONE SERVICE CENTER (CAT)

During 2009, this service managed a monthly average of 4,006,781 phone calls. This accounted for a reduction of 10.15% of calls received against the previous year (4,413,444), mainly as a result of the automation of transactions with the IVR (robot), as well as the activation of the CDC PIN, reassignment of the DC PIN and activation of credit cards. Through the agent, a monthly average of 1,002,908 calls were managed in 2009, accounting for a 7.31% reduction against 2008 (1,076,209 calls).

Regarding transactions, the monthly average managed by this channel in 2009 was 1,936,448 calls, with a 80% average participation of the robot (IVR) against the previous year, and a 2.15% reduction in transactions in 2009 against 2008 closing figures (1,978,135 transactions).

In the authorizations area, the general approval level of CDC for 2009 second half (national and international) amounted to 71.86%. In September 2009 the Pago Click functionality was incorporated into this channel, for payments directly made through the Agent and Activation of Credit Cards, which transaction is automated through the IVR.

NETWORK OF POINTS OF SALE, ATMs, SELF-SERVICE AND CHECKBOOKS DISPENSERS

At the end of 2009, Banesco counted on:

- 56,110 Points of Sales, through which a monthly average of 11.4 million transactions were carried out. This accounts for a relative growth of 6.30% against 2008 (10,7 million transactions).
- 1,965 ATMs (214 of them installed during the year), through which a monthly average (Issuer) of 10.6 million transactions were processed, as well as an average of 10,9 million (purchaser). Banesco ATMs network is the leader in terms of operations carried out through Suiche7B and Conexus networks.
- 394 Self-Service machines, which recorded a monthly average of 714,229 transactions and accounts for a 22.79% growth against 2008 (581,659 transactions).
- 244 Checkbooks Dispensers through which a monthly average of 196,957 transactions were carried out, accounting for a 18.80% increase against 2008 (165,790 transactions).

In 2009 we inaugurated a total of 8 new service points and closed 5 of them.

PAYMENT MEANS AND SERVICES

CASH MANAGEMENT SERVICES

In 2009 the service of payroll payment, suppliers' payment and domiciliations through our EDI Platform recorded an increase of 4.72% in transactions and 50.7% in amounts managed against 2008.

At the end of the year we had 6,281 customers affiliated to our services of Payroll Payment, Suppliers Payment and Domiciliations. 75.2% of them correspond to Payroll Payments, 15.3% Suppliers Payment and 9.5% Domiciliations.



COLLECTION SERVICES

In 2009 we collected Bs 19,440 million and recorded more than 11 million transactions. This accounts for a 21.1% increase and 37.4% respectively, against the previous year, with an amount per transactions of around Bs. 1,767, that is, 24.87% lower than the Bs. 2,352 per transaction in 2008. 13 new customers joined this service.

CREDIT CARDS ISSUING BUSINESS

At the end of 2009, Banesco is still the leader in the Venezuelan market of credit cards, with a 27.75% market share in sales. This achievement has been the result of different business strategies implanted along the lines of Banesco typical innovation.

In order to provide a better service, more benefits and develop integral customers, Banesco has continued granting credit cards to those customers who held liabilities with the institutions in the Premium Segments and Payroll through our Specialized Banking and Strategic Management of Special Accounts. Making sure that we meet all the needs of our customers, Banesco granted over 320,000 cards through a massive process of product upgrade, granting these customers with a higher category than they had before and better benefits. As a complement to these strategies and to reward the loyalty and good credit record, Banesco carried out different processes of credit line upgrade that favored 520,000 cardholders and strengthened the financial relationship between our customers and their preferences.

To further the development in the legal entities segment, Banesco carried out a massive process to issue corporate credit cards for those customers with excellent records in Banesco. This strategy implemented since mid-2008 allowed us to achieve the Number 1 position in the legal entities sector, with a 17.33% market share.

DEBIT CARDS ISSUING BUSINESS

Banesco is still the leader in sales at Points of Sale with Debit Cards, with a 22.96% market share at the end of the year. This has been the result of innovating strategies based on our customers' needs that have allowed the institution to provide a better service and encourage the preferential use of Banesco Maestro Credit Cards with differentiating services such as:

- The very first transactions of the month at our ATMs are for free.
- Banesco-Cinex permanent program, with which our customers enjoy a 50% discount on the value of the ticket from Tuesday to Friday if they pay with a Banesco debit card.
- The outstanding alliance with Blancica, that allowed us to reward a group of Banesco cardholders and their accompany friends. In December, they were invited by our organization to the premier of the film "New Moon" at Cinex theaters located at San Ignacio Mall.

Likewise, through our program "Your purchase can be for Free" (Prize-Winning Ticket), Banesco rewarded 4,592 customers (individuals) during the year for having paid their purchases with Banesco debit cards through Banesco Points of Sale.

ADVANCES AND TECHNOLOGICAL DEVELOPMENTS

CLICK PAYMENT

It's an e-business solution that has been operating since September 2009. It allows the customers to pay services, invoices and others through the Internet when they enter the Web page of our commercial partners. This provides the customers with an easy, comfortable and simple payment experience.

BANESCONLINE SERVICES PAYMENT

Customers are able to pay their services with collecting companies, which in turn enjoy a series of benefits in terms of conciliation and the following advantages:

- Diversification of the collection service with the incorporation of new payment channels for products and services. This, in turn, fosters our customers' portfolio and strengthens Banesco as a collector bank.
- Increase of the amounts collected.
- Savings with the growing use of electronic means and the reduction of traditional payment means (checks, branches, etc.).
- More convenient functionalities for the final users, as they can pay their products and services with charges to their Banesco account through the Internet.

This year, three new companies joined this service: Digital TV and Movistar LANs, as well as Enelven and Enelco (electricity companies at Zulia state).

MULTIPLE EDI DESCRIPTIONS

In 2009 we implanted a significant improvement of our Cash Management service, so as our commercial partners could make other payments by electronic means, with a view to reduce the use of checks. Currently, besides paying the payroll and carrying out payments to suppliers through electronic means, the companies are able to make any other kind of payments such as profits, travel allowances, fees, advances and payment of indemnities for accidents, among others.

ONLINE COLLECTION SERVICE

The most remarkable achievements in 2009 were:

- Movistar Online Collection for the payment of Digital TV and Residential LAN Telephone service.
- Batch Collection Service for several companies.

In addition, we introduced improvements to the services of very important customers to adjust the service to changes introduced into their business models.

ELECTRONIC BANKING

Los logros más relevantes en el año 2009 fueron:

1. Updating of the Points of Sale (POS) platform in order to strengthen the safety of transactions made with PIN of customers who use our gadgets.
2. Implantation of the Follow-Up and Fraud Prevention System for BanescOnline, Self-Service and POS channels.
3. Migration of some branches' transactions to ATMs, Self-Service and multifunctional ATMs channels:
 - a. Cash withdrawals for amount below Bs. 500 at ATMs
 - b. Certification of the three last Account Statements at Self-Service.
 - c. Payments and deposits at the multifunctional ATMs
4. Increase of transactions made through the IVR channel, without transfers to the operator.
5. Implantation of the security Code in Banesco checks to reduce the risk of fraud.
6. First stage of migration to CHIP technology for debit and credit cards, as well as to the POS and ATM channels. This process shall be completed in 2010.

CREDIT CARDS AND COLLECTION MANAGEMENT AUTOMATION

These were our achievements in 2009:

1. Reengineering of processes for credit cards returned and destroyed – Extranet with Courier and Call Center, phase II
We continued optimizing information reliability in the E&D Module, through a technological enabler that allows the

exchange of daily information with the Courier, as well as follow-up and control of credit cards delivery.

Likewise, we implanted the Call Center in order to make proactive contacts with the customer and agree upon the point of delivery of the returned or retained card.

2. Implantation of New Providence for Exchange Operations 2009

This is a new processing schema that introduces structural changes of processes and technological adjustments to guarantee the continuity of operations. For this process it is indispensable the immediate management of rejections in order to mitigate the risk of losses for the organization and give some room for the institution to interrupt the process.

3. Credit Cards Requests are processed only through BOL

We optimized the process of credit cards requests received by banesco.com. This allows the capture, migration to FACT and automated evaluation of the customers with the Automated Decision-Making Process that allows keeping communication via e-mail with the customer, with information of the evaluation results.

4. Strengthening of Commercial Liquidation

We enhanced the liquidation process for commercial outlets in order to take proactive steps and introduce improvements to the current systems and processes. This improvement, in turn, guarantees the right functioning of posting, liquidation and accounting of the transactions processed through our Points of Sale.

3,078 credits were liquidated. 88% of them were concentrated in Commerce (69%) and Vehicles (19%), with a delinquency rate of 0.20% at the end of the year.

During 2009 we also continued with the training process of business advisors with excellent results. This helps to strengthen our policy of human capital training and foster their incorporation to new roles at higher levels and helps to reduce the training process of new employees.

On the other hand, as a consequence of the government intervention of some financial institutions, a special operation called "Assistance to Financial System Customers" was carried out to support the enhancement of financial relations with current and new customers.

PRIVATE BANKING

In 2009 we continued with the crossing process of credit products with the traditional passive products in order to consolidate the strengthening of the Private and Business Banking. Synergies with the Legal Entities Banking pointing to incorporate the most important businessmen of the country are still in place as a part of a strategy to expand our business.

Following the lines of a plan that seeks the standardization of the service and provide advise to our customers, eight new Business Managers participated in the program Advisors Updating, a series of training sessions that, along with the development of the Updating Program on Financial Markets addressed to our Regional Managers, is one of the main actions carried out in the Private Banking for the benefit, optimization and growth of the business.

At the end of 2009, the passive products of the Private Banking kept a 5% share against the total of the bank. The quality of our credit portfolio is evident with a 0.01% delinquency rate against 0.09% in 2008.

As the Natural Person sector is the one with the highest susceptibility level within the financial market, the results at the end of 2009 show that our customers are still confident of the management of their financial goods through the banking, with a 9% increase of passive position against 2008 and a 27% increase in terms of its credit position.

In 2009, all Business Managers of the Private Banking were

Specialized Segments

PREMIUM SEGMENT

The VP of Premium Segment achieved a 14.98% share in the bank's passive during the second half of 2009. By the end of the same year, the total of customers served by this distribution channel amounted to 59,800, a 3.82% increase against 2008. We count on 233 advisors located all over the country and ready to meet our customers needs with Banesco differential value: *quality* service.

Regarding the Credit Portfolio, during the year 2009 a total of

Specialized Banking Branches

Region	Private			Corporate			Public Sector			Energy			Agricultural			Enterprises		
	2009	2008	Var. %	2009	2008	Var. %	2009	2008	Var. %	2009	2008	Var. %	2009	2008	Var. %	2009	2008	Var. %
Capital City	1	1	--	1	1	--	1	1	--	1	3	(2)	1	1	--	1	5	(4)
Middle-The Plains	2	2	--	1	1	--	1	1	--	1	1	--	4	4	--	2	2	--
Western-Andean	3	3	--	0	0	--	2	2	--	0	3	(3)	5	3	2	3	3	--
Eastern-South	3	3	--	0	0	--	2	1	1	4	1	3	0	0	--	4	4	--
Zulia-Falcón	1	1	--	0	0	--	1	1	--	3	2	1	3	3	--	2	2	--
Total	10	10	--	2	2	--	7	6	1	9	10	(1)	13	11	2	12	16	(4)

certified through a highly demanding training program given by IDE, a consulting firm. Likewise and in order to level the team knowledge, Regional Managers were also certified with a training program and enhanced their financial knowledge.

CORPORATE BANKING

In 2009 this banking achieved a 25.13% share of the total passive within the Legal Entities segment, with a 20.26% growth of its credit portfolio.

We made an outstanding contribution with special programs to fund investments focused on railway and manufacture projects (31.27%), agricultural projects (2.40%) and tourism (4.31%). We also supported the main hydroelectric and railway projects, as well as other infrastructure works in the country.

Recently, we have been focused on the development of value chains, granting special advantages, terms and rates to suppliers and distributors of the companies involved.

PUBLIC SECTOR BANKING

During the year 2009, the profitability of this banking showed a significant increase with the re-composition of the passive portfolio, as well as a higher positioning in the government, regional and local institutions within the framework of a diversification strategy of passive and business, besides the optimization of the service to the IVSS pensioners through applications and operations aimed to improve the service quality and response times.

ENERGY BANKING

Banesco Energy Banking has been consolidated as the leader of the financial system in this area, with significant increases both of credits and passive portfolio. In addition, it was able to enhance the portfolio addressed to the manufacture sector (mandatory), giving an important support to the development of the whole credit portfolio for this banking.

In terms of business presence and local growth, it is important to underline the remarkable increase of this activity at the middle and eastern regions of the country. This is particularly true at Valencia city, where the portfolio closed with 37 new customers, most of them from the metallurgy and metalworking sectors. At the western region, the passive portfolio showed an increase above 120% during the second half of 2009. These achievements have made of Banesco the first bank in the region for the companies belonging to this segment.

Banesco Energy Banking has turned Banesco into the main private bank that collects funds from the electricity sector through CORPOELEC and its associated companies.

AGRICULTURAL BANKING

At the end of 2009, the value of the agricultural portfolio was Bs. 3,813 million, turning Banesco into the biggest player in terms of offer of financial services for our country's agricultural sector for the second year in a row.

According to the law, the mandatory percentage for this portfolio is 21% of 2007 average gross portfolio. In 2008, the value of our agricultural portfolio exceeded by Bs 100 million that amount, driving the figure to 21.57%. We were able to achieve this position thanks to a strategy focused on the main staples produced in our country (corn, rice, cattle farming meat, cattle farming milk, poultry and porcine), a permanent presence in the fields, and the knowledge of our agricultural banking staff.

ENTERPRISES BANKING

Banesco Enterprises Banking recorded a strong increase of the net passive, equivalent to the fulfillment of the goal proposed for the year: 117%.

On the other hand, an important growth was observed in the active portfolio. This allowed the bank to meet the goal established for the year 2009 with 213.31%. It is important to mention that 12.3% of the active portfolio was devoted to the manufacturing sector. We also achieved 126% of fulfillment in relation to the goal established for that half of the year in premiums charged.

BANESCO COMMUNITY BANKING

After three years and a half of management, Banesco Community Banking (BCB) has been consolidated as Banesco's initiative on the matter of microfinance to satisfy the economic needs of the low-income population. As it was designed from the very beginning, this banking continues to be a successful business model that combines economic return for the organization with a high social impact.

At the end of 2009, Banesco Community Banking had favored 93,234 customers. We have granted 49,782 Loans for Working, 76,680 customers have joined our program Saving Step by Step and 233 have acquired an Integral Life Insurance Policy. The Loan for Working showed a liquidated amount of Bs. 134.7 million with a delinquency rate of just 1.47%. 93,234 Community Accounts have been opened with a balance in account of Bs. 22.2 million. On the other hand, the BCB through the program Saving Step by Step recorded a Bs. 2.40 million increase.

Also at the end of 2009, BCB achieved a 23.8% share of the Venezuelan microcredit market.

Given the importance and development achieved by this Banesco service, we devote a separate chapter in this report to this topic.

**IN 2009, ALL BUSINESS
MANAGERS OF THE
PRIVATE BANKING WERE
CERTIFIED THROUGH A
HIGHLY DEMANDING
TRAINING PROGRAM**

Trust Funds

At the end of December 2009, the Trust Fund portfolio closed at Bs 6,020 million, increasing its assets by Bs 275,72 million against 2008 closing date. This accounted for a 4.80% variation.

The Trust Fund portfolio is composed as follows: Bs 2,535 million correspond to private sector assets (42% of the portfolio) and Bs. 3,485 million of resources from the State (58% of the portfolio), centralized and non-centralized entities.

Likewise, 48% of the funds correspond to Collective Trust Funds with Bs 2,920 million, 19% of Administration for an amount of Bs 1,126 million, 18% of Guarantee Trust Funds, represented by Bs 1,078 million, and 11% of Investment which account for Bs 637 million; as well as Mix Trust Funds with 4% of the portfolio and represented by Bs 259 million.

During the year, 579 new Trust Funds were created, for a Trust Fund portfolio with a total of 7,377 plans (3.62% above the 2008 corresponding figure), with 4,876 of them as Administration Trust Funds, 1,472 Collective Trust Funds, 986 Investment and 43 Guarantee Trust Funds.

The assets of our trust funds for the whole financial system totaled Bs. 72,806.33 million at the end of 2009, recording an increase of Bs 1,476.33 million (2.07%) against 2008. Banesco Banco Universal ranked second in the private sector trust fund market, with a portfolio of Bs 6,020 million and a 19.32% share, while in relation to the total trust market we finished the year with an 8.27% share.

International

During the year 2009, the International VP homologated the Service Agreements to SLA with the different dependencies of our organization that interact with processes and/or services with the Managers ascribed to this unit. We did all this with the purpose of improving the service levels to the customer and reducing our response times to their requests.

We also published in the Virtual Library the Handbooks of Rules and Procedures of the International VP in order to spread general information about the characteristics of the services and products managed by this area and encourage the saving of resources related to the printed material sent to Banesco collaborators network.

Trust Funds Portfolio

Amounts in Bs

Segments	2009	2008	Var. %
Branches Network	1,049,953,118.50	976,643,781.74	7.51
SMEs	1,934,248.05	719,567.93	168.81
Premium Segment	12,458,476.07	6,749,635.24	84.58
Private Banking	11,082,804.02	2,318,117.99	378.09
Enterprises Banking*	556,045,434.24	686,766,812.41	(19.03)
Corporate Banking	189,542,086.96	113,046,904.61	67.67
Energy Banking	354,873,462.41	275,622,280.82	28.75
Public Sector Banking	3,834,837,011.54	3,677,703,351.70	4.27
Agricultural Banking	9,356,445.79	4,474,167.45	109.12
Sub-total by Segments	6,020,083,087.58	5,744,044,619.89	4.81
Non-assigned to Segments	--	320,795.11	(100.00)
Total	6,020,083,087.58	5,744,365,415.00	4.80

*The reduction of the Enterprises Banking growth is due mainly to the trust funds that entered our banking through credits of the state-controlled portfolios. The amount disbursed for the concept was Bs 105,532,808.69.

Strategic Management

PROTOCOL OF RELATIONS WITH OUR CUSTOMERS

On August 1, 2009 we implemented the new "Protocol of Relations with the Customers for Promoters at Banesco Branches".

This protocol includes three parts:

- Vision of Banesco financial promoter
- Promoter's functions
- Key associated processes

The purpose of this protocol is to optimize not only the quality and convenience of the service for our customers at the branches but also provide them with the information about other products offered by our organization, emphasizing kindness and efficiency.

The Protocol is available at our Virtual Library at <http://tiempobanesco2/sites/BibliotecaVirtual/PersonaNatural/pages/GuiaVentas/ATC.aspx>

TRANSFORMATION OF THE BUSINESS CORPORATE MODEL

In 2009 we finished the design and started with the implementation of the new Business Corporate Model (BCM); we reorganized its main functions and processes according to their affinities and identified synergies allowing to achieve the Bank's vision.

These organizational and procedures changes will allow the Bank to:

- Improve cost/income ratio, increasing profitability and productivity.

IN 2009 WE FINISHED
THE DESIGN AND STARTED
WITH THE
IMPLEMENTATION OF THE
NEW BUSINESS CORPORATE
MODEL (BCM)

- Win and preserve our customers' preference, increasing the quality and improving the simplicity and convenience of our services.
- Create a portfolio of simple and efficient products adjusted to the potentialities of each segment.
- Improve in a smart way the management over our customers.
- Keep a motivated human capital with a high sense of belonging.

The change of the current model will be a gradual process to be developed all along 2010, so as we could minimize the potential impact on the daily operations and guarantee the business continuity.

The guiding principles of this transformation is to do what we do in a growing simple and efficient way and with a high quality to preserve our position as the Venezuelan Number 1 bank in terms of customers preference, operations scale and technology. This strategic initiative holds the promise for the coming years of a high impact on our business configuration and for this reason it has convened the participation of all the areas of the Bank to adjust all our activities to the best national and international practices.

CENTER OF CORPORATE PROJECTS (CCP)

The Center of Corporate Projects (CCP), formerly known as "Cluster of Projects", is the new way to execute the Bank's projects portfolio in order to work on a structure prepared and formulated in anticipation of legal, economic, social and other changes to face the new challenges. We have gathered in a single area a multitasking team with representatives from areas such as Business, Projects Bureau, Business processes, Technology, Security and Business continuity, Risk, Auditing and Finance. Once this team has agreed upon a common work methodology based on the best practices and expertise we have developed at our bank, it receives the approved projects, prepares a detailed definition, plans, executes and controls these projects until they are implemented.

The CCP has been audited by Indudata (a firm specialized on Methodology for the Development of Projects and Systems) which gave a very positive evaluation to our CCP based on international standards. The CCP was also invited to give a presentation at an international convention in the United States about its successful experience on the use of this methodology to develop portfolios.

Following, we offer relevant relate data:

- 62% of the projects and defensive actions with an advance above 75% or finished.
- 83% of the projects started under Cluster have been finished on time.

- The diverted projects have been reduced by around 25% against 2006-2007.
- Significant improvements due to Scope Changes, Environmental and Procurement Requirements.
- Centralized data base of the projects documentation.
- 20% of resources freed by synergy of processes and 24% by infrastructure.
- Consolidated vision of projects and encouragement of synergies.
- To this date we have recorded a total of Bs 3.04 million in savings from synergies, against potential savings originally estimated at Bs 5.9 million.
- 43% of the projects launched at the CCP have been finished within 30 days following their initial planning.
- A permanent improvement process was implanted for the designed processes. This allowed, with interviews and surveys among the people involved with the projects, to identify a set of improvements. 70% of these improvements have been achieved.
- 86% of the CCP projects show a deviation below 5%.

The CCP is an integral part of the transformation initiative of our Business Model and as such it will be an integral element of the new model under construction at Banesco. We are about to finish the design and it will be totally integrated to Banesco strategic management. Banesco CCP will count on a team devoted and an organizational formal structure within the corporation where all the projects will be developed in the future. This is an opportunity for professionals and executives willing to start a successful professional career in our organization.

The CCP reports directly to the Alignment Committee and to the Steering Committee.

EMPOWERMENT AT BRANCHES

In 2009 we finished the implantation of the Empowerment model nationwide (formerly applied only to the Capital City and Aragua state). The application of this model resulted in adjustments on the training plan, formal definition of functions and areas, standardization of access permits according to roles, review of the service model and payrolls homologation and standardization, as well as the application of the coaching tool to officers in order to materialize improvements in terms of communications and motivate the staff at our branches network.

ISO 9001:2000 CERTIFICATION, GUARANTEE OF QUALITY SERVICE

In 2008, Banesco became the first institution of the Venezuelan financial system to introduce procedures to measure the satisfaction of its customers. These procedures were certified by

the ISO 9001:2000. This certification on quality Management Systems is a guarantee that the company designs, prepares and provides its services and products based on a management methodology in accordance with the highest international standards.

To meet our commitment to offering an excellent service to our customers, we have certified with this standard programs such as Service Auditing, The Mysterious Customer and Commercial customers in order to guarantee the information flow and follow-up that allow the organization a continuous improvement. This means that our organization works based on a quality control system focused on the users' expectations.

The company in charge of the certification process was *Bureau Veritas Certification*, a firm accredited before *Sencamer* and the UKAS (United Kingdom).

Security, Prevention and Business Continuity

In the area of Losses Prevention we have continued supporting the execution of the strategic project that leverage the prevention management in our channels and payment means vis-à-vis 2010, such as the implantation of the CHIP technology in cards and the Dynamic Password Project (OTP) to reinforce the security of these strategic projects. Simultaneously, we have been able to optimize the systems and technological tools, as well as the strategies created to identify and prevent fraud, such as the consolidation and optimization of the monitoring platform, the implementation of technological enablers for the detection of internal events and management for a constant optimization according to the evolution of the identified fraud modalities. Likewise, we designed and implemented systems of physical security for the headquarters of Banesco Seguros, East Branch, and the new branches located at the World Trade Center, Sambil Paraguaná and Líder malls.

In addition, following our efforts to increase our customers' satisfaction levels both internal and external, we are constantly improving the quality at the moment of providing our services, guaranteeing a timely and efficient response to the requirements and operations of our organization, associates to the Management of Losses Prevention and Business Continuity and achieving service levels well above 95% in accordance with international standards. This has allowed an improvement of 3 percentage points against 2008.

Regarding the regulatory aspect, we have continued developing the actions and projects to align our processes and systems to the regulations established by Sudeban, the franchises (MasterCard / VISA) and Suiche7B inter-banking network.

We have also put a special accent on the execution of awareness campaigns for Banesco customers through the different

communication means with the purpose of raising awareness on matters related to information safety, particularly the use of the different e-channels and Banesco payment means.

On the other hand, we have continued with the training and awareness campaigns addressed to commercial outlets and customers about the best practices of use and approval or payment means and channels. 187 commercial outlets were addressed for a total of 613 people trained. Inwards, we developed awareness campaigns for over 1,966 employees on the matter of prevention and for the sixth year in a row we developed the Prevention and Continuity 2009 sessions, where our employees had the opportunity to get familiarized with profiles for Integral Security behavior and their application to the daily work.

PROTECTION

Having in mind the importance of optimizing the physical protection systems of our organization, we embarked on the technological updating of our access control systems, CCTV and alarms at our branches network. To do so, we designed a technological adjustment program to support the installation of state-of-the-art systems, all this reinforced with the establishment of security standards through the definition, documentation and divulgation of rules for a safe operation at branches. Additionally, the precision systems to detect and extinguish fires were reinforced at the main computation center.

In the area of industrial security, we finished the updating of the precision systems to detect and extinguish fires at the main computing centers. This management supports the operational continuity of our institution. We also started the review and updating of the contingency plans poised to preserve the integrity of the Bank's equity and putting our human capital in the first place as it is the most important asset of our organization.

LOSSES CONTROL

The internal and external detection and research processes were reinforced. In particular, the organization formalized the processes, direction and coordination of administrative research, analysis and evaluation of the claims submitted as fundamental component of the Code of Ethics and Conduct implantation in order to guarantee the transparency of the actions and the efficiency of the proposed solutions.

BUSINESS CONTINUITY

In the area of Business Continuity we conducted 100% of the tests expected on the plans developed for each one of the critical processes defined by the BIA (Business Impact Analysis) of the organization, identifying opportunities to improve the contingency process and the technological platform that support

them. In addition, we continued with the Project of Technological Contingency for critical services and developed the Center of Command and Control to follow-up and monitor the variables corresponding to the implantation of high impact projects for the business.

NEW SECURITY RULES FOR E-BANKING

OPTIMIZATION FOR THE MANAGEMENT OF *PHISHING*

With the purpose of furthering the optimization of our management of Losses Prevention and Business Continuity we have followed the guidelines of our commitment to improve the operating process in order to reduce our customers' vulnerability to faked Web pages that seek to steal secret passwords to make financial transactions. In this sense, in 2009 we incorporated a new tool to support the automated management that allows to switch off these false pages, including the support of a world renowned firm to report these events.

EXTENDED DIGITAL CERTIFICATES (GREEN BAR)

In June 2009 we implanted for all our BanescOnline customers a security system that provides them with a fast way to know if they have entered an official Web page or if they are before an imitation or phishing. When the customers enter banesco.com page, the navigator bar turns green. If the bar goes red, the customer knows that he is before a "non-secure" page and he should quite the page immediately.

INCORPORATION OF IMAGES FOR INTERNET TRANSACTIONS

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

SMS SYSTEM

In 2009 we implanted a system to notify our customers of operations made on their behalf via text messages in order to enhance the management prevention of fraud in the electronic channels and payments means. This service combines mobile phones and Banesco monitoring systems to send fast alerts to our customers about potential illegal transactions. In this sense, among the different operations involved in this alert system we can mention:

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

On the other hand, in 2009 our organization didn't record any claim from our customers due to private information leaks. The same was true for other regulatory entities such as *Sudeban* or *Indepabis*.

McAfee SECURITY CERTIFICATE

Our banesco.com portal and BanescOnline have been certified with the international security standard Hacker Safe, granted by the renowned McAfee firm to the sites with the highest security levels against attacks in the Internet.

This certification means, according to Computer Security Center (CERT/CC®), that banesco.com and BanescOnline are free of all the known vulnerabilities that can be scrutinized remotely to prevent by 99.9% the crime in the cyberspace.

McAfee conducts daily reviews to our Web sites, with the best security practices in order to detect vulnerabilities and identify new opportunities to improve that allow us to take fast and effective steps to guarantee our customers' information security and confidentiality.

IN 2009 WE IMPLANTED A SYSTEM TO NOTIFY OUR CUSTOMERS OF OPERATIONS MADE ON THEIR BEHALF VIA TEXT MESSAGES.

ADJUSTMENT OF BANESCO BRANCHES TO PEOPLE WITH DISABILITIES

In Ciudad Banesco, our headquarters, all our facilities have been adjusted to provide ideal conditions to people with disabilities: ramps, special toilettes for men and women, special parking lots, Braille and digitalized voice at the elevators.

As for the administrative seat, at El Rosal, Caracas (Capital Region): Tower 2 has an access ramp and we expect to build another one at Tower 1 in 2010. The elevators will be furnished with Braille and digitalized voice.

Regarding the administrative branches in the countryside:

- Torre Las Delicias, Maracay (Middle-The Plains region): the elevators will be furnished with Braille and digitalized voice.
- Torre Unida, Valencia (Middle-The Plains region): it has an access ramp. The elevators will be furnished with Braille and digitalized voice.
- Centro París (Barquisimeto, Western-Andean region): it has an access ramp.

- Torre Bella Vista (Maracaibo, Zulia-Falcón region): the elevator will be furnished with Braille and digitalized voice; the access ramp will be build.
- Torre Unión (Maracaibo, Zulia-Falcón region): it has an access ramp.
- Puerto la Cruz (Western-South region): it has an access ramp.

Financial Systems and Information Management

MANAGEMENT OF TECHNOLOGICAL DEMAND

Since 2008, we implanted the Management of the Technological Demand Process that allows managing the requirements of the businesses focused on the catch of benefits, saving capacities and resources to establish synergies for the construction of designed solutions.

NEW PRODUCTS AND SERVICES OF THE SPECIALIZED BANKING

In 2009 we developed and implanted 13 new Electronic Collection Systems, through a reliable platform adjusted to our customers' needs in order to make collections and services payments to suppliers, addressed to private and public entities in sectors such as trade, energy and universities. This has allowed us to sustain a permanent penetration in the value chain of our customers.

Likewise, we have introduced improvements to optimize our platform of Payment to Suppliers, according to the needs of each legal entity customer. The portfolio of Click Payments products and services were introduced and we started offering our customers a new option of Account Statements through CD for a better control of their bank conciliations.

Administration, Finance and Integrated System of Requirements

During the year 2007, Banesco started to work with the SIAF (Integrated System of Administration and Finance), with which it has been able to achieve the highest efficiency in terms of costs and budget control.

In line with the optimization of our business productivity and to leverage the service quality that is our differentiating trademark, we implanted the Integrated System of Requirements (SIRWeb), through which we managed under an automated process the requirements related to credits, mortgage liberation, credit and debit cards and the Mandatory Fund for Housing (FAOV). We

implemented the SIRWeb in BanesOnline, to allow the self-management of our customers and allow them to see the status of their requirements through the electronic channels. This helps to reduce the volume of customers at our branches and Phone Center, and improves flexibility and control of requirements.

ELECTRONIC MANAGEMENT OF DOCUMENTS (GELECON)

The first purpose of our Gelecon area (Electronic Management of Documents) is to use paper mainly to verify checks, avoiding the duplication of copies and speeding up our Organization's work flows. In 2009, 675,481 files were digitalized for a total of 2,480,697 pages.

The incorporation of Gelecon in previous years, the area of Commercial Credit and its Portfolio of Biggest Debtors, the Credit and Debit Card (CDC) area, as well as the area to open Accounts, have helped to reduce the amount of requirements we demand to our customers, as it is not necessary to request again the documents already digitalized, filed and still in force for a new operation or to open a new account of the same customer. All this helps not only to reduce the consumption of paper but also to optimize the physical space and organization of the files.

Gelecon is working on a joint project with the Credit Documentation area in order to systematize and homologate the process to create documents and legal instruments. This, in turn, helps to reduce the response times to the customers, as well as to optimize the use of paper. A reduction between 15% and 20% is expected in terms of paper consumption for this area in 2010.

Technological Updating in 2009

During the second half of the year, Banesco carried out a new consolidation of technological environments through the use of cutting-edge virtualization tools and consolidation of components with the purpose of optimizing the spaces at our data centers and free space for the incorporation of more than 100 servers. This allows our organization to count on higher growth potentialities and reduce at the same time energy consumption and operating costs.

Regarding the component of our telecommunications network, in 2009 Banesco updated one its main Firewalls, duplicating its capabilities and increasing security levels.

Likewise, we have continued with the updating of software and security policies for our ATMs network: we updated 1,483 ATMs (80% of the total) to continue being the most safe and available ATM network of Venezuela.

SERIES PLATFORM OF THE MAIN COMPUTER

Thanks to the optimization of programs and the updating of the operating software, we were able to expand the capacity of our main computer, getting the maximum performance and capacity to process 30% more transactions and preparing us to increase our portfolio and consolidate our position as the first bank of the country.

MULTISOURCING MODEL IN IT

The Technology area has kept its focus on the efficiency of its processes and capacities, favoring the adoption of multi-sourcing models to meet its customers' needs and provide growth opportunities to the companies specialized in technology and their employees and associates. In this sense, we have increased the amount of applications transferred to the Software Factory Model up to cover 30% of its total portfolio. Likewise, the process for Headquarters and Branches began, granting the required authorization to a leader company in the technological field which is offering this service nationwide for Banesco. All this encourages the specialized technological growth, the creation of scale economies and efficiency of internal processes.

Corporate Architecture, in line with the last trends

In 2009, with the support of representatives of Process Architecture and IT Planning, we associated our applications to the Map of Processes Architecture of the Bank. Based on this Map, the team created a first version of the Map of Banesco Corporate Applicative Architecture, which organized the applications by Domains. The idea behind this packaging by domains is to:

- Identify modern and integrated solutions for each one of these blocks, with a broader functional coverage.
- Align the Map with the industry standards to re-use services; and
- Propose this block as a communication tool with the business, to express impacts from the demand (from business) or the status of the strategy to streamline and simplify each one of these domains.

In addition, we have continued with our work for the migration of services to the Corporate Bus, incorporating services such as Treasury, Risk and Documents Digitalization. The purpose of this Bus is to count on a services catalogue of our applications with standardized business functions allowing to reuse them and speed up the development of new solutions.

THE BEST PERFORMANCE IN BUSINESS PROCESS ON THE MARKET

To be in tune with cutting-edge world trends on the matter of Business Processes and Methodologies for Quality and Continuous Improvement, we embarked on the transformation of the Executive VPs of Quality and Processes, hand in hand with *Expertia Consulting Group*. These efforts resulted in an innovating model of activity that, no doubt, will strengthen our positioning as the leader bank in terms of fast and effective Business Processes.

BUSINESS PROCESSES OF HIGH IMPACT AND CUTTING-EDGE METHODOLOGIES FOR QUALITY MANAGEMENT

Consolidating all the design developed in 2008 with the DIADIA Methodology, in 2009 we processed all the information of the process consulting staff developing key technical competences required to address an important set of initiatives that will guarantee integral solutions for Banesco's customers, improving services, reducing complaints, claims and costs, making easier our employees' work and guaranteeing the quality of our operations.

Focused on Banesco's strategic intention of "winning and keeping our customers preference thanks to the quality, simplicity and convenience of our service offer", we carried out a selection of initiatives to improve the perception of our customers about the value of these attributes.

Leveraged by DIADIA, we have addressed initiatives in key processes for the Bank that are directly related with our customers, among them the design, 21 improvements and 7 transformation initiatives such as:

- **Service Model for Currency Exchange Operations (CADIVI):** the response times for foreign exchange management were reduced; the consulting service for our customers about the guidelines established by the governmental regulatory bodies was improved and we also reduced the risks of failures to comply with CADIVI rules.
- **Issuing and Distribution Process of Credit Cards:** a higher effectiveness in relation to the delivery of credit cards was guaranteed, improving the registration and approval times of credit cards.
- **Internal Mail Process:** reduction of time to send documents from all services to the central areas and an enhanced effectiveness in the delivery of these documents.
- **Migration to Electronic Channels:** our customers were offered alternate channels, in order to make their operations much faster and without the need to be personally attended.

MACRO-PROCESS OF INNOVATION

In 2009, the VP of Innovation consolidated and improved the Macroprocess of Innovation designed in 2008, certifying that all new products, services and promotions of our organization have their corresponding market research and technical, financial and legal feasibility studies in order to guarantee the quality levels required and minimize the risks in relation to the customer and regulatory bodies.

Specifically, the evaluation of the technical feasibility was improved with the intervention of the Demand Management area, supported by a multitasking team that takes into account all the aspects of the initiative.

For the year 2010, the first challenge of the VP of Innovation is to spread its medullar capacity all over the organization, through the decentralization of the innovation processes.

Our team applies conceptual engineering methods and creates innovations to add value to its coordinating role, favoring always the search of excellence towards the effective building of synergies among our suppliers and customers units, so as we could be perceived by the group as a source of technical and managerial talents.

From the methodologies in the market about innovation models, Banesco has decided to compile the best practices of each one of them and build its own model.

These methodologies are the following:

- **Stage-Gate:** It's a conceptual/operational plan for the development of new products. It divides the efforts into separated controlled stages.
- **Innovation Diamond:** based on the Stage-Gate methodology, but the Innovation Diamond methodology incorporates factors that make easier the success of the innovation processes, such as the weather and organizational culture, strategic environment and portfolio management.
- **Prototyping:** It is based on the fast implementation of a work model or pilot with which it is possible to test several aspects related to design and/or functionality, and collect ideas or characteristics arising from the early use of the pilot in order to implant improvements.
- **Lead User (LU):** It's a methodology that involves innovating customers in the process of definition and validation of new concepts.

The guiding criteria or premises were crucial to formulate the new Macroprocess:

- **Cycle** (Speed in the development and launch of products)

- **Frequency** (launch of products per year)
- **Alignment with customers** (Value Added)
- **Profitability**
- **Inter-functional Integration** (integration and coordination of all functional areas)
- **Structuring** (extent to which the task executed are structured)
- **Alignment with the Business Critical Focus.**
- **Competitiveness** (sustained differentiation, allowing a higher resistance to imitation)
- **Variability** (management of several versions for different contexts)

All our products and services are the result of market research, both internal and external, and once launched the product is submitted to the corresponding monitoring process in order to determine if it requires adjustments to meet the customers' expectations.

A multitasking team works on the design and creation of each one of our products. This team conducts a systematic evaluation of the product's risks and operation.

Quality Service Measurement

As a part of the follow-up and management process carried out during the period, we applied several monitoring programs to the service offered by Banesco and its customers' satisfaction in order to determine the strengths and opportunities to improve in terms of how we supply our services.

We also made every effort to support the improvement of our offer of communications, products and services.

- Plus Credit Card
- Improvement of checkbooks issuance and delivery
- Banesco vs. Peer Group Quarterly Publicity Tracking
- Services and Customers' Satisfaction Auditing
- Phone Banking Auditing
- Private Banking Customers' Satisfaction Program
- FAOV Service and Customers' Satisfaction Process

In addition, Banesco kept in place its support to the initiatives related to the indicators board for service management and users' valuation in relation to the use of these indicators.

Dialogue with our Stakeholders

Natural Person

Focus Groups / Interviews / Surveys	2009		2008		Segments
	Amount	Participants	Amount	Participants	
End of the Year Promotion	1	150	-	-	C & D
Focus Group, Evaluation of End of the Year Promotion	-	-	6	48	C
Satisfaction Study Banesco Community Banking	1	600	1	1,560	C & D
Natural Segments Survey	2	870	4	15,869	Massive
Phone Banking	4	3,600	1	3,600	Massive
Private Banking	2	760	1	382	Private Banking Customers
Premium Banking	1	449	-	-	Premium Customers
International Banking	1	370	-	-	International
Share of Natural Segments	1	1,200	-	-	Massive
Advertising Tracking T1/T4	4	3,725	-	-	Natural
Brand Equity Study (Brand Value)	1	1,875	1	1,530	Massive
Internal Communications Evaluation	1	521	-	-	Banesco Employees
Focus Groups Advertising Campaign	-	-	8	64	C & D
Focus Groups Brands Performance	-	-	17	136	C
Focus Group Internet Banking - Credits	-	-	6	48	C
Trust Fund Survey	-	-	1	300	
Media and Advertising Survey	-	-	2	7,260	Massive
Events Measurement	-	-	1	600	Massive
Passive Products Survey, Natural Person	-	-	1	606	Massive
Total	19	14,120	50	32,003	

Legal Entities

Focus Groups / Interviews / Surveys	2009		2008		Segments
	Amount	Participants	Amount	Participants	
Passive Offer Evaluation	1	900	-	-	Natural and legal
Internal Communications Evaluation	1	521	-	-	Banesco Employees
Relation BCB – Commercial Allies	1	100	1	24	Commercial Allies
Trust Funds	1	500	-	-	Legal Entities Customers
SMEs Exploratory Study	-	-	1	50	Industry and commerce cust. and non-cust.
Focus Groups Universities Plan Project	-	-	12	96	University Students and Teachers
Brand Equity Study (Brand Value)	-	-	1	1,530	Massive
Total	4	2,021	15	1,700	

CONFLICTS REDUCTION AND CONSUMER LOYALTY

Thanks to its Web tool (SIR-Web), Banesco is able to track the cases exposed by our customers and make a follow-up of the requirements to address these cases. Through the SIR-Web these cases are sent to the problem-solving areas both of service or situation.

Every year Banesco makes investments to improve this system. The customers can follow the status of their requirements through BanescOnline and get some answers automatically generated according to a decision-making tree to produce a faster and more reliable response. The purpose here is to produce improvements with the reduction of the documents required to process the customers' request. The VP of Quality Management safeguards the fulfillment of the commitments made on these topics.

For 2010 it is expected the incorporation of the social networks (*Twitter, Facebook*) as a means to interact with the customers and the general public and allow the development of a straightforward and closer relationship.



Banesco branch at Coro, Falcón state

EDUCATIONAL LECTURES ON FINANCIAL TOPICS

Continuing with its educational program on financial topics for the general public, in 2009 Banesco gave educational lectures and conferences addressed to the general public and the staff of companies located at the main cities of our country. These activities were attended by a significant number of participants (above 3,800 people of the general public and 400 of companies' staff, in both cases the number of attendees surpassed the audience expected), who attended the events to find updated information about different credit modalities.

The topics addressed were the following: Mortgage Loans with FAOV resources, Tourism, Micro-Credit and 48-hour Multicredit. Most of the public focused on the topic related to mortgage credits for primary housing.

Around 31% of the attendees had no relationships whatsoever with Banesco. The invitation was published in the national and regional media and the entry to the event was for free. The access was limited only when the capacity of the halls demanded to do so.

New Conveniences and Security Measures for our Customers

REORGANIZATION OF THE BRANCHES NETWORK STRUCTURE

In 2009, Banesco opened three new branches, one at the Capital City and the others at the Zulia-Falcón and Western-Andean regions. It also reconverted four Satellite Counters, expanding in this way our presence in Lara, Yaracuy, Carabobo and Zulia states.

We have identified the zone where the business volumes have soared in order to enhance our services and, by doing so, to preserve our position as the Number 1 bank on branches nationwide, with 462 points of service

ATMs TO MAKE DEPOSITS

This year we provided our customers with new ATM machines with which they can make deposits under two modalities: online deposits (cash) and envelope deposits (cash or checks).

INTERNET BANKING MODULES

In 2009 we also installed Internet Banking Modules at ten malls located in Caracas, Valencia, Barquisimeto, Puerto La Cruz and Acarigua. After a simple affiliation, the customers can enjoy the following services provided by these machines: balance consultations, transfers, services payment, banking references,

Lectures			
Given to the General Public		Audience	
Place	Date	Expected	Effective
Caracas, Capital Region	03/25/2009	200	216
Maracaibo, Zulia	04/16/2009	100	452
Ciudad Ojeda, Zulia	04/22/2009	100	172
Coro, Falcón	04/28/2009	150	331
Punto Fijo, Falcón	04/29/2009	150	235
Maracaibo, Zulia	05/05/2009	100	216
Porlamar, Nueva Esparta	05/06/2009	100	264
Puerto La Cruz, Anzoátegui	05/12/2009	100	216
Puerto Ordaz, Bolívar	05/20/2009	100	231
Maturín, Monagas	06/10/2009	100	223
Caracas, DC	07/08/2009	150	242
San Cristóbal, Táchira	09/08/2009	100	153
Maracay, Aragua	09/16/2009	100	140
Mérida, Mérida	09/17/2009	100	152
Valencia, Carabobo	09/29/2009	100	136
Barinas, Barinas	11/12/2009	100	79
Caracas, DC	11/05/2009	100	106
Higuerote, Miranda	11/11/2009	100	68
Maracaibo, Zulia	11/17/2009	100	100
Acarigua, Portuguesa	11/17/2009	100	70
Total		2,250	3,802
Given to the Corporate Public		Audience	
Place	Date	Expected	Effective
Lecture on Tourism,	11/17/2009	50	50
Aragua State (general public)			
Conference for Lenovo's	07/01/2009	32	32
employees, Caracas, DC			
Conference for SMEs	10/27/2009	100	330
entrepreneurs, Caracas,			
Capital Region			
Total		182	412

mortgage credits, 48-hour Multicredit, CrediCarro, Credit Cards and currency exchange operations.

These new machines are poised to offer a higher flexibility and comfort to the customers, as well as to reduce customers' traffic at the branches.

CHECKBOOKS WITH SECURITY CODE

To offer safer operations and permanent improvement, in 2009 Banesco Banco Universal included a bar code in its checkbooks. Between May 31 and June 30, Banesco launched its advertising campaign "Replace it right now!" in order to invite its customers to replace their checkbooks for those with the new bar code. The processing of old checkbooks was permanently suspended on June 30, 2009.

SECURITY CAMPAIGN WITH BANESKÍN

By mid-April 2009, “Baneskín, the pal of Savings” gave new security pieces of advice through the media to our customers, so as they could make safe operations and develop a cautious behavior when they use the services, channels and payment means.

This advertising campaign was managed under a concept known at our organization as “Banesco – The Safest System of the Banking”. The campaign provides advice about how to protect the password of your Banesco Maestro Credit and Debit Cards at the moment of making operations, gives recommendations to protect your checkbooks and about how to use ATMs.

CAMPAIGN “DON’T BE A RABBIT!”

The purpose of this campaign was to raise awareness among our customers with a high impact ad in order to minimize the risk of frauds in the operations made at branches and avoiding the use of “mediators” or “rabbits”. The messages were included in several ads displayed in the merchandising system at our branches.

SECURITY TIPS

This campaign was launched in August de 2009, mainly to give recommendations to our customers for fraud prevention when they make their operations and use our services, channels and payment means. This campaign was reinforced with e-mail alerts, messages included in the account statements and displayed in our site banesco.com.

MICRO-PAYMENTS SERVICE

Currently, we are developing the micro-payments service. It will offer the customer the possibility of paying goods and services via cellular phone at kiosks, taxi lines, supermarkets and other retail points of sale. It was originally conceived for 2009. However, during the implementation process it was evident the need of a study and additional market evaluations before defining the appropriate technology to be applied, as it requires a very complex platform. The implantation of this service is expected for 2011.

Meanwhile, we are developing a service to allow transfers to pay credit and debit cards through cellular phones. This service could be operating during the second half of 2010.

Services Auditing Program (ADS) at the Branches Network

Services Auditing is an annual program to measure quality and guarantee the fulfillment of the standards established by our



Banesco branch at Valle de Camoruco, Valencia, Carabobo state

organization in relation to the process of branches service.

The fundamental purpose of ADS is to produce and deliver information among our internal suppliers, so as they could manage through indicators the processes related to the supply of our services at the branches.

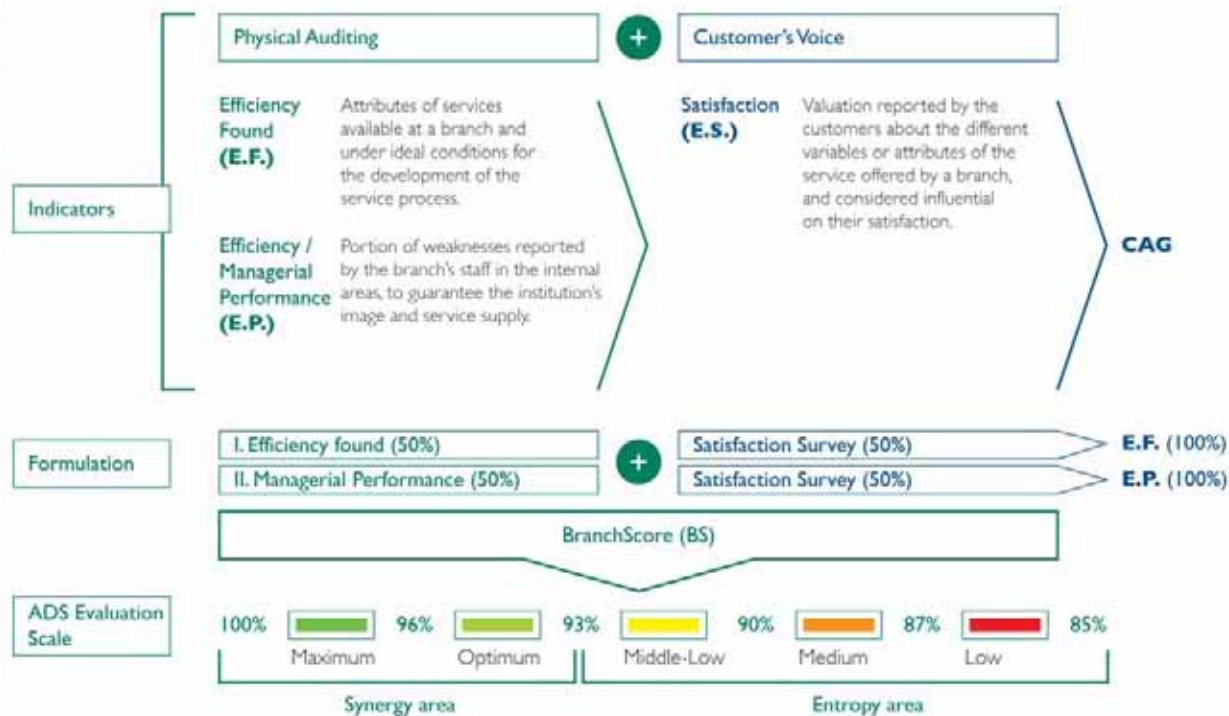
The ADS program is an integral part of the Quality Management System recently certified under the ISO 9001:2000 international standard, which is based on the fulfillment of the requirements demanded by the customer, through procedures controlled and developed under a schema of permanent improvement.

In line with Banesco Mission and as a result of the adjustment to the environment that every organization is committed to carry out, the ADS evaluation structure has been modified to give a higher consideration to our customers' views and use evaluation scales standardized for the whole organization.

The ADS is composed of two processes that are simultaneously performed: the branches evaluation (physical auditing) and the Satisfaction Survey, a measurement tool designed to identify our customers' perception about the service supplied by our branches. These processes are carried out by the services auditors and an external supplier, respectively.

The Satisfaction Survey is a questionnaire structured according to specific objectives. It is applied to 50 randomly selected customers at each audited branch. The purpose of this strategy is to get information related to any contact between the customer

Evaluation Structure for the ADS Program



and the organization, during the visits of the customer to the branch. The survey is applied on an annual basis, with quarterly results reports.

The physical auditing and the Satisfaction Survey are applied to the whole branches network, with quarterly reports that allow to design timely solutions.

As Banesco's Mission establishes, we are a bank "devoted to know our customers' needs and meet them". For this reason, and focused on our main interaction processes with the customer, Banesco is committed to include as much as possible our customers' views in the creation of indicators that favor the follow-up and improvement of our services. The ADS program and its study of Customers' Satisfaction at the Branches are relevant means to create controls based on the interviewees' opinion that could go beyond those implanted by the organization.

EVALUATED DIMENSIONS

PHYSICAL ASPECTS

- **Branch Look**
 - External Look
 - Internal Operating Assets
 - Hygiene Conditions
- **Elements for Customer Service**
 - Customer Service (public's area)
 - Printers and tapes
 - *Q-Matic*
- **Printed Material and Operating Forms**
 - Stationary Inventories
 - Savings books, Certificates and Cashier's Checks
 - Checkbooks and Forms
 - Inventories of Operation Forms
- **Advertising Material**
 - *Merchandising* / Exhibitions
 - Inventories of Brochures

SERVICE STAFF

- Image and look
- Behavior and attention
- Business Management
- Knowledge
 - Institutional Information
 - Products and services
 - Services Quality
 - Technological Procedures
 - Security Procedures
 - Operating Procedures

EXTERNAL SERVICES

- ATM
- Counters by Shifts
- Checkbooks Automated Dispenser
- Auto-Banco
- Self-Services

Under this approach and beginning with the ADS 2009 Cycle, we incorporated several improvements into the program, one of them of a methodological nature: the modification of the traditional evaluation scale for the satisfaction questionnaire from a 1 to 7 scale to a 1 to 10 scale. The purpose of this change was to standardize and make easier the comparative analysis among the different studies, as well as achieve a more specific determination of the customers' branch perception.

Also, and as a result of the review of the goals established for the Executive VP of Branches Network (Sales), the Steering Committee decided to assign a higher importance to the customers' opinion. In this sense, the weight assigned to the customer's voice was raised from 40% to 50%.

Due to these modifications poised to improve our knowledge about the quality of the service provided by our Organization, the 2009 data can not be compared against data from previous years.

STRUCTURE OF THE CUSTOMER'S SATISFACTION SURVEY

ASPECTS CONSIDERED FOR BRANCHES EVALUATION

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

"Mysterious Customer" Program

The "Mysterious Customer" program is developed on an annual basis as a mechanism to acknowledge the performance and willingness of the network staff to supply service quality. It has been possible to get very useful information about some aspects related to the service process thanks to the results of a structured evaluation conducted during the interaction of a "supposed customers" and a financial promoter, while the promoter is not aware that he is under evaluation.

In 2009 Banesco recorded a global 74.8%, the same percentage scored in the 2008 evaluation, with a 5.6 points reduction in the dimension "treatment to the customers". Among the strengths and opportunities to improve the evaluation carried out in December 2009 we can mention:

- **Strengths:** The Promoters interact in an effective way with the customer, always observing a respectful and formal treatment.

Services Auditing – Average Score

Services	Score by Scale (points)			
	1 to 10	1 to 7	1 to 7	1 to 7
	2009	2007/08	2006	2005
Self Services	8.71	6.23	5.88	5.93
Branch Phone Banking	7.37	5.78	5.80	6.05
CableBanesco	6.69	4.66	5.44	4.58
ATMs	7.78	5.90	5.66	5.97
D.A.C.	8.42	6.23	6.39	6.25
Counters by Shifts	7.85	6.15	6.06	5.78
Q-Matic	8.70	5.49	5.84	5.76
Average Evaluation of Banesco Services ¹	7.93	5.78	5.87	5.76

Other Services Evaluated

(non-included for branch evaluation)	2009	2007/08	2006	2005
Phone Banking	8.11	6.31	6.11	6.15
BanescoOnline	9.38	6.69	6.65	6.64
Web page	9.48	6.81	6.63	6.57
Credit Cards	9.61	6.88	6.69	6.68

(1) Services considered for branches evaluation.

Services Auditing

Fulfillment of Quality Standards



This reveals that most of them manage consolidated communicational and social interaction competences. Additionally, they showed a good knowledge of the features, conditions and requirements of the products under evaluation, particularly on Current Accounts and credits for individuals.

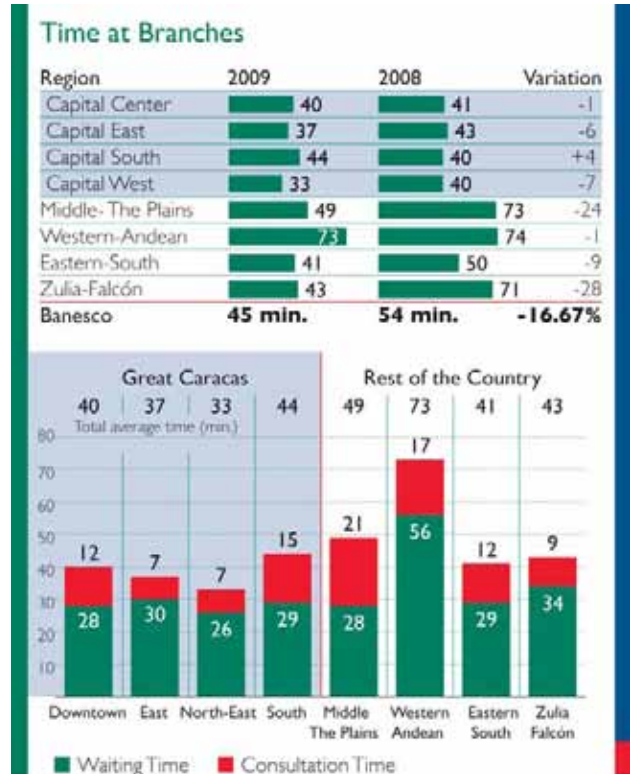
- **Areas of Opportunities to Improve:** We observed some weaknesses at the moment of receiving the customer. Few promoters use greeting conventions, welcome the customers or invite them to take a seat. This results on a negative impact during the very first minutes of the interaction. The Sales Management is still showing important gaps, although with some progressive improvements. Promoters answer to the customers' questions, but they don't make an effort to know their needs, expectations or profile. Most of the time, cross sale is the result of the customers' demands rather than a product of the promoter's effort.



Very often we heard complains because the customers have to wait for long time to be served due to a reduced number of promoters at the branches.



As for the time invested by our customers at our branches, in 2009 the Middle-The Plains and Zulia-Falcón regions recorded significant reductions, although in the rest of the country it is necessary to foster a higher use of the Electronic Banking and ATMs. Nationwide, the average time invested by our customers at the branches fell by 20.71% during the last year.



Offers and Advertising to create Well-Being

The Executive Vicepresidency of Marketing and Innovation is in charge of the promotion, renewal, offer and communication of creative solutions to meet differentiated needs of the various customers segments. These solutions are designed to meet the customers' needs, while encouraging the development of people and companies.

The Innovation team applies methods of conceptual engineering, projects management and creation of new ideas and proposals, adding value at the same time to its capacity to coordinate high-performance and excellence-focused teams and fostering the effective consolidation of synergies between our supplying units and our customers.

The people in charge of creating effective communications and who leverage our positioning as the leader bank in the market are supported by alliances based on long-time and trustful relations with creative teams integrated into our culture. As a whole, these people share the common purpose of creating timely, effective and outstanding communication solutions. Besides, this staff works along with a technical team committed to profitability in order to ensure the ideal negotiation, planning, deadlines

and follow-up of our advertising presence in the traditional, digital and alternative media.

Particularly, in 2009 we created and launched a campaign called “Well-Being”, to show the different faces of the Social Responsibility policy implemented and displayed by Banesco before our different stakeholders.

ADVERTISEMENT MESSAGES

In Banesco we take all the necessary steps to create understandable and easy-access messages and to ensure that they reach the final client/customer. Their content and form are always in tune with the real features of our offer and services and we make every effort to meet our pledges. The development of our communication strategy follows these steps:

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

We always abide by the rule of law and applicable regulations in terms of communications and advertising.

- Law of Social Responsibility in Radio and Television.
- Law for the Defense of People in the Access to Goods and Services.
- Rules Governing the Administrative Procedures Related to the Issuance and Use of Credit, Debit, Pre-Paid and Other Financial Cards or Electronic Payment Means, which articles 23, 24 and 25 (Chapter I, About the Duties of Issuing Entities) refer to the cases of prizes and promotions offers.
- Reform of the Technical Rules about Definitions, Times and Conditions of Advertising, Publicity and Promotions in Radio and Television Services and Subscription Services, of the Telecommunications National Commission.
- Organic Law for the Protection of the Child and Adolescents (LOPNA).

Once designed the product and its campaign, we send all the information required to SUDEBAN within the five days following the date of introduction into the market. This information shall include:



- 1) Denomination, description and characteristics of the new financial instrument or product.
- 2) Type of modification of the pre-existent product (if applicable).
- 3) Analysis of the economic-financial impact over the sponsor institution.
- 4) Benefits for the users.
- 5) Detailed report on risk analysis for depositors and investors of the new financial instrument or product.

The advertising used for the launching of products into the market must be clear in terms of purpose and benefits description (interest rate, etc.). It must be expressed with understandable and clearly intelligible terms. If the organization fails to make the mandatory notification before Sudeban within the five days period established by law, SUDEBAN is entitled to suspend or ban it, in accordance with the provisions of the General Law of Banks. This, in turn, can be the source of additional sanctions also established in the aforementioned law. Once the information has been sent, Sudeban takes up to 15 days to make a decision. This regulatory body is entitled to make recommendations or suspend the products according to the case.

On the other hand, the advertising of products and services is ruled by the regulations established in the Law for the Defense of the People in the Access to Goods and Services. The ads must contain information in the official language, must be

understandable and avoid any encouragement of violence, discrimination or intent to damage environmental and moral values. INDEPABIS is entitled to apply sanctions to the suppliers of good and services which violate these rules.

It is important to mention that all the advertising pieces under Banesco's responsibility display an indication that the ad has been previously approved by INDEPABIS or SUDEBAN. Likewise, in the case of the ads corresponding to goods and services governed by these regulations, we include a statement explaining that these goods and services are under the protection of the Fund of Guarantee for Deposits and Banking Protection (FOGADE).

In addition, there are other regulations established in the Code of Ethics of the National Advertisers Association (ANDA), which establishes the general ethics rules to be observed by the advertisers. The advertising must encourage the process of economic, cultural and educational development of the population and it shall not establish unfair trade, disrespect people dignity, favor or encourage discriminations or induce to illegal activities.

All these rules are mandatory for the Bank and must be taken into consideration in its advertising pieces and messages poised to inform its customers and the general public about the characteristics and benefits of its goods and services.

Additionally, in the case of new request to fix new tariffs and fees, the Bank shall send the information to the Venezuelan Central Bank (BCV). This includes an explanation or justification or the proposed increase and/or establishment of each fee, tariff or charge, structured as follows:

QUALITATIVE ASPECTS

- Description of fee, tariff or charge.
- Current and additional benefit (if applicable) for the customer.
- The Bank's opinion about the customer's perception of the raise. The customer's perception must be qualified as very sensitive, sensitive or slightly sensitive.



QUANTITATIVE ASPECTS

- Number of customers who are or will be charged with the fee, tariff or charge
- Number of monthly transactions through the bank's network and the interbanking networks.
- Number of monthly transactions (Internet or other channels)
- Costs structure detailed for each fee, tariff or charge, identifying: direct costs, indirect costs and any other applicable costs.
- Comparative information of the fee, charge or tariff against the market.

All our new products are designed according to the regulations in force and, in the case of any change in the legal framework, the product is adjusted (for this reason our contracts and general conditions include a clause of limited responsibility if the bank fails to comply in the supply of goods and services due to unexpected regulatory changes).

Following the guidelines of the regulatory body, Banesco always send a risk analysis to its depositors and investors of the new financial instrument or product. We also conduct a study of the product's risks for Banesco. Although this study is not a guarantee that those risks would be successfully avoided, it identifies mechanisms to mitigate the impact of those potential risks.

Because of the financial nature of our organization, our products and services do not have a direct impact on our customers' health.

In any case, as fraud is always a possibility, both the security and monitoring areas are involved in the processes. It is important to underline that Banesco defines and divulgates all possible policies and mechanisms to avoid security risk on information leaks and potentially fraud situations by individuals who could use of our products and services as vehicles to perpetrate crimes. However, the application of these policies and mechanism will be always the exclusive responsibility of the customers.

Banesco Community Banking



Main Action Lines in 2008

- **Bankarization:** The number of bankarized people rose by 121%; 46% of the beneficiaries received a credit for the first time in their lifespan. Banesco granted a total of 14,741 credits, with an accumulated of 28,118 credits since 2006.
- **Community Branches:** we opened new Community Branches in Puerto Cabello, Valencia Center and Higuero.
- **Service Channels:** The number of Service Bars located at allied stores rose to 46. We also increased the number of PosWebs to 161.
- **Human Capital:** We closed the year with 328 employees.

Management Evolution against 2008 and Main Action Lines in 2009

- **Bankarization:** We bankarized 42% of our customers and granted 21,663 credits (a 46.96% increase in the number of customers served), for an accumulated of 49,782 credits at the end of 2009.
- **Community Branches:** We brought the services of Banesco Community Banking (BCB) to Maiquetía, Santa Teresa (Valles del Tuy) and started to provide services at Los Teques.
- **Products and Services:** We have continued developing the Micro-Entrepreneurs Training Program.
- **Service Channels:** We consolidated our network of commercial

affiliates. For 2009 we counted on 51 Service Bars and 110 PosWebs.

- **Human Capital:** We closed the year with a total of 342 employees.
- With the implantation of the Orion System at the Community Branches in Antímano, Petare, San Martín and Catia, we continued improving the quality of the service for our customers; 110 Community Advisors are already working with mobile gadgets (PDAs) to improve the response times for the processing of credits.
- In 2009 our network of Commercial Allies was strengthened and consolidated: 7 new Service Bars and 10 PosWebs were installed.
- The new global appreciation of customers' and allies' satisfaction about Banesco Community Banking was 9.6 calculated with a 1 to 10 scale. The same scale was used to evaluate product, services and service channels, with an average score of 9.4; 8.9; and 8.5 respectively.
- In 2009, 108 micro-entrepreneurs were trained in Antímano and La Vega sectors. At the end of the course, 94% of the micro-entrepreneurs managed the concept of fixed costs; 95% knows the concept of Variable Costs; 83% knows the concept of Contribution Margin; 76% masters the concept of Balance Sheet and 54% manages the concept of Balance Point. Each one of these contents is crucial for the management of their productive units.

Banesco Community Banking

Main Indicators

	2009	2008	Variation %
Bankarization (a)*	42% of the customers were granted with credits for the first time 20% were granted with credits and opened banking accounts for the first time	46% of the customers were granted with credits for the first time 23% were granted with credits and opened banking accounts for the first time	
Customers served*	93,234	57,440	62.32
Shanty towns served*	1,750	1,605	9.03
New Community Branches (b)	Santa Teresa (one)	Puerto Cabello, Higuero y Valencia-Centro (three)	(33.33)
Service Channels: Service Bars*	51	46	10.87
Service Channels: PosWeb (c)*	110	161	(31.68)
Human Resources*	342	328	4.27

* Accumulated

(a) The relationship between the growth of the customers' portfolio and bankarization is inversely proportional. That is, while the customers' portfolio of a branch grows up, the percentage of people bankarized goes down. This is so because a higher number of people served results in a lower number of non-bankarized customers.

(b) The reduction in the number of Community Branches is due to a decision made by the Board of Directors.

(c) In 2009, the policy applied to our Commercial Allies was a consolidation policy. Therefore, during this year all those allies without a significant number of transactions were relocated or eliminated.

Commitments Made for 2010

- Provide services to three new states: Aragua, Lara and Zulia, with the opening of three new branches in Maracay, Barquisimeto and Maracaibo.
- Add 43 new units to expand our network of Commercial Allies (15 Service Bars and 28 PosWebs).
- Maintain our quality service and customers' satisfaction, indicators that will be measures through the Study of Customers' and Allies' Satisfaction of Banesco Community Banking.
- Continue providing training on the matters of administration, finance and technology to micro-entrepreneurs.
- Achieve a 30% market share of the micro-finance segment.
- Inauguration of a new Community Branch in Vargas State.
- Conducting a new measurement of micro-credit social impact.

Community Banking: *Now, the bank comes to you!*

Banesco Community Banking (BCB) is our organization's initiative in the matter of micro-finance poised to serve the low-income sectors with financial products and services adjusted to their needs, with opportunities to grow and a strong impact on popular economy, as well as on the social fabric.

To serve these sectors, Banesco Banco Universal has opened in

these popular sectors. Here, customers and non-customers can get information about products, opening accounts, get affiliated to saving instruments and formalize credits. The requirement and reception of documents is carried out at these branches and, although the experience is very similar to the one provided by our traditional branches, there is no money management at these branches. Besides, their simple design ensures a more comfortable experience to the users.

Currently, Banesco Community Banking counts on 14 branches located in: Antímano, Petare, La Vega, Catia, San Martín, El Cementerio, Guarenas, Higuero, Los Roques, Valles del Tuy, La Isabelica, Puerto Cabello, Valencia-Centro and Cúa.

Due to delays in the development of works, since 2009 we have been serving Vargas State users at a provisional branch located at Maiquetía. However, we expect to finish these works in 2010 and install our Community Branch in Vargas State.

BCB is based on an innovating service model that, through alliances with local chains and stores, provides our customers with the opportunity of carrying out their financial operations surrounded by the familiar environment of their communities. These service channels are known as Service Bars and PosWebs. The Service Bars are attended to by BCB staff. Here the users can make deposits, withdrawals, request banking references, affiliation to Step by Step Savings, opening of Community Accounts, balance consultations and last movements. Likewise, the customers can request the visit of a community advisor for those micro-entrepreneurs interested on the acquisition of a Loan to Work.

Staff per Branch

At December 31, 2009

Branch	Advisors Comun. Advance		Promoters Comun. Advance		Analyst	Superv.	Micro-cred. Coord.	Operating Coord.	Collection Executive	Messenger	Mobile Execut.	Total
Catia	8	2	5	1	4	2	1	1	1	1	1	27
Antimano	5	2	4	1	3	1	1	1	1	1	0	20
La Vega	5	2	4	1	2	1	1	0	0	0	0	16
San Martín	6	1	4	1	4	1	1	1	1	1	1	22
Los Roques	1	0	0	0	0	1	0	0	0	0	0	2
Maiquetía	3	1	3	1	2	0	1	1	0	1	0	13
El Cementerio	6	2	6	2	4	1	2	1	1	1	1	27
Guareñas	6	2	4	1	4	1	1	1	1	1	0	22
Petare	11	3	5	1	5	1	2	1	1	1	1	37
Cúa	8	2	5	1	4	1	1	2	1	1	0	26
Santa Teresa	5	1	3	1	2	0	1	1	0	1	1	16
Higuerote	5	1	2	1	3	1	1	0	0	0	0	14
La Isabelica	11	1	8	2	5	2	2	1	1	1	1	35
Valencia Centro	9	2	4	2	5	0	2	1	0	1	1	27
Puerto Cabello	5	1	4	1	3	1	1	1	0	1	0	18
Total Branches	94	23	61	17	50	14	18	13	8	12	7	317
Headquarters (Caracas)												25
Total Staff												342

On the other hand, the PosWeb is a channel attended to by the owners of commercial outlets, where the customer can make deposits, withdrawals, balance consultations and last movements.

The BCB customer has also Access to the *Internet banking* through our Web site www.bancacomunitariabanesco.com, the IVR, to the traditional Banesco Points of Sale located at commercial outlets nationwide, the ATMs network, MSM and self-service machines at Banesco branches. In addition, the customers can also use of CAT with just a telephone call to 0-500-TUBANCO (0-500-8822626).

Our Team

At the end of the year 2009, our 342-people team was composed of managers, supervisors, promoters, advisors, analysts, reference agents, micro-credit coordinators and operators, collection executives, mobile executives, administrative assistants and messengers. With the purpose of establishing a closer relationship between the bank and communities, the BCB offers a customized

service to all our customers during the permanent visits of our Community Advisors to micro-entrepreneurs' workplaces in order to establish their investment priorities and follow-up of credits granted.

Total Workers

At December 31, 2009

	2009	2008	Variation %
Gran Caracas y Miranda	256	249	2.81
Carabobo	84	77	9.09
Los Roques	12	12	-
Total	342	328	4.27

Total Investment on Training and Certification Programs

Total Investment Bs

2009	349,505.12
2008	442,536.18

Variation: (22.25)%

Certification Programs

Workshop	2009	2008	Variation %
Training program for advisors, coordinators and supervisors	51	67	(23.88)
Training program for promoters and analysts	28	66	(57.58)
Induction program for collection executives	11	6	(83.33)
Total Participants	80	139	(42.45)
Total workshops	9	3	200.00

Note: In 2009 only one new branch was opened and for this reason the number of new employees was lower against the previous years. The amount of Certification Programs is due to the replacement of vacancies already existent.

Training Programs

Courses	2009	2008	Var. %
Service Quality	0	43	-
Development of Sales Competences	0	89	-
Personal Impact and Influence	0	58	-
Collections Effective Management	0	67	-
Development of Supervisory Abilities	21	11	90.91
Integrational Leadership	16	0	-
Development of Managerial Abilities	48	30	60.00
Visionary Leader	2	0	-
Innovating Leader	2	0	-
Visionary Leader I	3	0	-
Innovating Leader I	2	0	-
Legal Background	1	0	-
The Leader and Work Team	1	0	-
Managerial Ethics	1	0	-
Project Management	4	0	-
Strategy MA	2	0	-
Training Efficient Leaders	0	3	-
Boulder Micro-Finance	0	1	-
Micro-finance Seminars	7	1	600.00
Congress of Collection in Micro-finance	1	0	-
Excel program	0	2	-
Access program	0	3	-
The art of convincing through negotiation	178	0	-
Increasing our stocks' value	46	0	-
Total Participants	335	308	8.77
Total topics of courses	33	11	200.00

Note: The courses suspended in 2009 were replaced by "The Art of Convincing through Negotiation", which has an integral character.

Community Breakfasts and Community Tour: Opportunities to share achievements and expectations

2009 COMMUNITY TOUR

The 2009 Community Tour consisted of a trip around the main Community Branches, allowing Directors and Vice-Presidents of Banesco Banco Universal a closer observation of our service model and share with some of our customers and allies their success and experiences. Each guest shared with the teams of the different Community Branches and discussed with them in a familiar and warm environment their success and opportunities to improve of Community Banking.

To respond to the success of this activity and number of requests from its participants, Banesco Community Banking will continue developing this kind of integration activities with the Vice-Presidencies.

During the 2009 Community Tour, held in three different occasions, the guests visited the branches located in Catia, Antímamo, Petare, La Vega, San Martín, Guarenas, Cúa and Santa Teresa.

COMMUNITY BREAKFASTS

Beginning August 2009, Banesco Community Banking offers Community Breakfasts at our headquarters with a view to share the achievements and expectations of our staff in a friendly and different environment.

Banesco Community Banking embraces this nurturing experience where we can have a first-hand grasp of the expressions produced by our work team. This is very useful to clarify doubts, improve or funnel concerns from each one our employees, as well knowing their daily experiences at the work, their views about the market and opinions about the customers. The hosts of these meetings were Banesco Banco Universal Director of Sales, Josefina Fernández, and the Vice-Presidency of Community Banking, Claudia Valladares.

Community Breakfasts are held on a monthly basis and the participation of the team members is decided through a drawing. Each breakfast is attended by a representative of each branch.

Our Products

BCB offers a series of products addressed to saving and credit:

- Community Accounts
- Step by Step Savings
- Loans to Work
- Integral Life Insurance policy

Anyone can open a Community Account with Bs. 0. They are managed with debit cards to make consultations, withdrawals and deposits, as well as purchases and transactions through Banesco e-channels.

As for Saving Step by Step, it is a popular saving mechanism similar to the so-called bolso, san or cajita, traditionally used at our communities. Through this product, the customer decides how and how much he wants to save, depending on his own possibilities. The minimum amount required is Bs. 5.00

Regarding credits, we offer the Loan to Work, addressed to micro-entrepreneurs. This is a productive credit with amounts granted from Bs. 1,500 to Bs. 100,000, commonly known as micro-credit.

A Sustainable Initiative

In 2009 we continued with our Training Program for Micro-entrepreneurs. The purpose of this activity was to strengthen a group of 108 micro-entrepreneurs from Antímamo and La Vega with a set of administrative, managerial and technological tools



that would allow them to optimize their business performance and competitiveness.

To execute this program, the BBC established a series of strategic alliances with renowned organizations in the field of micro-entrepreneurs training such as Instituto Venezolano de Capacitación Profesional de la Iglesia (Invecapi), Fomento del Desarrollo Popular (Fudep), Microsoft Venezuela, and Consultora Asunto Público.

The 48-hour training program is composed of several modules. The first one provides a set of values and tools for the life; followed by principles on administrative and managerial techniques. Finally, the last module provides technological tools allowing the micro-entrepreneurs improving the management of their business. Simultaneously, the customers are visited by

facilitators who go to their workplace to provide them with technical advice.

At the end of the course, micro-entrepreneurs are rewarded with a participation certificate. This certificate is delivered during a ceremony with an high emotional impact for our customers, as besides receiving the certificate from the hand of Banesco Board of Directors, it is an acknowledgement to their courage, perseverance and effort to build a better country.

Since the very beginning of this program, the firm Asunto Público has applied measurement instruments to determine the micro-entrepreneurs' knowledge both at the beginning and the end of the course. Later, six months after this process, a new measurement is conducted to track improvements of the micro-entrepreneurs' productivity.

Among the most significant changes we find a higher knowledge acquisition about the basic aspects of the business functioning:

- At the beginning of the Training Program for Micro-Entrepreneurs, 58% of its participants believed they knew the concept of Fixed Costs, while at the end of the program 94% of its participants showed a high understanding of the concept.
- At the beginning of the program, 57% of its participants believed they knew the concept of Variable Costs, while and the end 96% of them really mastered the concept.
- At the beginning of the program, 58% of its participants believed they knew the concept of Contribution Margin, while and the end 83% of them effectively knew the concept.
- At the beginning of the program, 57% of its participants believed they knew the concept of Balance Sheet, while and the end 76% of them effectively knew the concept.
- At the beginning of the program, 40% of its participants believed they knew the concept of Balance Point, while and the end 54% of them effectively managed the concept.

In 2010 we will publish the results of a new measurement of micro-credit social impact on the company, the individual, homes, the family and the community, conducted by the consulting firm *Advantis*.

COMMUNITY BANKING- MICROSOFT VENEZUELA AGREEMENT

Following the success of the technological module included in the First Training Program for Micro-Entrepreneurs held in 2008, Banesco Banco Universal and Microsoft Venezuela signed a cooperation agreement that will allow offering technological training to the participants of these programs in order to go forward with this activity.

Training Program for Micro-Entrepreneurs

	2009	2008	Variation %
N° Micro-entrepreneurs registered to take the course	112	76	47.37
N° Micro-entrepreneurs who finished the course	108	56	92.86
Zones addressed	Two: Antimano and La Vega	One: San Martín	---
Academic Hours	48	35	37.14

Under this agreement, Microsoft, through its corporate volunteers, gave in November 2009 the Technological Module to 108 micro-entrepreneurs in La Vega and Antimano sectors and it will continue doing it as long as the two parties involved decide to do so. The purpose here is to foster the use of technology in order to provide our customers with new opportunities to improve their labor, economic and social performance.

For Microsoft Venezuela this initiative is an integral part of its active social approach and a tool to activate the unlimited potential of all the individuals, because technology as a tool to encourage social inclusion can support a sustainable development for the broader sector of the Venezuelan population.

With this alliance, both companies will continue favoring micro-entrepreneurs through the search of effective solutions poised to encourage their competitive edge in a global economy based in information.

FIRST MICRO-ENTREPRENEURS FAIR

The First BCB Micro-entrepreneurs Fair was held in December 2009 at the facilities known as El Caney of Invecap, located at Montalbán. This source of this event was the desire of some customers to foster and marketing their products within the communities where they live. In this sense BCB and Invecap joined efforts to materialize this exhibition where 56 micro-entrepreneurs exposed before a massive audience a wide array of products, including swimming costume, informal clothings, pajamas, sweets, drinks, Christmas food, Andean food, parts and pieces for vehicles and cameras, among others.

The Micro-entrepreneurs Fair provided the participant of the Training Program for Micro-entrepreneurs with a warm and appropriate event to introduce and market their products. At the same time, it was an excellent opportunity to evaluate the application of the marketing techniques learned at the classrooms.



Training program for micro-entrepreneurs

One of the main achievements of this Fair was to serve as a contribution to unite the participants as a great family. They shared nice experiences and created networks to advertize their products at their communities and among them, as in this segment the personal recommendations is a significant element. It is important to underline that during this activity the participants exchange their roles, as they act simultaneously as customers and suppliers.

Evaluation of Customers' and Commercial Allies' Satisfaction

For Banesco Community Banking it is of paramount importance its customers' and allies' opinion. For this reason, each year we conduct a satisfaction survey among BCB customers and commercial allies. This survey, conducted through an independent consultancy firm, helps to identify opportunities to improve general processes related to our offers and services.

These are the technical data of the study:

- **Universe:** 93,234 BCB active customers.
- **Random sample:** 501 interviews with active customers (250 in Caracas and 251 in Valencia)
- **Coverage:** 15 BCB service zones.
- **Instrument:** questionnaire structured according to the study's objectives, each one of 15 minutes at most.
- **Collection Technique:** phone-interviews to BCB customers and alias randomly selected.
- **Field date:** October-November 2009
- **Consulting Company:** *Dakduk Consultores, C.A.*

While the technical data of the 2008 study were the following:

- **Universe:** 35,095 BCB active customers.
- **Random Sample:** 500 interviews with active customers (300 in Caracas and 200 in Valencia).
- **Coverage:** 12 BCB service zones.
- **Instrument:** questionnaire structured according to the study's objectives, each one of 15 minutes at most.
- **Collection Technique:** phone-interviews to BCB customers randomly selected.

- **Field date:** October-November 2008.

- **Consulting Company:** *Dakduk Consultores, C.A.*

Among the most important findings we can mention the following:

1. The satisfaction level of the BCB customers was 9.6 calculated with a 1 to 10 scale, against 9.3 the previous year.
2. With the same scale to evaluate products, services and service channels, the average score per each one of them was as follows 9.4; 8.9 and 8.5, respectively. The corresponding score for the previous year were the following: 9.5; 9.0 and 8.1, respectively. As we can see, no significant changes have been recorded.
3. Among the final beneficiaries, the main factor that moves the BCB demand is still being the offer of credits. Among the new customers, however, the intent of saving has experienced an important growth.
4. The issue prices/rates is being perceived as one of the main attractions of BCB offer, both for customers recently recruited and those with less of six months as BCB customers.
5. Regarding commercial allies, the owners of the commercial outlets said that their expectation to increase their customers' base was one of their motivations in relation to BCB. They said that this involves the search of opportunities to improve and to prove how much they value to count on BCB image to leverage their transactions.
6. Finally, Banesco Community Banking is perceived as a brand that provides a fast response to credit requests, an attribute with a highly appreciation rate among our customers, specially its many conveniences to manage accounts and request processes among customers, as well as the design of products and services customized according to their targets.

First Annual Social Impact Measurement of Banesco Community Banking

A study about the Social Impact of Banesco Community Banking in 2009 produced the following results from the customers who were granted with re-credits during the year:

- 73% of the customers reported an increase of their monthly sales. Over 7,000 customers reported a 25% average increase.

Satisfaction of BCB Customers and Commercial Allies

	Global Perception	Products	Services	Service Channels
2009	9.6	9.4	8.9	8.5
2008	9.3	9.5	9.0	8.1

- 63% of the customers reported increases in their monthly profits. Over 7,700 customers reported a 23% average increase.
- The percentage of individuals with their own houses rose 2 percentage points, going from 62% to 64%. Over 230 customers acquired their own houses during the period.
- The percentage of individuals with HCM (Hospitalization, Surgery and Maternity Insurance Policy) rose two percentage points, going from 12% to 14%.
- The percentage of customers who created jobs, excluding their own family members, rose 3 percentage points, going from 27% to 30%. A total of 350 customers created 300 new jobs and more for their communities.

The technical data of this study were the following:

- **Universe:** 25,463 BCB active customers; a total of 16,139 credits.
- **Analyzed Data:** 3,513 customers, for a total of 7,755 credits.
- **Instrument:** questionnaire applied at BCB branches.
- **Analyzed Period:** January-December 2009.
- **Consulting Company:** *Advantis Consultoría Gerencial*.

Awards to Acknowledge Effort

In October 2009, Banesco Community Banking was awarded with the first three positions of the Citibank Award for Micro-Entrepreneurs (Commerce Category). The Citigroup Foundation has been sponsoring this award since 2005 through Citibank Venezuela, with the cooperation of ACCION International and CESAP. The aim of this initiative is to support the knowledge about the important role of micro-entrepreneurs for their local economies and the relevance of micro-finance as a tool to curve poverty.

Belmar López, a customer of Catia Community Banking, was the winner of this prize (Commerce Category). He received Bs. 8,000 and Bs. 4,400 for POP material. The 26 years old López is the owner of "Carolventas", a portal to sell computer accessories with a subsidiary in Panamá. She is also the owner of telephones store. As many other women, she enjoys the benefits of independence and a reinforced faith in her potential to go forward as a micro-entrepreneur. López's successful story is a proof that a mixture of devotion and perseverance can make our dreams come true.

Julia Calderón, a customer of Guarenas Community Banking and the owner of "Vivero Las Tres Jotas" (www.tuvivero.com), ranked second and won Bs. 5,600. The key of her successful business is a customized service, allowing the identification of the products required to furnish, maintain or create a garden. To be at the forefront in terms of decoration styles, Calderón has been in Italy, France, Germany and Spain to take specialized courses.

And last but not least, María Denis González (San Martín Community Banking) ranked third and won Bs. 3,500 for the quality of the handicraft, desserts and home-made beverages she sells at San Isidro de Galipán (located at Waraira Repano National Park, Caracas). As a micro-entrepreneur, María Denis has been growing slowly but constantly. In 1999, the heavy floods in Vargas state had a negative impact on Denis' business, as the weak flow of tourists to Galipán resulted in a significant reduction of her income. Nevertheless, thanks to her efficient management skills and BCB support, Denis was able to overcome the hurdles and consolidate her business.



Banesco Community Banking staff with winners of the 2009 Citibank Award for Micro-Entrepreneurs



Inauguration of the Santa Teresa branch of Banesco Community Banking

Acknowledgements

For the second year in a row, Citibank Venezuela acknowledged BCB for the postulation of Belmar López, the winner of Citibank Award for 2009 Micro-entrepreneur (Commerce Category). Citibank awarded our BCB for “The effort made by this institution to encourage the development of small entrepreneurs, allowing Venezuela to have a growing number of successful stories to show to the world”.

Social Action: Movies for free for the community

In September 2009, BCB sponsored the projection of films at squares and other public facilities at some Caracas’ parishes, as well as in Carabobo and Vargas states. This initiative developed under the direction of the VP of Marketing and Innovation, offered sound recreation moment for the family.

The first event of “Banesco Community Banking Open Cinema” was held on Sunday, September 20th, at the Brion Square in Chacaíto (Caracas), with the exhibition of “Tocar y Luchar”, a documentary directed by Alberto Arvelo.

The following Sunday, September 27th, the public enjoyed the British film “I want to be like Beckham”, by Gurinder Chadha, at the seat of Vista Hermosa Community Council, La Vega (Caracas). In October, the cinema in the street took place at La Candelaria Square, with “Elsa y Fred”, by the Argentinian filmmaker Marcos Carnevale, and also at Pérez Bonalde Boulevard, in Catia, with the Oscar-winner film of Giuseppe Tornatore, “Cinema Paradiso”.

On November 8th, “Tocar y Luchar” was watched by Vargas State’s population in an exhibition offered at El Consul Square in Maiquetía; while Tom Shayac’s “Patch Adams” was shown at a Caricuao theater.

Also in November, the film “Tocar y Luchar” was shown in Puerto Cabello (November 7th) and La Isabelica (Valencia) on November 14th, while “Cinema Paradiso” was shown in Valencia on November 15th.

In December, the movies took the Brion Square again, this time with Roberto Benigni’s “Life is Beautiful”. The cycle closed in December 13th at Petare’s Historical Sector with “The Ice Age”, a 20th Century Fox blockbuster.



Dialogue through El Comunitario

In March 2009, Banesco Community Banking published the first edition of *El Comunitario*, a newsletter that is expected to become a tool for a closer relation between BCB and its stakeholders and, of course, with the rest of Banesco’s family.

Through the different sections included in *El Comunitario*, Banesco promotes its products and spreads updated news of interest for the sectors served by our organization, and acknowledgements to our best employees and community allies. Likewise, we publish successful stories of our best customers to motivate other micro-entrepreneurs to go to our Community Banking and enjoy our

products’ advantages.

This newsletter is a quarterly publication delivered among our customers (and potential customers) through our 15 branches, service bars, commercial outlets allies and other administrative offices.

Our Environmental Commitment

Main Action Lines in 2008

- We worked to develop campaigns to encourage paper recycling at our main branches and headquarters.
- We incorporated the Gelecon into the CDC file and into the Accounts Opening business area.

Management Evolution against 2008 and Main Action Lines in 2009

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

Commitments Made for 2010

- Expansion of paper recycling campaign to other administrative branches.

- Further development of our Gelecon system.
- Reinforce the rational use of resources (paper, water, electric power), as well as related awareness campaigns among our staff.
- Replacement of the air-conditioning chillers at Ciudad Banesco (12 years in use) and El Rosal (20 years in use).

Our Policy

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

Our main purpose is to curve the impact produced by our activities on the environment throughout the diagnosis, evaluations, establishment of new indicators and goals favoring a rational use of natural resources, energy saving and waste recycling. Based on the nature of our activities, our environmental impact is limited to byproducts such as paper, used consumable office supplies (ink, toner) and the so-called "electronic garbage" (obsolete or crashed equipment).

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

Our Management

Over the last years, the office paper discarded at Ciudad Banesco is handed out to a charitable organization, Renacer, which sells the paper to recycling companies to raise funds. However, Renacer does not prepare reports quantifying the weight of this recycled paper. In 2009, the amount of paper recycled through Renacer totaled 15,370 kg.

Over 2009 second-half, we embarked on the systematic implantation of office paper recycling, through an agreement with Repaveca. This initiative included the following activities:

- Four lectures on the topic, including a special induction session addressed to the cleaning service employees in order to implant the collection logistics.
- Special boxes were placed at strategic points to recover the paper used (close to the printers) at Ciudad Banesco, as well as in the administrative offices at El Rosal (Towers I and II) and El Recreo in Caracas.
- Display of an intense awareness campaign through our internal media: boards, Intranet, Monthly Newsletter and CRT screens.

In the short-term we expect to expand this process to the rest of our branches located in the Great Caracas.

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

The table shows the important reduction recorded between 2008 and 2009 in terms of paper consumption at our branches and offices nationwide, near 40%, as well as in the amount of paper used for our customers' transactions, around 14%. This had an impact on the consumption per employee and per customer, respectively and suggests a higher efficiency as a result of our awareness campaigns and a growing use of the digital platforms.

According to the records, electric power consumption remained almost unchanged. It's worth of mentioning that over 2009 several regions of the country, including the capital city, experienced disruptions in relation to the supply of electric power. This caused a higher use of diesel power plants and a subsequent rise of CO₂ emissions

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

POWER CONSUMPTION

Due to the nature of our activities, Banesco only consumes electric power. In Caracas, as in the rest of the country, hydroelectric power stations the main source of energy. We count on emergency diesel power plants at Ciudad Banesco, El Rosal and other branches that together account for 15% of our facilities. These plants are activated if the voltage of the electric power network falls. As a result of these circumstances, in 2009 we generated 900,564 Kwh in all our offices as a whole. In 2010 we will install new diesel plants to avoid the negative impact of potential failures of the network.

WATER CONSUMPTION

All over the country, the water used at our headquarters and branches comes from the respective municipal aqueducts.

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

DONATION OF FURNITURE AND DISCARDED COMPUTERS

The obsolete furniture and computers that are no longer used at our facilities, but are still useful or can be repaired, are donated to organizations, particularly charities or social action organizations, so as they are assigned to a good purpose. In 2009 we donated 11,031 kg in furniture, as well as 2,814 computers corresponding to 47,838 kg.

ENVIRONMENTAL SPONSORSHIP LOS ROQUES SCIENTIFIC FOUNDATION

The mission of Los Roques Scientific Foundation, one of our Social Partners, is to preserve the environment and the biological

Key Environmental Indicators

	Unit	Consumption/ total emission			Consumption / emission per person		
		2009	2008	Var. %	2009	2008	Var. %
CO ₂ Emissions, Employees' vehicles ¹	kg	1,353,408	1,236,672	9.44	346.23	301.77	14.73
CO ₂ Emissions, diesel power plants ¹	kg	66,933.22	36,768	82.04	4.97	2.71	83.26
Electricity consumed ²	Kwh	95,652,795	95,676,000	(0.02)	11,970.07	11,749.48	1.88
Water consumed ^{3*}	m ³	385,075	370,864	3.83	28.60	27.35	4.56
Paper consumed per employee ³	kg	23,166	38,270	(39.47)	1.72	2.82	(39.06)
Paper consumed per customer ³	kg	283,258	328,393	(13.74)	0.05	0.06	(10.44)

(1) Only includes administrative offices at Ciudad Banesco and El Rosal (Caracas). The calculation base is as follows: **Population:** 4,098 employees in 2008; 3,909 employees in 2009.

(2) Includes all the administrative offices and branches located in the Capital Region. The calculation base is as follows: **Population:** 8,143 employees in 2008; 7,991 employees in 2009.

(3) National Total.

* Estimated.

Notes:

• In the 2008 report, consumption (1) and (2) were calculated based on the number of employees all over the country.

• The paper consumption per customer was wrongly reported in the 2008 report as 304.724 kg.

diversity at the archipelago, through research and the application of solutions with a view to guarantee its protection and the sustainable use of its resources.

Donation of Discarded Furniture

2009

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

2008*

Institution	Units	Kg
Hogar Renacer	2,835	44,373
Div. against Murder, CICPC	12	n/d
Baruta Police Department	3	30
CEJ J.I. José Gregorio Monagas	23	755
Luis Hurtado Higuera School	17	370
CICPC Under Delegation, La Guaira	20	710
Siembra de Venezuela Foundation	25	785
Iribarren Municipality Fire Fighters (Lara state)	72	n/d
Total	3,007	n/d

* The information reported in this table is more exhaustive against the corresponding date published in 2008 report.

Donation of Discarded Computers

2009

Institution	Units	Kg*
Don Bosco Civil Assoc.	50	850
Sucre Mayorality	15	255
Casa Arturo Uslar Pietri	30	510
Business and Administration University Institute (CUAM)	2	34
Francisco de Miranda University Institute	50	850
Venezuelan Episcopal Conference	5	85
Fundapalce	10	170
Hogar Renacer	2,436	41,412

2008

Institution	Units	Kg
Barquisimeto Archdiocese	5	85
Bolivarian National School "Arichuna", Caracas	2	34
Division against Homicides CICPC, Caracas	2	34
Bolivarian National School "Pedro Fontes", Caracas	10	170
School Nuestra Señora De Belén, Mérida state	10	170
Pre-School Nursery "Rafael María Baralt", Miranda state	2	34
Basic National School "Coquivacoa", Zulia state	2	34
Individuals	2	34
Pedagogical Institute of Caracas	50	850
Private School "Claret María Luisa de Ponte", Caracas	15	255
CEJ J.I. José Gregorio Monagas, Caracas	10	170
Ministry of Defense, Caracas	10	170

(*) The average weight of a desktop computer is 17 kg, according to the study "Electronic Waste in Latin America and Argentina", Alejandro Prince, January 2009 (<http://www.sideshare.net/alprince/resuman-residuos-electronicos-ene09>).

In 2009, Banesco granted to this foundation the amount of Bs 41,000 aimed to carry out the project "Scientific Knowledge Hand in Hand with the Community of Los Roques Archipelago". According to this program, during the school year the professors who are also members of the scientific community go to Los Roques to give lectures and develop field works at the different keys with the students of the Bolivarian School "Archipiélago de Los Roques". This activity allows them entering into direct contact with the local wildlife and its interesting archeological history in order to raise motivation and awareness about the importance of protecting the environment where they live.

It goes without saying that this educational-recreational program was awarded with the "Expo-Aventura Venezuela 2009" prize.

BANESCO OPERATIONS WITH ENVIRONMENTAL IMPACT

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

- We verify that the project has all the permits granted by the corresponding authorities, particularly those related to environmental impact, which are mandatory by law for all the building projects: housing, industrial warehouses, hotels, factories, shopping malls, among others.
- In relation to the service of current water supply, it has to be sure that the project counts on the service capacities and the

Institution	Units	Kg
Dr. Luis Razetti Hospital	25	425
Los Magallanes de Catia Hospital, Caracas	100	1,700
25 de Julio High School	30	510
Individual	16	272
Andrés Bello Catholic University (UCAB), Caracas	15	255
Experimental Nat. Univ. of the Armed Forces (UNEFA)	30	510
Total computers	2,814	47,838
Total institutions or people favored 2009	20	

Institution	Units	Kg
Baruta Mayorality	25	425
UCV Journalism School, Caracas	40	680
Colegio Fe y Alegría La Rinconada, Caracas	8	136
E.B.N. Diego Renato Mejías, Caracas	10	170
Baruta Mayorality / Concha Acústica Module, Caracas	2	34
Cátedra Paulo Freire - UCV, Caracas	15	255
Pontifical Missions and Charities, Caracas	10	170
Center of Initial Education "Aminta de Manzanilla", Caracas	5	85
Champagnat Foundation, Caracas	20	340
First Infantry Division, Zulia state	20	340
Total computers	275	4,675
Total institutions or people favored 2008	23	

required stability in terms of delivery. If the project cannot ensure the service delivery and the builder proposes a deep well as a solution, the builder shall include an official certification issued by the Venezuelan Ministry of Environment authorizing the deep well and certifying that the water is suitable for human consumption. Generally, the results are requested after the diagnosis: purity and mineral composition, among others.

- The treatment plants shall also be previously approved and certified by the Ministry of Environment. A series of inspections are conducted to determine that their location will not cause future environmental damages and verify that the condo or field agreements include the maintenance commitments for deep wells and treatment plants.
- At the present, we are considering to offer a “green seal” to the constructors who request credits, if they implement environmental protection measures different to those established in the regulations. That is, an acknowledgement for going beyond the rules established by law.
- Generally, we support traditional construction systems. When a project is based on non-traditional constructive systems we verify that they have been previously tested and adjusted to the Venezuelan regulations. Technical suitability certificates issued by renowned institutions (National Institute of Structural Models) or others are required. Likewise, the constructive elements should not include high content of polymers, acetates or asbestos.
- The projects must comply with the standard distances in relation to tributaries, high-tension towers and protection zones, as well as with the urban equipment rules for a decent habitat.
- When the projects are conceived to be located on coastal areas, they must comply with the special rules for this type of works both tourism or housing facilities.
- During the construction process, a Banesco’s engineer inspector performs a monthly supervision to prevent unexpected environmental damages and check industrial security measures to protect the workers involved.
- Last, but not least, we try to ensure that the financed projects count on the fitness certificate before the opening of the sales process.

It is worth mentioning that Banesco has been directly involved in the construction process of “Viviendas de Salamanca”, a housing development located at Ocumare del Tuy, Lander Municipality, Miranda state. Tens of Banesco workers have acquired their houses at this development. Thanks to the credit facilities offered by our Organization. We are working hard so as Salamanca could become a model housing project from the ecological perspective, with environmental education activities, waste separation, plantation of trees (supported by Banesco’s Corporate Volunteers).

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

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

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

■ **PAPER CONSUMPTION FOR PRINTED DOCUMENTS AND PHOTOCOPIES:** We integrated the Commercial Web Credit Workflow with the Electronic Management of Documents system to obtain a single electronic and digitalized file of the customer. This allows a minimum use of paper in our business processes and a faster response for our customers’ credit requests.

■ **DONATIONS OF FURNITURE AND EQUIPMENT:** Furniture and electronic equipment that have been discarded are donated. That is, they are re-used by the corresponding beneficiaries. Thus, they do not produce direct environmental impact even in the case they could contain hazardous substances.

Steps Taken to Reduce our Environmental Impact

Our headquarters, Ciudad Banesco, is a smart building that includes constructive and informatics elements, which minimize their environmental impact:

- Most of our building facade is a low-reflection green *curtain wall*, which along with other elements composes a comfortable labor environment and reduces air conditioning consumption.
- The building is controlled by software that manages all the commands of our CRT, the security and electro-mechanics access controls (air conditioning, elevators, escalators and lightning), producing a higher efficiency in terms of energy consumption and security.
- The building is fitted out with “smart” elevators and they take the standby mode when they are out of use for a given period of time.
- The toilettes sets of faucets are automated, that is, the sinks, WC and urinals are automatically activated and only use the required amount of water.

- Our food services supplier at Ciudad Banesco, Restoven, uses biodegradable cleaning products produced by *Ecolab*.
- We make every effort so that all our furniture and electronic equipment discarded are donated to public charity entities and organizations. Likewise, our printer cartridges are donated to our Social Partner Fundana (see chapter *Our Social Partners*).
- We have implemented measures to reduce energy consumption at Ciudad Banesco and other administrative facilities, such as turning off the lights and escalators earlier. The climatization equipment at this facility that are close to the end of their lifespan cycle will be replaced in the short-term with new and more efficient equipment.

OTHER ENVIRONMENTAL MEASURES

- Banesco encourages the growing use of the electronic banking in order to reduce the use of printed forms for our customers' operations, besides the convenience of being able to do their operations not necessarily at our branches. On the other hand, all our communications with our employees, as well as their consultations and bank operations are carried out through the Intranet, curbing in the process the consumption of paper, ink or toner. Along all these years we have worked to rationalize the location of our photocopiers and scanners at our branches.
- Since 2007 we have been developing a platform called Gelecon (Electronic Management of Contents) in order to reduce the storage of documentation and speed up their availability. In 2008 we processed 539,147 files, a figure that rose to 675,481 files in 2009, corresponding to the areas of Commercial Credit, Passive Products, Multiply and Credit Cards. In the mid-term, the gradual extension of this process to other areas of our organization will result in the reduction of paper consumption and a higher efficiency in the management of documents, optimization of the physical space use and a lower demand of documents to the customers for their transactions in case we already have their documents digitalized.
- During the last two years we have replaced a significant portion of our informatics equipment, particularly CRT monitors with

liquid crystal monitors with a higher efficiency in terms of energy consumption, both at our administrative offices and nationwide branches: 4,000 units were replaced during an intensive campaign in 2008 and 250 in 2009. This process will continue until all the CRT monitors reach the end of their lifespan.

- As of November 2009, loans requests and withdrawals of Banesco Employees Saving Fund are received through the SirWeb tool incorporate into our Intranet. This helps to speed up the reception of requests, minimizes the use of paper and mailbag transportation.
- As a part of our policy we have urged our air conditioning contractors to get their certification in "Good Practices in Refrigeration" granted by the Industrial Reconversion Fund (Fondoin). Nevertheless, most of these companies have argued that due to their high staff turnover is not profitable for them to embark on this process.
- Between 2008 and 2009 we replaced the halon gas of the firefighting systems at our data centers with FM200, which has no impact on the ozone layer. In 2010 we expect to replace the air conditioning chillers at Ciudad Banesco (12 years in use) and El Rosal (20 years in use) with new and more efficient equipment.
- In 2009 we embarked on the implantation of the new tool LotusNotes 8.5 for e-mail, which includes among its functions audio and videoconference, instant messaging and many others functionalities that reduce time, transportation efforts and printing. Although it is not possible to quantify the energy saved or reduction of emissions as a consequence of these measures there is no doubt that they will be crucial to save time and unnecessary transportation efforts.
- The printers used at many of our administrative headquarters nationwide are certified with the ISO 14001. That is, they meet all the international standards for resources consumption and pollutants creation.

Banesco has not been fined or sued due to violations of national or local environmental regulations whatsoever.

Files Processed by Gelecon

Area	Number of Files			Number of Pages		
	2009	2008	Var. %	2009	2008	Var. %
Commercial Credit	1,683	2,872	(41.40)	249,411	631,973	(60.53)
Credit Cards (Request/Service)	666,032	524,812	26.91	2,125,078	941,117	125.80
Passive	1,065	0	100.00	21,275	0	100.00
"Multiplica"	6,701	11,463	(41.54)	84,933	161,907	(47.54)
Total	675,481	539,147	25.29	2,480,697	1,734,997	42.98

Our Suppliers

Main Action Lines in 2008

- We created a Responsibility Center addressed to Operational Excellence in line with the Strategic Planning program of the Bank, so as 100% of our suppliers with important transactions and/or strategies could comply with the guidelines of the Procurement Committee.
- The project "Assessment Phase I" was executed to determine the planning and execution of 2008 second-half and the two following years.
- The goals achieved by the Responsibility Center addressed to Operational Excellence are the following:
 - a) The Gelecon manages 100% of the files corresponding to commercial credits of the highest 500 debtors with a balance over Bs. 500,000 and Bs. 750,000, 100% of the new files of commercial credits and 30% of the new files of DCC.
 - b) We carried out the training activities for the use of this tool in the areas that are being incorporated to the Gelecon platform (Agricultural and Energy banking).
 - c) Reduction of the costs and response times of the service both, for internal and external customers.

Management Evolution against 2008 and Main Action Lines in 2009

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

Commitments Made for 2010

- Developing the VP of Procurement as a centralized entity, entitled to standardize the purchase process to acquire goods and services at our organization, with transparency, efficiency and control.

- Design and implementation of the Procurement processes (purchases planning, bargaining, autonomies, among others).
- Training the users about how to use the SAP tool and increasing its employment in the Material Module.
- Increasing the number of registered and evaluated suppliers in our RPB database (Banesco Suppliers Registry).
- Strengthening the Service Proposals Requests (RFP) from our most important suppliers with a clause that binds them to comply with the principle of the UN Global Compact (see the *Corporate Government* chapter).

Our Management

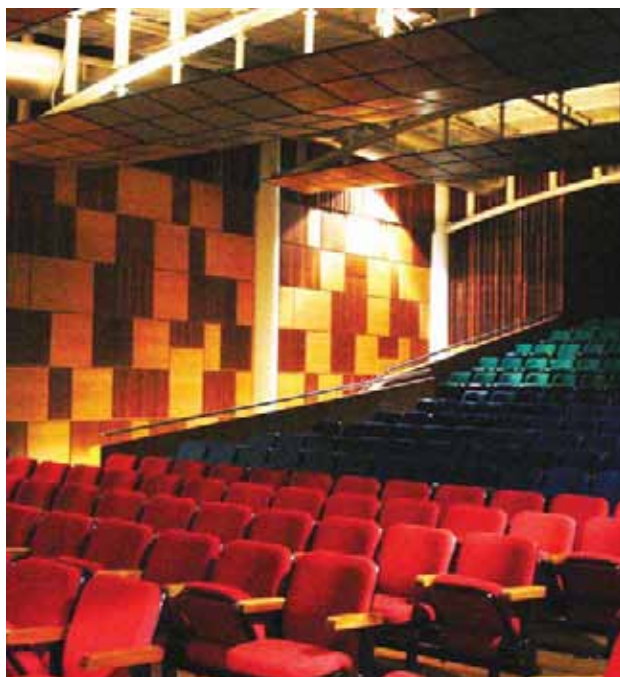
In 2009 we worked on the development of the VP of Procurement in order to concentrate the hiring of goods and services required by the different areas of our organization in an efficient and transparent manner.

This area, which development will continue in 2010, will ensure that all the stages of the procurement process fulfill all our organizational controls, guidelines and demand levels. As it is a recently created Vice-Presidency, the procedures and rules for each stage of the purchase process are under design.

Over the year we also strengthened Banesco Single Registry of Suppliers (RPB), incorporating new proposals, updating, classifying and evaluating the existent ones, through synergies with the Legal, Credit and security areas.

At the same time, we have continued concentrating efforts towards the efficient use of the Material Module included in the SAP system, under which the movements related to the purchase process are recorded in order to speed-up processes, improve the decision-making process, establish and improve traceability (follow-up capacity) over the acquisitions, as well as sustain the transparency of the whole process. In this sense, we present the total amount paid to suppliers, as due to the system restructuring we haven't been able to determine the amount and percentage for each local supplier. This information will be available in the 2011 report.

The Material Module included in SAP currently provides a reduced service and for this reason this process will be extended over 2010, along with the required training for the staff related to the purchase process.



The "Fernando Crespo Suárez" auditorium at Ciudad Banesco

Our Policy to Hire Suppliers

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

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

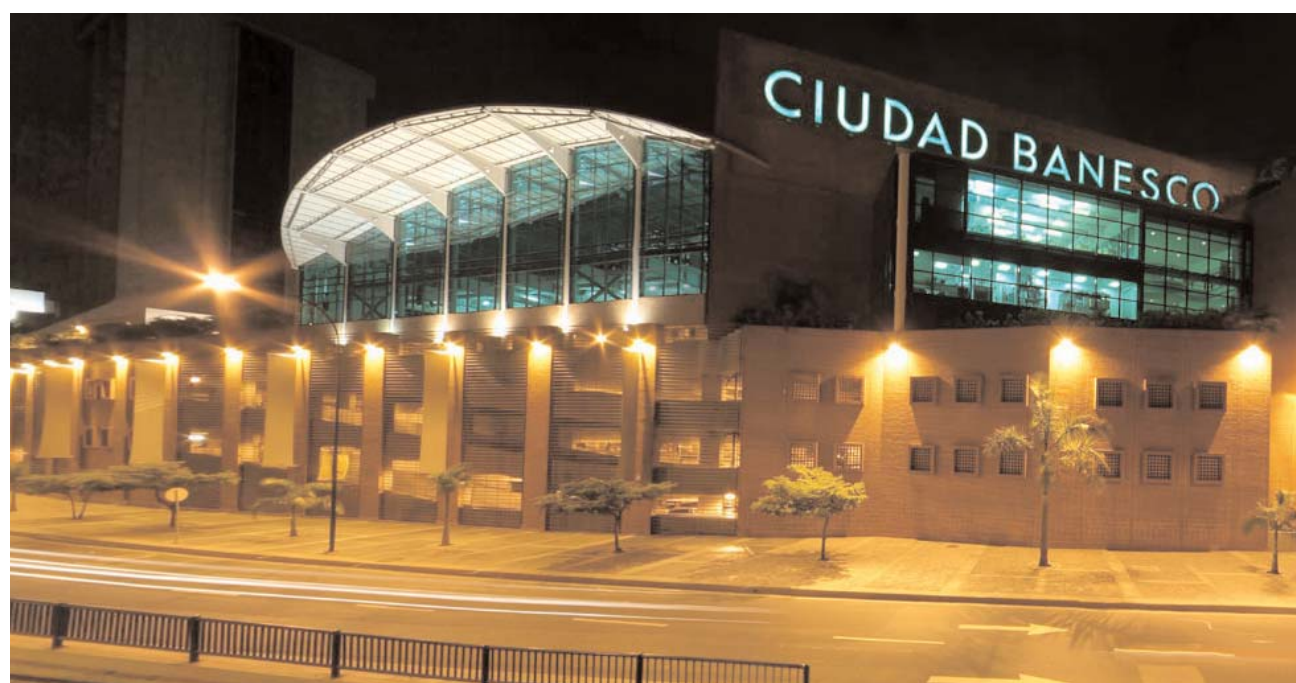
To make a purchase, at least three different budgets are required. Afterwards, the budgets are analyzed and the Bank selects the best offer in terms of price, response time and quality product.

Banesco Suppliers

Denomination	N° of Suppliers			% on total	
	2009	2008	Variation %	2009	2008
Hardware store, parts, material and other supplies	122	183	(33.33)	5.38	7.03
Stationary	25	31	(19.35)	1.10	1.19
Office Equipment	27	16	68.75	1.19	0.61
Hardware and software	30	17	76.47	1.32	0.65
Furniture	10	11	(9.09)	0.44	0.42
Forms and Value Paper	21	20	5.00	0.93	0.77
Debit and Credit Cards	2	2	0.00	0.09	0.08
Cleaning products and material	3	4	(25.00)	0.13	0.15
Fittings	6	7	(4.29)	0.26	0.27
Food Stamps	1	2	(50.00)	0.04	0.08
Other equipment	2	25	(92.00)	0.09	0.96
Furniture	8	17	(52.94)	0.35	0.65
Technology	45	35	28.57	1.98	1.34
Maintenances	141	134	5.22	6.21	5.15
Advertising and Marketing	231	258	(10.47)	10.18	9.91
Transportation, mail and courier	64	65	(1.54)	2.82	2.50
Hotels and travel agencies	181	208	(12.98)	7.98	7.99
Fees and consultancy	406	610	(33.44)	17.89	23.43
Real Estate renting	223	221	0.90	9.83	8.49
Equipment renting	11	17	(35.29)	0.48	0.65
Photocopies and printed papers	4	3	33.33	0.18	0.12
Notary and registry services	10	19	(47.37)	0.44	0.73
Surveillance	7	8	(12.50)	0.31	0.31
Affiliations and subscriptions	27	18	50.00	1.19	0.69
Telephone and telecommunications	14	11	27.27	0.62	0.42
Cleaning	9	12	(25.00)	0.40	0.46
Condominium and administrators	194	210	(7.62)	8.55	8.06
Training	80	45	77.78	3.53	1.73
Electricity	21	23	(8.70)	0.93	0.88
Other services	344	372	(7.53)	15.16	14.29
Total	2,269	2,604	(12.86)	100.00%	100.00%

Amount Paid to Suppliers

Bs Denomination	Amount Invoiced			% of total invoiced	
	2009	2008	Variation %	2009	2008
Hardware store, parts, material and other supplies	20,678,823	27,683,233.00	(25.30)	1.67	2.30
Stationary	21,284,229	15,286,133.00	39.24	1.72	1.27
Office equipment	13,762,423	37,133,049.00	(62.94)	1.11	3.09
Hardware and software	48,711,303	84,123,169.00	(42.10)	3.93	7.00
Furniture	2,833,610	2,552,535.00	11.01	0.23	0.21
Forms and Value Paper	21,098,260	46,898,735.00	(55.01)	1.70	3.90
Debit and Credit Cards	4,085,683	7,978,631.00	(48.79)	0.33	0.66
Cleaning products and material	6,986,062	5,965,329.00	17.11	0.56	0.50
Fittings	1,306,752	1,778,457.00	(26.52)	0.11	0.15
Food Stamps	43,355,800	6,915,572.00	526.93	3.50	0.58
Other equipment	87,930	1,263,853.00	(93.04)	0.01	0.11
Real Estate	830,009	30,794,161.00	(97.30)	0.07	2.56
Technology	72,375,276	96,135,689.00	(24.72)	5.84	8.00
Maintenances	163,034,706	175,987,230.00	(7.36)	13.16	14.65
Advertising and Marketing	118,265,819	120,333,275.00	(1.72)	9.55	10.01
Transportation, mail and courier	144,106,708	128,611,274.00	12.05	11.64	10.70
Hotels and travel agencies	12,710,875	12,253,147.00	3.74	1.03	1.02
Fees and consultancy	111,644,215	85,892,313.00	29.98	9.01	7.15
Real Estate renting	91,468,414	50,112,285.00	82.53	7.39	4.17
Equipment renting	49,117,552	59,234,798.00	(17.08)	3.97	4.93
Photocopies and printed papers	16,155,342	9,651,217.00	67.39	1.30	0.80
Notary and registry services	113,972	407,204.00	(72.01)	0.01	0.03
Surveillance	15,577,075	13,333,955.00	16.82	1.26	1.11
Affiliations and subscriptions	1,492,037	742,119.00	101.05	0.12	0.06
Telephone and telecommunications	78,696,691	51,138,741.00	53.89	6.35	4.26
Cleaning	24,491,700	19,185,464.00	27.66	1.98	1.60
Condominium and administrators	22,474,031	16,790,825.00	33.85	1.81	1.40
Training	13,952,581	9,099,495.00	53.33	1.13	0.76
Electricity	10,621,788	9,375,239.00	13.30	0.86	0.78
Others services	107,147,095	75,017,781.00	42.83	8.65	6.24
Total	1,238,466,758	1,201,674,908.00	3.06	100.00	100.00



Our Most Significant Suppliers per Region

Capital Region

Service	N° Suppliers 2009	2009	Average Bs 2008	Variation	% of total invoiced	
Transportation, mail and courier	38	3,721,851	750,000	396.25	42.27	35.01
Photocopies and printed papers	4	4,038,835	777,000	419.80	45.87	36.27
Forms and Value Paper	20	1,044,176	615,000	69.78	11.86	28.71
Total	62	8,804,862	2,142,000	311.06	100.00	100.00

Eastern-South Region

Service	N° Suppliers 2009	2009	Average Bs 2008	Variation	% of total invoiced	
Hotels and travel agencies	56	41,825	41,000	2.01	8.10	6.72
Real Estate renting	26	205,206	338,197	(39.32)	39.76	55.44
Cleaning	1	2,342	54,000	(95.66)	0.45	8.85
Transportation, mail and courier	13	129,435	43,000	201.01	25.08	7.05
Maintenances	15	122,035	113,000	8.00	23.64	18.52
Furniture	0	0	20,800	(100.00)	0.00	3.41
Fees and Consultancy consultorias	13	15,312	0	100.00	2.97	0.00
Total	124	516,155	609,997	(15.38)	100.00	100.00

Middle-Western Region (includes Zulia and Falcón states)

Service	N° Suppliers 2009	2009	Average Bs 2008	Variation	% of total invoiced	
Hotels and travel agencies	77	36,322	34,282	5.95	1.35	6.80
Electricity	5	209,900	80,090	162.08	7.79	15.88
Maintenances	17	291,693	137,429	112.25	10.83	27.24
Cleaning	3	2,155,186	252,698	752.87	80.03	50.09
Total	102	2,693,101	504,499	433.82	100.00	100.00

Middle-The Plains Region

Service	N° Suppliers 2009	2009	Average Bs 2008	Variation	% of total invoiced	
Hotels and travel agencies	26	20,343	34,282	(40.66)	10.12	6.80
Cleaning	1	10,219	80,090	(87.24)	5.09	15.88
Transportation, mail and courier	3	5,507	137,429	(95.99)	2.74	27.24
Maintenances	7	164,869	252,698	(34.76)	82.05	50.09
Total	37	200,938	504,499	(60.17)	100.00	100.00

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

Alliances

We join efforts with our suppliers in order to reinforce our social action in the community. Our suppliers are aware about the importance of creating alliances to mitigate social problems and offer a higher quality of life to the citizens. Together with them and our Social Partners, Banesco held the following activities in 2009:

Social Investment from Our Suppliers

Supplier	2009		2008	
	Alliance	Investment Bs	Alliance	Investment Bs
Restoven de Venezuela	"Bolas Criollas" Tournament to raise funds for the Salesian Women	6,168.09	Snacks for events at Fundana	680.36
	Annual donation to Fundana	3,450.00	Contribution to Fundana Auction	680.36
	Asodeco sponsorship	15,020.00	Donation to Asodeco event	5,000.00
	Project to revamp school in Petare, Salesian Women	94,280.00	Event of the Salesian Women	55,985.00
			Contribution to the soccer team	550.00
			Procurement of softball team uniforms	2,160.00
			Contribution to an auction for the benefit of Pedro León Zapata	962.12
Total		118,918.09		66,017.84

Dialogue with Our Suppliers

Beginning in 2009, we started a dialogue with this stakeholder, through a survey sent to the 200 most important suppliers in terms of transactions amounts.

The questions were the following:

1. Value your satisfaction level (from 1 to 5) with transparency, prompt payment, personal services, online services and treatment in Banesco.
2. Has your company been certified by an environmental or social standard, such as the ISO 9000, ISO 14000 o SA8000?
3. Does your company have a policy on Human Rights in place?
4. Is your company willing to participate in CSR activities along with Banesco?

The satisfaction level results regarding their relation with Banesco in 2009 were the following:



Beginning in 2010, we will incorporate a new clause into the Service Proposals Requests (RFP). The new clause will demand the fulfillment of the principles contained in the UN Global Compact. It's important to underline that the application field of the RFP is broader than that of the contracts, as many suppliers' selections are processed with purchase orders rather than with service contracts.

As this practice has not been implemented to this date, the quantification of the agreements with suppliers including human rights clauses is not available. This data will be available in the 2011 report.

Procurement Committee

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

OBJECTIVE

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

ROLES AND MEMBERS OF THE PROCUREMENT COMMITTEE

- **Coordinator:** VP of Procurement and Hiring
- **Committee Secretary:** Manager of the Procurement and Hiring Division.
- **Advisors with right to speak:** VP of Legal Consulting.
- **Member with right to speak and veto power:** VPE of Finance Office, Exec. VP of PCP and Exec. VPE of Integral Risk.
- **Main members with full voting rights:** Vice-Presidents named by the Steering Committee.

ACTIONS IN SEARCH OF AN EFFICIENT OPERATIONS MANAGEMENT

- Creation of the Electronic Folder "Procurement Committee Operations".
- Creation of the Corporate Suppliers Registry.
- Committee constitution and implantation.

COMMITTEE POWERS

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

Our Commitment to the Authorities

Main Action Lines in 2008

- We strengthened our structure to attend to our customers' claims sent to our organization by the Sudeban.
- We enhanced the areas that evaluate and analyze the different bills proposed by the Executive Power in the framework of the Enabling Law -under consideration at the National Assembly- with an impact on the financial sector.
- We strengthened the Corporate Government structure (see the corresponding Chapter).

Management Evolution against 2008 and Main Action Lines in 2009

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

Commitments Made for 2010

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

Our Policy

Banesco Banco Universal is an active partner both of the central government and regional-local governments in the search of the development and diversification of productive activities. We are working on a permanent basis to achieve the bancarization of those segments of society still excluded from the financial system, with a view to strengthen the social fabric, jobs creation and help to achieve the central government's goals established in our Constitution.

Our Management

In 2009 we held a work session with Sudeban (Superintendency of Banks and Other Financial Institutions) which resulted in an improved response to the information requests issued by this regulatory body, as well as in the optimization of our responses to claims filled by our customers before this body. Likewise, this exchange of ideas with Sudeban helped us to reduce the time to send and receive the required documents to analyze the cases.

To go forward with the effort launched the previous year to solve the claims filled by our customers before Sudeban, in 2010 we expect to carry out new work sessions with Sudeban with a view to achieve a successful exchange of ideas allowing our Organization

Taxes on Own Operations

(Thousands Bs)

	2009	2008	Variation %
Income Tax ¹	26,232.41	74,710.35	(64.89)
Economic Activities Tax	99,461.03	78,267.71	27.08
Excise Tax ²	--	17,534.38	(100.00)
Value-Added Tax	108,678.43	85,270.72	27.45
Publicity and Ownership Tax	1,421.27	775.7	83.22
Total	235,793.14	256,558.86	(8.09)

(1) Corresponds to Income Tax caused in 2008 and paid in 2009.

(2) This tax was in force between November 1, 2007 and the first half of June 2008.

to get first-hand comments and recommendations from this regulatory body. This, in turn, will have a positive impact on the timely satisfaction of our customers' needs.

As established, the Executive VP of Losses Prevention Management and Business Continuity was incorporated into the "work flow" of the SCAV tool (Automated System of Operating File), a software for the automated administration of documents that has been configured to manage the files, create responses to letters and notices issued by Sudeban. Each participating processor involved in the SCAV tool will be updated in 2010.

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

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

On the other hand, our Legal Consulting office makes a careful analysis of any new law or regulatory modifications with a



The Superintendency of Banks (Sudeban) headquarters, Caracas

potential impact on the financial sector. Likewise and in order to ensure a permanent updating, we monitor the changes and decisions related to our business that are published in the Official Gazette.

Contribution to the Organic Law of Science, Technology and Innovation

(Thousands Bs)	2009	2008	Variation %
Technology Projects	29,301.00	24,733.31	18.47%
Training	2,358.71	472.78	398.90%
Total	31,659.71	25,206.09	25.60%

Food Stamps Law

(Thousands Bs)	2009	2008	Variation %
Food Stamps Law	35,509.07	26,951.29	31.75

Parafiscal Contributions

(Thousands Bs)	2009	2008	Variation %
Law of Housing and Habitat	12,834.79	10,300.03	24.61
Social Security	36,388.22	28,696.03	26.81
Employment Law	8,201.79	6,423.64	27.68
INCES	9,768.16	8,312.58	17.51

Contributions to Fogade and Sudeban

(Thousands Bs)	2009	2008	Variation %
Fogade	144,167.78	105,921.14	36.11
Sudeban	43,134.30	34,220.74	26.05

Modernization of the National Payments System

In 2008, Banesco had an active participation in the meetings organized by the Operations Committee and the Checks Sub-Committee of the Venezuelan Banking Association for the development and decision-making process of the Checks Forged Project proposed by the Central Bank and financial institutions towards the modernization of the National System of Payments.

In the framework of these meetings, a series of agreements were made about the physical exchange of checks and the rules for Administration, Control and Custody of Checks and Images; the risks of the exchange were identified and an informative dossier was delivered with instructions for the images exchange. In July a project was submitted before the Legal Committee of the Venezuelan Banking Association for its review.

In November, our Organization along with its suppliers embarked on a process to review the checks' formats for their unification

State-run Portfolios

In 2009, Banesco increased the percentage maintained in the tourism, manufacturing and mortgage portfolios (short and long-term), while the percentages for the micro-entrepreneurs and agricultural portfolios remained unchanged against the previous year.

Regarding the mortgage credits to acquire primary housing, Banesco has funded a growing number of families nationwide. This is our contribution to make come true the dream of many Venezuelan citizens to have their own houses and improve our customers' quality of life.

External Campaigns

In order to provide our varied audiences with information about our Bank's operations, requirements for transactions and other relevant data, in 2009 we developed the following activities:

- *Merchandising* and leaflets delivery at branches.
- Ads published in the media.
- Several printed newsletters (see the *Our Customers* chapter).

- Several publications at our Internet site.
- Publication of our Quarterly Reports (hard-copies and electronic publication at our site www.banesco.com).
- Yearly publication of our Corporate Social Responsibility Report (hard-copy and electronic publication at our site www.banesco.com, both in Spanish and English).

Internal Campaigns

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

Regulations

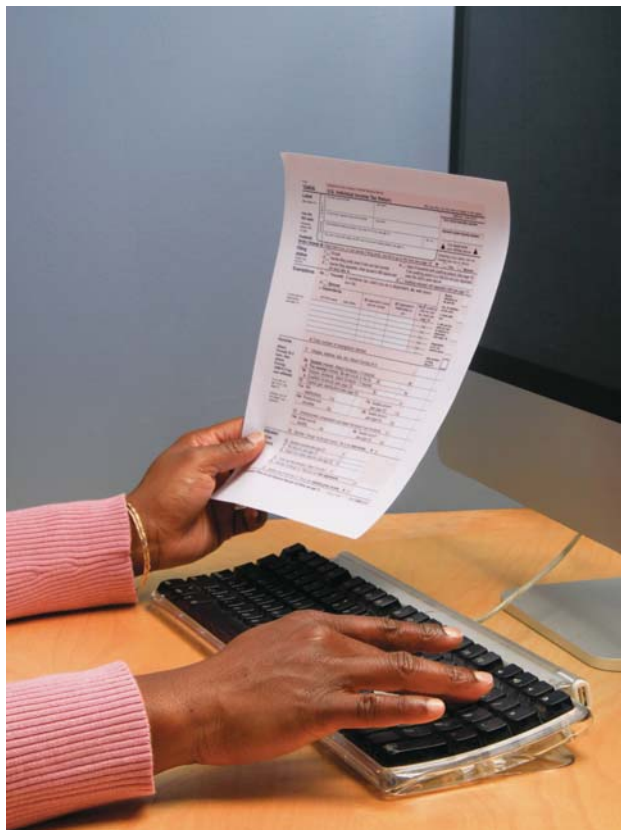
In 2009, Banesco adjusted its operations in order to meet new requirements arising from new laws or amended regulations. In 2009 the following regulations entered into force or were amended:

1. Special Official Gazette N° 5,947, dated December 23, 2009: Publication of the new General Law of Banks and Other Financial Institutions:
 - Title I. Chapter V. About the Universal Banks: Purpose, Constitution and Prohibitions. (Articles 74 – 75 and 80).
 - Title I. Chapter IX. About the Limitations and Prohibitions. (Articles 185 to 192).
 - Title I. Chapter X. About Accounting, Financial Statements and Reports (Articles 193 to 205).
 - Title II. Chapter VII. About the Financial Regime established by the Superintendency of Banks and Other Financial Institutions. About the Special Contribution (Articles 263 – 272).
 - Title III. About the Fund of Guarantee for Deposits and Banking Protection. Chapter IV. About the Special Contribution (Articles 295 – 297).
2. Official Gazette of the Bolivarian Republic of Venezuela N° 39,194, dated June 5, 2009, modifying the Accounting Handbook for Banks, Other Financial Institutions and Saving and Loan Entities.

State-run Portfolios

At December 31 Modality	Amount achieved (thousand Bs)		% Required		% Maintained	
	2009	2008	2009	2008	2009	2008
Tourism	465,795.42	249,173.44	3.00	3.00	2.46	1.52
Micro-entrepreneurs	1,004,181.03	881,170.19	3.00	3.00	4.93	5.03
Agricultural	3,813,190.16	2,700,887.06	21.00	21.00	21.57	21.35
Manufacture	2,112,051.95	1,297,075.52	10.00	10.00	10.16	7.90
Mortgage, with own resources (long-term)	1,336,802.05	722,795.48	6.00	6.00	7.06	4.40
Mortgage, with own resources (short-term)	968,968.81	615,548.77	4.00	4.00	5.11	3.75

3. Official Gazette of the Bolivarian Republic of Venezuela N° 39,230, dated July 29, 2009. Order N° 305-09, modifying and updating the Rules to Determine Equity Ratio, Including Contingent Operations and Applying Weight Criteria Based on Risk.
4. Official Gazette of the Bolivarian Republic of Venezuela N° 39,318, dated December 1, 2009, establishing the Rules that Govern the Incorporation of Non-Banking Correspondents as distribution channel of the products and services offered by financial institutions.
5. Official Gazette of the Bolivarian Republic of Venezuela N° 39,206, dated June 23, 2009. Order N° 232.09, dated May 29, 2009, demanding Financial Institutions to adjust at least 36% of the ATMS for customers' use, so as they include easy-access and friendly-user conveniences targeted to the elder.
6. Official Gazette of the Bolivarian Republic of Venezuela N° 39,336, dated December 29, 2009. Order N° 09-12-01, dated December 29, 2009, establishing that commercial and universal banks shall not reduce the share they have allocated, at December 31, 2009, to their gross credit portfolio, the funding of credits devoted to manufacturing activities companies, which shall be of at least ten percent (10%). (This order will enter into force as of January 1, 2010).
7. Official Gazette of the Bolivarian Republic of Venezuela N° 39,320, dated December 3, 2009. Exchange Agreement N° 13, dated December 3, 2009, establishing, among other aspects, that the Board of Directors of the Central Bank of Venezuela shall be entitled to authorize the holding of accounts in foreign currency at the aforementioned institution, to legal entities different to those mentioned in Article 18 of the Exchange Agreement N° 1 and Article 8 of the Exchange Agreement N° 11.
8. Official Gazette of the Bolivarian Republic of Venezuela N° 39,315, dated November 26, 2009. Order N° 09-11-02, dated November 27, 2009, establishing the Rules that govern the constitution of the Legal Reserve.
9. Official Gazette of the Bolivarian Republic of Venezuela N° 39,305, dated November 12, 2009. Order N° 09-11-01, dated November 12, 2009, determining the guidelines to carry out Public Offering Operations (OPA) and Public Takeover Bids (OPTC) in order to optimize the Functioning of the National System of Payments and the sound and efficient administration of its risks.
10. Official Gazette of the Bolivarian Republic of Venezuela N° 39,207, dated June 25, 2009. Order N° 09-06-04, dated June 25, 2009, authorizing the negotiation at the secondary market and in national currency of Public Debt Bonds, Interest Securities and Paid-Up capital TICC, issued by the Bolivarian Republic of Venezuela.
11. Official Gazette of the Bolivarian Republic of Venezuela N° 39,193, dated June 4, 2009. Order N° 09-06-02, dated June 4, 2009, establishing that the banks, saving and loan entities and other financial institutions governed by the General Law of Banks and Other Financial Institutions:
 - Shall not be entitled to charge for their active operation, an annual interest rate or discount rate higher than the rate regularly fixed by the Board of Directors of the Central Bank of Venezuela for discount and re-discount operations, excluding those related to credit cards. This rate was reduced by five 5.5 percentage points, excluding special regimes.
 - Shall not be entitled to charge an interest rate higher than 19% on the credits granted to manufacturing activities companies.
 - Shall not be entitled to pay an annual rate under 12% for the saving deposits they receive, including liquid assets accounts.
12. Official Gazette of the Bolivarian Republic of Venezuela N° 39,193, dated June 4, 2009. Order N° 09-06-01, dated June 4, 2009, fixing at 29.5% the annual interest rate charged by the Central Bank of Venezuela on its discount, re-discount and advance operations, excluding bills of exchange and other credit securities arising from the placements in the agricultural sector.
13. Official Gazette of the Bolivarian Republic of Venezuela N° 39,251, dated August 27, 2009. Law of Credit for the Tourism Sector.
14. Official Gazette of the Bolivarian Republic of Venezuela N° 39,301, dated November 6, 2009, where it was published the Law to Reform the Central Bank of Venezuela.
15. Official Gazette of the Bolivarian Republic of Venezuela N° 39,270, dated September 23, 2009. Order N° 089, dated August 31, 2009, fixing the minimum percentage to be allocated to the credit portfolio for the Tourism Sector, at December 31, 2009.
16. Official Gazette of the Bolivarian Republic of Venezuela N° 39,118, dated February 11, 2009, establishing the minimum percentage to be allocated to the credit portfolio for the Agricultural Sector.
17. Official Gazette of the Bolivarian Republic of Venezuela N° 39,266, dated September 17, 2009, fixing the terms and conditions to be established by the financial entities for the debt rescheduling.
18. Official Gazette of the Bolivarian Republic of Venezuela N° 39,293, dated October 27, 2009, establishing the Rules that govern the procedure to make effective the payment of the guarantee for public deposits under the protection of this fund.



19. Official Gazette of the Bolivarian Republic of Venezuela N° 39,390, dated January 7, 2009, establishing the minimum percentage to be allocated to the credit portfolio for the Mortgage Sector.

On the other hand, Banesco Banco Universal complies with the Organic Law on Science, Technology and Innovation (Locti), which establishes a 0.5% contribution of the annual gross income for innovation projects. In 2009, Banesco devoted Bs 31,659,707 to own projects related to the area of technology innovation. This accounts for a 25.60% increase against 2008, as it is illustrated by the graphic in page 111.

Likewise, the institution complies with the Organic Law against Illegal Trafficking and Consumption of Drugs and Narcotic Substances (Locticsep) and Article 96 linked to the corporate responsibility in drugs prevention, according to which "private and public legal persons with 50 workers or more, will allocate one per cent (1%) of their annual net profits to integral social programs addressed to its workers and families to prevent the consumption and trafficking of illegal drugs. 0.5% out of this

percentage shall be allocated to integral protection programs for children and adolescents, who will be the first priority.

Fines or Non-Fulfillment

In 2008 and 2009, Banesco was not imposed with any kind of sanction whatsoever issued by the National Securities Commission, Central Bank of Venezuela or Fogade, due to non-fulfillment of the regulations established by these regulatory bodies. Banesco was not imposed with any sanction whatsoever for non-fulfillment of the guidelines established by the rules in force in relation to free competition or anti-trust rules. In relation to the communications received from the Superintendency of Banks and Other Financial Institutions, no events were recorded with a significant impact on the Bank's financial situation and equity.

On the other hand, in 2009 the Institute for the Defense of People in the Access to Goods and Services (Indepabis) applied 35 sanctions to Banesco for alleged weaknesses in its security methods and non-fulfillment related to the response times to its customers. All these sanctions have been appealed and were under the consideration of Indepabis at the end of the year.

In relation to lawsuits, contingencies, contractual and fiscal commitments, they are half-yearly showed in the Financial Statements audited by the Bank, according to the requirements of the Regulatory Body and included in the Commitments and Contingencies Notice. The bank does not expect these lawsuits, contingencies, contractual and fiscal commitments to produce any impact whatsoever on the financial statements as a whole, up to December 31, 2009 and December 31, 2008. These audited financial statements are available at the Venezuelan Banking Association Web page (www.asobanca.com.ve).

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

The Making Process of the Corporate Social Responsibility Report 2009

Principles for the Definition of the Report's Contents

Since 2004, Banesco Banco Universal C.A. has published on an annual basis its Corporate Social Responsibility Report. The present report is the sixth edition and corresponds to the period from January 1st to December 31st 2009. The previous report, which covered the period from January 1st to December 31st 2008, was published in December 2009. This report is made in Spanish and English (since 2007 the English version is published only in our Internet site, www.banesco.com). All previous reports are available at <http://www.banesco.com/acercade.asp?AD=MSO>.

The structure of these reports follows the recommendations of the *Guide for the Elaboration of Sustainability Reports and for Financial Services Sector Supplement*, issued by the Global Reporting Initiative (GRI) RG, version 3.0/FSSS Final Version. Our 2007 report was the first one to be certified by this Organization; it got the Application Level B+, while the 2008 report achieved the A+ GRI Checked Level, the highest possible. We should underline that as the new GRI Supplement for the Financial Sector will be in force as of January 1st, 2010, the present report includes the 16 performance indicators FS, as it saw to light in 2010.

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

In 2009, we continued with the training and specialization process of the team of this Vice-Presidency in order to go forward with the dialogue process with our stakeholders, with a view to the adoption of the AA1000 Standard. This is going to continue in 2010.

As in the previous years, this Report is organized on two big blocks: the internal and external dimensions of social responsibility, with specific chapters for each stakeholder. It also reports our successful interactions with them in 2009, particularly the collection of statistics (surveys and focus groups).

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

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

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

In relation to the **scope**, the report includes all the aspects that were deduced as relevant for each stakeholders group, based on the internal knowledge of them, as a formal consultation process was no opened. However, as it has previously mentioned, the organization has plans to establish and put into practice more formal dialogue mechanisms to raise these topics, so as we could develop a less general scope and more focused on the stakeholders' reasonable priorities.

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

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

Principles to Define the Quality of the Report's Contents

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

The figures here reported were displayed into detail for 2008 and 2009, with their respective variation rates. This allows the **comparability** of the performance for the two periods. We should mention that, given that the Currency Reconversion process has finished, the present report makes no reference to so-called *Bolívar Fuerte* (BsF, "Hard Bolívar") but the amounts are expressed in Bolívars (Bs.). But the reader shall remember that Bs 1 today's is equivalent to Bs. 1,000 expressed in the old Bolívars that circulated before the reversion.

As a part of the tasks we expect to advance to a higher level in the next reports, and in order to meet the comparability principle, we expect to make comparisons with the results obtained by other financial institutions in the variables of public nature (*Benchmarking*).

With a view to guaranteeing the **precision** of the Information,

this report has used the GRI's technical protocols in order to understand and formulate the quantitative and qualitative indicators presented in this report. In general terms, the quantitative indicators are reported together with the variables that allow their calculation. This, in turn, makes easier to understand how they are obtained.

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

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

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

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

For the year ended on December 31, 2009, the Performance Indicators included in the Guide for the making of the Sustainability Report, version 3.0, have been submitted for review to our external auditors: De la Vega, Márquez, Perdomo & Asociados (Horwarth Venezuela), who also act as external auditors of the Bank.

Adjustments for 2008

Organization / Institution	Item	Amount Bs
Santo Domingo Foundation	Maintenance and improvements of infrastructure	136.850,00
Santo Domingo Foundation	Education for young people out of the Formal Education System	68.185,00



Profile, Strategy and Organization

Topic	Description	Pages
1. Strategy and Analysis	1.1 Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	3
	1.2 Description of key impacts, risks, and opportunities related to sustainability.	6 - 10
2. Organizational Profile	2.1 Name of the organization.	5
	2.2 Primary brands, products, and/or services.	68-69, 94-95
	2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	17
	2.4 Location of organization's headquarters.	5
	2.5 Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	115
	2.6 Nature of ownership and legal form.	5
	2.7 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	67, 74-76
	2.8 Scale of the reporting organization, including: <ul style="list-style-type: none"> • Number of employees; • Net sales (for private sector organizations) or net revenues (for public sector organizations); • Total capitalization broken down in terms of debt and equity (for private sector organizations); and • Quantity of products or services provided. 	11, 29, 68
	2.9 Significant changes during the reporting period regarding size, structure, or ownership including: <ul style="list-style-type: none"> • The location of, or changes in operations, including facility openings, closings, and expansions; and • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations). 	27, 74, 84
	2.10 Awards received in the reporting period.	13
3. Report Parameters	REPORT PROFILE	
	3.1 Reporting period (e.g., fiscal/calendar year) for information provided.	115
	3.2 Date of most recent previous report (if any).	115
	3.3 Reporting cycle (annual, biennial, etc.)	115
	3.4 Contact point for questions regarding the report or its contents.	115
	REPORT SCOPE AND BOUNDARY	
	3.5 Process for defining report content, including: <ul style="list-style-type: none"> • Determining materiality; • Prioritizing topics within the report; and • Identifying stakeholders the organization expects to use the report. 	115
	3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	115
	3.7 State any specific limitations on the scope or boundary of the report [1][1].	116
	3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	115-116
	3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	116
	3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	(1)

Profile, Strategy and Organization (Cont.)

Topic	Description	Pages
	3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	(1)
	3.12 Table identifying the location of the Standard Disclosures in the report.	117-118
	ASSURANCE	
	3.13 Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	116
4. Governance, Commitments & Engagement	GOVERNANCE	
	4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	15
	4.2 Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	18
	4.3 For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	17
	4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	16, 22, 27
	4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	16
	4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided.	21, 23
	4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	18
	4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	5, 23-24
	4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	9-10, 23-24
	4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	20
	COMMITMENTS TO EXTERNAL INITIATIVES	
	4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization.	6, 20
	4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	23
	4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: • Has positions in governance bodies; • Participates in projects or committees; • Provides substantive funding beyond routine membership dues; or • Views membership as strategic.	22-23
	STAKEHOLDER ENGAGEMENT	
	4.14 List of stakeholder groups engaged by the organization.	7
	4.15 Basis for identification and selection of stakeholders with whom to engage.	7 (*)
	4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	7, 27, 46-47, 54-61, 82-83, 109(2)
	4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	45-46, 53, 85-88, 97 (3)

(*) The footnote on page 7 describes our definition of stakeholders.

(1) On this Report there have not been reformulations or significant changes over previous reports.

(2) Customers, 7 / Shareholders, 27 / Internal communication, 46-47 / Community, 54-61 / Service Quality measurement, 82-83 / Suppliers, 109.

(3) Employees, 45-46 / Social Partners, 53 / Customers, 85-88 / Customer satisfaction and social impact of the Banesco Community Banking, 97.

Information About the Management and/or Direction Approach

		Pages
Product Portfolio	IMPACT OF PRODUCTS AND SERVICES	
	Policies with specific environmental and social components applied to business lines. FS1	94, 103-104
	Procedures for assessing and screening environmental and social risks in business lines. FS2	103
	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions. FS3	109
	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines. FS4	33-36, 64-65 (*)
	Interactions with clients / investees / business partners regarding environmental and social risks and opportunities. FS5	109
Economic dimension	DISCLOSURE ON MANAGEMENT APPROACH	
	Economic Performance	11
	Market presence	67-69
	Indirect economic impact	10
Environmental dimension	DISCLOSURE ON MANAGEMENT APPROACH	
	Materials	101
	Energy	101
	Water	101
	Biodiversity	(1)
	Emissions, Effluents, and Waste	(2)
	Products and Services	102-103
	Law compliance	104
	Transportation	(1)
	Overall aspects	100-104
Social dimension	LABOR PRACTICES AND WORK ETHICS	
	DISCLOSURE ON MANAGEMENT APPROACH	
	Employment	29-30, 32
	Company/employees relationship	16, 39-40
	Health and safety at the workplace	38-39
	Training and education	33-37
	Diversity and equal opportunities	23-24, 40-41
	HUMAN RIGHTS • DISCLOSURE ON DIRECTION APPROACH	
	Practices of investment and provision	105
	Non-discrimination	40-41
	Freedom of association and collective bargain	16, 39-40
	Abolition of children exploitation	41
	Prevention of forced and obligatory labor	41
	Claims and conciliatory procedures	22
	Security practices	38-39
	Rights of indigenous peoples	(1)
	SOCIETY • DISCLOSURE ON MANAGEMENT APPROACH	
	Community	49, 54
	Corruption	24
	Public policy	(3)
	Anti-trust patterns	89-90, 114
	Law compliance	25, 89-90
	RESPONSIBILITY ON PRODUCTS	
	DISCLOSURE ON MANAGEMENT APPROACH	
	Health and safety of customers	78-79
	Labeling of products and services	88-89
	Marketing communication	88-89
	Customer privacy	79
	Law compliance	89-90
	RESPONSIBILITY ON SPECIFIC PRODUCTS	
	Description of policy for the correct design and supply of financial products and services. FS15	5, 23-24

(*) Specialized training for improving our staff competence for implementing social policies and procedures. 33 / Training on CSR issues for the respective Vicepresidency. 34 / Training on prevention and control of capital legitimation and operational risk. 35 / Workshops on Human Rights. 36 / Activities of the Professional and Environmental Volunteers. 64-65.

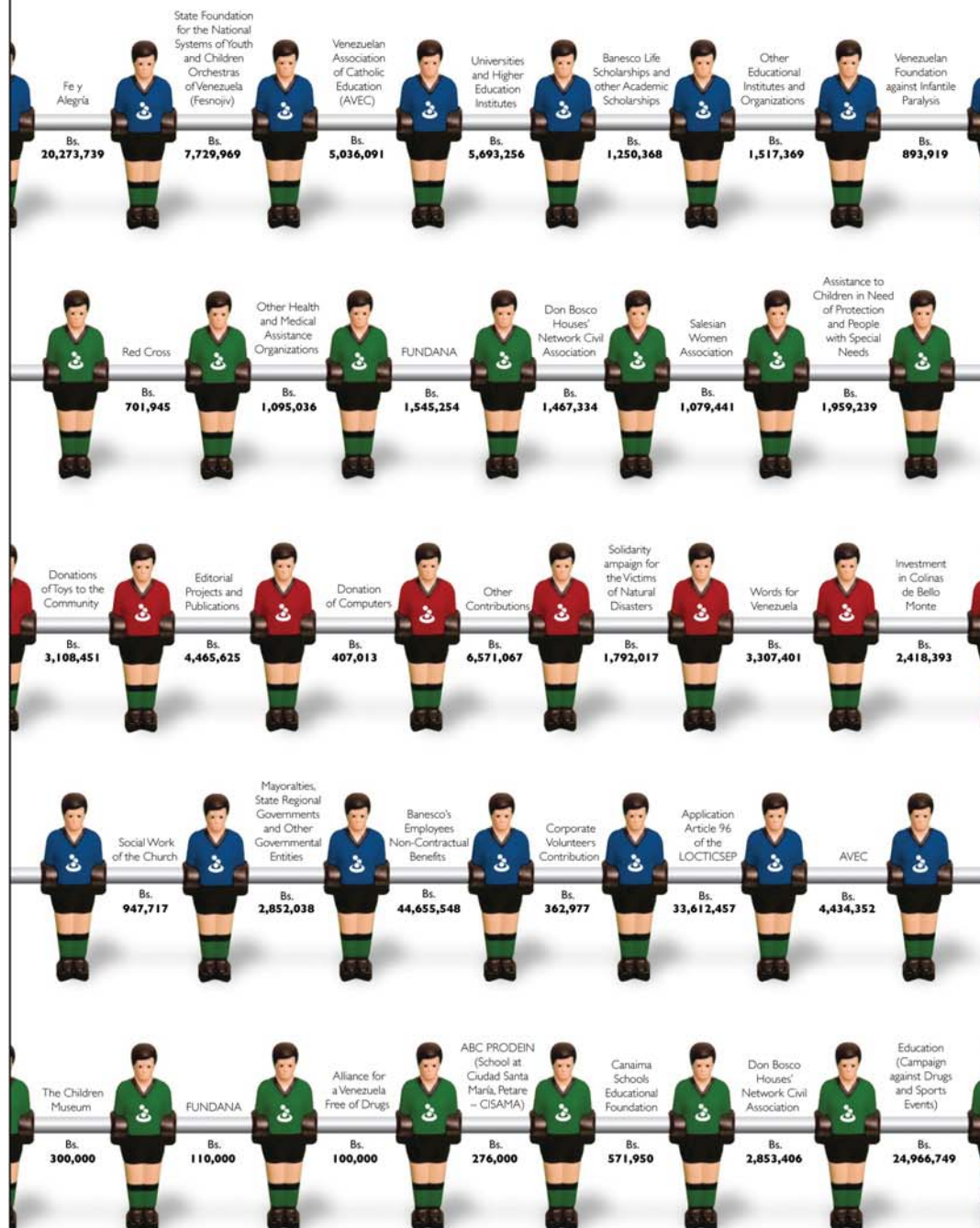
(1) Aspects considered as non-priorities in relation to the activities of the Bank, therefore are not covered by specific management approaches.

(2) The activities of the organization do not generate significant emissions or spills of hazardous substances.

(3) Absence of a defined policy. Rather the Bank analyzes each case on an individual basis and always within the legal framework compliance.

TEAMWORK TO BUILD A BETTER NATION IS THE BEST BALANCE OF ALL

Accumulated social balance 1998-2009



	2009	ACCUMULATED 1998-2009
TOTAL SOCIAL INVESTMENT	Bs. 35,437,246	154,743,664
TOTAL SOCIAL COMMITMENTS	Bs. 3,296,604	3,296,604
TOTAL SOCIAL INVESTMENT PLUS COMMITMENTS MADE	Bs. 38,733,850	158,040,268

Directors:
 Juan Carlos Escotet
 Luis Xavier Luján P.
 Miguel Ángel Marciano C.
 María Josefina Fernández M.

Nelson Becerra M.
 Gonzalo Clemente R.
 Fernando Crespo S.
 Salvador Cores G.
 Carlos Acosta



Bancom Estás a tiempo para salir de las antiguas monedas, cámbialas por las nuevas en los bancos



Informe de los Auditores

BANESCO BANCO UNIVERSAL, C.A.

Informe de Procedimientos Previamente Convenidos para la Revisión de los Indicadores de Desempeño incluidos en el *Informe de Responsabilidad Social Empresarial 2009*, Banesco Banco Universal, C.A.

Año terminado el 31 de diciembre de 2009



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Report on Applying Agreed-Upon Procedures for the Verification of the Social Responsibility Report Performance Indicators included in Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report

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

Scope of our work

We have applied the procedures listed in the following paragraph, agreed-upon with the Board of Directors of **Banesco Banco Universal, C.A.** with the sole purpose of helping you evaluate the accompanying performance indicators for the year ended December 31, 2009, provided by the Bank in report identified as Attachment I - "**Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report**". The preparation of "**Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report**" as well as the design, implementation and maintenance of its elaboration processes and the basis and criteria for its submission is the exclusive responsibility of the bank's management. Our responsibility is to express an opinion on the Performance indicators, based on the procedures applied in our limited review.

The scope of a limited review is significantly limited as compared to an audit or work of a reasonable degree of certainty. Therefore, we do not provide an auditors opinion regarding the "**Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report**".

Verification Standards and Procedures

This agreed-upon procedures engagement was conducted in accordance with the generally accepted audit standards and the Sustainability Reporting Guidelines and Financial Services Sector Supplement issued by "Global Reporting Initiative (GRI) RG version 3.0/ FSSS final version, and the review standards issued by the International Federation of Accountants for works of reviewing ISAE 3000 (International Standard on Assurance Engagements 3000) in regard to limited assurance, to perform works of a reasonably or limited degree of certainty on non-financial information.

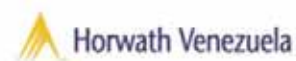
Our review work consisted on asking questions to the management, as well as the different units of Banesco Banco Universal, C.A. involved in the preparation of "**2009 Corporate Social Responsibility Report**", and applying certain analysis and sampling review tests as described below:



- Meetings with Banesco Banco Universal, C. A.'s, staff participating in the compilation of information recorded in the report named "Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report" and in the elaboration of indicators which are the object of learning management principles, systems, approaches used and our review in order to gather the required information for its.
- Analysis of the processes carried out by the Bank to obtain and validate the data submitted in "Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report".
- Review of updates in connection with the identification and involvement of stakeholders throughout the period by analyzing in-house information and third party reports available.
- Ensure that the content of the 2009 Corporate Social Responsibility Report does not contradict in any manner significant information reported by Banesco Banco Universal, C.A.
- Analysis and verification that the indicators provided by Banesco Banco Universal, C.A. consider the aspects suggested by (GRI) in the Sustainability Reporting Guidelines and Financial Services Sector Supplement RG version 3.0/ FSSS final version, and assure the importance of the information presented in regard to the Bank's situation.
- Analysis of the scope, relevance, and reliability of the information contained in the 2009 Corporate Social Responsibility Report, based on Banesco Banco Universal, C.A. understanding of the requirements of stakeholders regarding material aspects described in "The External Aspect of Our Social Responsibility Program" section.
- A verification process, throughout verification tests based on the selection of a sample of the calculation of quantitative and qualitative indicators included in "**Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report**", corresponding to the year ending in December 31, 2009 and its appropriate compilation from the data provided by the Bank's information sources.
- Review through the analysis of the submitted internal information on updates carried out by the interested parties throughout the year regarding identification, collecting information, and existing relationships.

Conclusions

Based on the obtained results, from applying the procedures described in the "**Verification Standards and Procedures**" section, agreed upon with the Bank's management, in order to review Performance Indicators of year 2009, provided by the Bank to be reviewed and included in "**Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report**", no significant deviations or omissions have been found in the reviewed information, and nothing different from the information contained in Appendix I and II, attached hereto, has been found that would suggest the "Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report" has not been prepared based on the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines and Financial Services Sector Supplement RG version 3.0/ FSSS final version, with GRI Application Level **A+**.



Recommendations

Additionally, we have presented to the Vice Presidency of Communications and Social Matters of **Banesco Banco Universal, C.A.**, our recommendations on areas to improve to consolidate processes, programs, and systems in connection with the Bank's Social Responsibility performance. The main recommendation is to:

- Improve the reporting system of data to be disclosed in the Social Responsibility Report, particularly that of environmental performance indicators in order to be able to define global specific goals that can be regularly measured.

DE LA VEGA, MÁRQUEZ, PERDOMO & ASOCIADOS
(HORWATH VENEZUELA)

A handwritten signature in blue ink, appearing to read "Samuel A. Márquez T.", written over a faint circular stamp.

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

March 23, 2011
Bane031147

Anexo I

Performance Indicators

Banesco Banco Universal C.A.

ECONOMIC PERFORMANCE

GRI Indicators / Version G3

Aspect: Economic Performance

EC1 Direct economic value generated and distributed, including revenues, operating cost, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.

Principal Verified 9 – 10

EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change.

Principal Partially Verified(1) 100

EC3 Coverage of the organization's defined benefit plan obligations.

Principal Verified 41, 43-45

EC4 Significant financial assistance received from government.

Principal (2)

Aspect: Market Presence

EC5 Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.

Additional Verified 10, 29

EC6 Policy, practices, and proportion of spending on locally based suppliers at significant locations operation.

Principal Partially Verified(3) 105 – 108

EC7 Procedures for local hiring and proportion of senior managements hired from the local community at significant locations of operation.

Principal Verified 31

Aspect: Indirect Economic Impacts

EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.

Principal Verified 51 – 53

EC9 Understanding and describing significant indirect economic impacts, including the extent of impacts.

Additional Verified 54 – 61

ENVIRONMENT

GRI Indicators / Version G3

Aspect: Materials

EN1 Materials used by weight or volume.

Principal Partially Verified(4) 101

EN2 Percentage of materials used that are recycled input materials.

Principal (5) 101 – 102

Aspect: Energy

EN3 Direct energy consumption by primary source.

Principal Partially Verified(6) 101

EN4 Indirect energy consumption by primary source.

Principal Partially Verified(7) 101

EN5 Energy saved due to conservation y and efficiency improvements.

Additional Partially Verified 100 – 104

EN6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.

Additional Partially Verified 100 – 104

EN7 Initiatives to reduce indirect energy consumption and reductions achieved.

Additional Partially Verified 100 – 104

Aspect: Water

EN8 Total water withdrawal by source.

Principal Partially Verified(8) 101

EN9 Water sources significantly affected by withdrawal of water.

Additional (9)

EN10 Percentage and total volume of water recycled and reused.

Additional Partially Verified 101

Aspect: Biodiversity

EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.

Principal (10)

Performance Indicators

Banesco Banco Universal C.A.

	Indicator	Verification	Pages
EN12 Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Principal	(11)	
EN13 Habitats protected or restored.	Additional	(11)	
EN14 Strategies, current actions, and future plants for managing impacts on biodiversity.	Additional	(11)	
EN15 Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Additional	(11)	
Aspect: Emissions, Effluents, and Waste			
EN16 Total direct and indirect greenhouse gas emissions by weight.	Principal	(1)	
EN17 Other relevant indirect greenhouse gas emissions by weight.	Principal	(12)	
EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved.	Additional	Partially Verified	101
EN19 Emission of ozone depleting substances by weight.	Principal	(12)	
EN20 NO _x , SO _x and other significant air emissions by type and weight.	Principal	(12)	
EN21 Total water discharge by quality and destination.	Principal	(12)	
EN22 Total weight of waste by type and disposal method.	Principal	Partially Verified(13)	103
EN23 Total number and volume of significant spills.	Principal	(12)	
EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of Basel Convention Annex I, II, III and VIII, and percentage of transported waste shipped internationally.	Additional	(12)	
EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Additional	(12)	
Aspect: Products y Services			
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Principal	Partially Verified(14)	102 – 104
EN27 Percentage of products sold and their packaging materials that are reclaimed by category.	Principal	(15)	
Aspect: Compliance			
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Principal	Verified	104
Aspect: Transport			
EN29 Significant environmental impact of transporting products and other goods and materials used for organization's operations, and transporting members of workforce.	Additional	Partially Verified	102 – 104
Aspect: Overall			
EN30 Total environmental protection expenditures and investments by type.	Additional	Partially Verified	101 – 102
LABOR PRACTICES AND DECENT WORK			
GRI Indicators / Version G3			
Aspect: Employment			
LA1 Total workforce by employment type, employment contract, and region.	Principal	Verified	30
LA2 Total number and rate of employee turnover by age group, gender, and region.	Principal	Partially Verified(16)	30 – 31
LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Additional	Verified	41 – 45

Performance Indicators

Banesco Banco Universal C.A.

	Indicator	Verification	Pages
Aspect: Labor / Management Relations			
LA4 Percentage of employees covered by collective bargaining agreements.	Principal	Verified	39 – 40
LA5 Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Principal	Verified	31, 39
Aspect: Occupational Health and Safety			
LA6 Percentage of total workforce represented in formal joint management-worker health, and safety committees that help monitor and advise on occupational health and safety programs.	Additional	Verified	38 – 39, 42
LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Principal	Verified	38
LA8 Education, training, counseling, prevention and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Principal	Verified	38 – 39
LA9 Health and safety topics covered in formal agreements with trade unions.	Additional	Verified	39
Aspect: Training and Education			
LA10 Average hours of training per year per employee by employee category.	Principal	Verified	33
LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Additional	Verified	35 – 37
LA12 Percentage of employees receiving regular performance and career developments reviews.	Additional	Verified	31
Aspect: Diversity and Equal Opportunity			
LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Principal	Verified	29 – 30
LA14 Ratio of basic salary of men to women by employee category.	Principal	Verified	40
HUMAN RIGHTS			
GRI Indicators / Version G3			
Aspect: Investment and Procurement Practices			
HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Principal	(17)	
HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Principal	Partially Verified(18)	109
HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Additional	Verified	36
Aspect: Non - Discrimination			
HR4 Total numbers of incidents of discrimination and actions taken.	Principal	Verified	40 – 41
Aspect: Freedom of Association and Collective Bargaining			
HR5 Operation identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Principal	Verified	39 – 40
Aspect: Child Labor			
HR6 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Principal	Verified	41

Performance Indicators

Banesco Banco Universal C.A.

	Indicator	Verification	Pages
Aspect: Forced and Compulsory Labor			
HR7 Operations identified as having significant risk for incidents of forced or compulsory labor; and measures taken to contribute to the elimination of forced or compulsory labor.	Principal	Verified	41
Aspect: Security Practices			
HR8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Additional	Verified	36
Aspect: Indigenous Rights			
HR9 Total number of incidents of violations involving rights of indigenous people and actions taken.	Additional	(19)	
SOCIETY			
GRI Indicators / Version G3			
Aspect: Community			
SO1 Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and existing.	Principal	Verified	51 – 53
Aspect: Corruption			
SO2 Percentage and total number of business units analyzed for risk related to corruption.	Principal	Partially Verified(20)	20
SO3 Percentage of employees trained in organization's anti-corruption policies and procedures.	Principal	Verified	35
SO4 Actions taken in response to incidents of corruption.	Principal	Verified	40
Aspect: Public Policy			
SO5 Public policy positions and participation in public policy development and lobbying.	Principal	Verified	22 – 23
SO6 Total value of financial and in-kind contribution to political parties, politicians, and related institutions by country.	Additional	(21)	
Aspect: Anti-Competitive Behavior			
SO7 Total number of legal actions for anti-competitive behavior; anti-trust, and monopoly practices and their outcomes.	Additional	Verified	114
Aspect: Compliance			
SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Principal	Verified	114
PRODUCT RESPONSIBILITY			
GRI Indicators / Version G3			
Aspect: Customer Health and Safety			
PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Principal	Partially Verified(22)	82, 85 – 87
PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services, by type of outcomes.	Additional	Verified	89 – 90

Performance Indicators

Banesco Banco Universal C.A.

	Indicator	Verification	Pages
Aspect: Products and Services Labeling			
PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Principal	Partially Verified(23)	89 – 90
PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Additional	Verified	87 – 90
PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Additional	Verified	85 – 87, 97
Aspect: Marketing Communications			
PR6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Principal	Verified	89 – 90
PR7 Total number of incidents of non-compliance regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	Additional	Verified	89 – 90
Aspect: Customer Privacy			
PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Additional	Verified	89, 114
Aspect: Compliance			
PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provisions and use of products and services.	Principal	Verified	114

Pages: Indicator location within Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report.

- (1) The financial consequences of the climate change and the opportunities that it would bring to the Bank have not been systematically identified. This information is expected to be included in the 2012 report.
- (2) During the period covered in this report, no Government financial aids were recorded.
- (3) The total spending on suppliers is presented. The system restructuring has prevented establishing the amount and percentage for each locally-based supplier. This information will be available in the 2011 report.
- (4) We have no systematic procedure in effect to calculate the weight or volume of all the materials used in the Bank. We will work on establishing this procedure. This information is expected to be included in the 2012 report.
- (5) The organization does not use recycled input materials. A furniture, computer and toner donation program is set to give them new use.
- (6) The Organization uses energy from the urban network. The energy generated by diesel power plants is used only in the event of a voltage dip in the urban network.
- (7) In the city of Caracas and the rest of the country, the main source of energy is the hydroelectric power plants. There is also gas or carbon-operated thermal plants; however, it is not possible to determine which source supplies power to the city network at a given moment.
- (8) As of 2009, the figures of total water withdrawn from the municipal network had not been consolidated. This information will be included in the 2010 report.
- (9) All the agencies of the Organization are located in urban lands. Therefore, both the withdrawal and discharge of water is done through the urban networks.
- (10) All the agencies of the Organization are located in urban lands. Therefore, they do not affect protected natural areas or high biodiversity value areas.
- (11) All the agencies of the Organization are located in urban lands. Therefore, they have no impact on protected or restored areas.
- (12) The activities of the Organization do not generate significant emissions or spills of hazardous substances.
- (13) We have not implemented a systematic procedure to calculate the weight or

volume of all the waste generated in the Bank. We will work on establishing this procedure to be able to include this information in the 2012 report.

- (14) We have not determined the extent of environmental impact mitigation as a result of adopted mitigation initiatives. We will work on an estimate to include this indicator in a future report.
- (15) The activities of the Organization do not generate products recoverable at the end of their useful life.
- (16) Until 2009, our Human Resources Department did not classify employee turnover by gender, age, and region. This data will be available in our 2010 report.
- (17) The Bank has not included human rights clauses in its investment agreements, neither agreement have undergone human rights screening. This information is expected to be included in the 2012 report.
- (18) In 2010, we will require our most significant suppliers to sign a new clause where they undertake to comply the Global Compact Principles. Since this practice has not been implemented yet, to date there is no assessment of the agreements with suppliers including human rights clauses. This information should be available in the 2011 report.
- (19) The activities of the Organization are carried out in areas that do not compromise the indigenous rights.
- (20) In 2009, all the points of attention were reviewed, as well as 40 central administrative areas. The percentage of these 40 areas that corresponds to the Bank will be indicated in the 2010 report.
- (21) The organization does not make this type of contributions.
- (22) We take into account the safety and privacy of the clients of all our products and services; however, we have no systematic procedure to collect data as provided for by this indicator. We will work on establishing this procedure to report it in full in 2012.
- (23) We strictly comply the standards and procedures in effect for the design of all our products and services; however, we have not implemented a procedure that allows establishing a percentage as provided for by this indicator. We will work on establishing this procedure, and this information is expected to be included in the 2012 report.

Verified: Verification of both quantitative and qualitative data from information reported by the Vice Presidency of Communication and Corporate Social Responsibility, as well as statistics of the different areas of the Bank disclosed in this "Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report" regarding the performance indicators of the Global Reporting Initiative (GRI) RG Sustainability Reporting Guidelines and Financial Services Sector Supplement, version 3.0 / FS55 Final Version.

Partially Verified: It was not possible to verify all information disclosed in this "Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report" regarding the performance indicators of the Global Reporting Initiative (GRI) RG Sustainability Reporting Guidelines and Financial Services Sector Supplement RG version 3.0 / FS55 final version.

Appendix II

FINANCIAL SERVICES SECTOR-SPECIFIC
PRODUCT AND SERVICE IMPACT PERFORMANCE
INDICATORS

	Indicator	Verification	Pages
Aspect: Product Portfolio			
FS6 Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector.	Principal	Verified	75, 93
FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	Principal	Verified	94 – 95
FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	Principal	(24)	
Aspect: Audit			
FS9 Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	Principal	(25)	
Aspect: Active Ownership			
FS10 Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues.	Principal	Partially Verified(26)	109
FS11 Percentage of assets subject to positive and negative environmental or social screening.	Principal	(25)	
FS12 Voting policy (ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting.	Principal	Partially Verified(27)	23 – 24
FINANCIAL SERVICES SECTOR-SPECIFIC SOCIETY PERFORMANCE INDICATORS			
Aspect: Community			
FS13 Access points in low-populated or economically disadvantaged areas by type.	Principal	Verified	67, 92
FS14 Initiatives to improve access to financial services for disadvantaged people.	Principal	Verified	91 – 93
FINANCIAL SERVICES SECTOR-SPECIFIC PRODUCT RESPONSABILITY PERFORMANCE INDICATORS			
Aspect: Product and Service Labeling			
FS16 Initiatives to enhance financial literacy by type of beneficiary.	Principal	Verified	84, 91 – 92, 95

Pages: Indicator location within Banesco Banco Universal C.A. 2009 Corporate Social Responsibility Report

(24) The Bank does not offer this type of services yet.

(25) The assets of the Bank are not currently subject to this type of screening.

(26) In 2010, we will require our most significant suppliers to sign a new clause where they undertake to comply the Global Compact Principles. As subscribers of this Pact, we will extend its application to the main companies in our portfolio at a

medium term. This will be reported in the future.

(27) We take into account social and environmental issues in all our activities; however, in the entities where the Bank holds the right to vote or advises on voting, there are no formal voting policies regarding these issues.

Verified: Verification of both quantitative and qualitative data from information reported by the Vice Presidency of Communication and Corporate Social Responsibility, as well as statistics of the different areas of the Bank disclosed in this "Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report" regarding the performance indicators of the Global Reporting Initiative (GRI) RG Sustainability Reporting Guidelines and Financial Services Sector Supplement, version 3.0 / FSSS Final Version.

Partially Verified: It was not possible to verify all information disclosed in this "Banesco Banco Universal, C.A. 2009 Corporate Social Responsibility Report" regarding the performance indicators of the Global Reporting Initiative (GRI) RG Sustainability Reporting Guidelines and Financial Services Sector Supplement RG version 3.0/ FSSS final version.

Banesco Social Action by Region in 2009 (Bs)



I. CAPITAL REGION

Apoye Civil Assoc.	58,030.00
Casas Don Bosco Network, Civil A.	530,000.00
ABC Prodein (School at Santa Maná Petare- CISAMA)	25,000.00
CERSE	22,400.00
Administradora	5,600.00
Fray Luis de León, C.A.	
Baruta Municipality Mayorality, Miranda state	309,108.00
Sucre Municipality Mayorality, Miranda state	1,927,295.00
Alvarez, Gamus & Padrón Lawyers	14,089.60
"Siempre Amigos" Civil Assoc.	85,451.00
Salesian Women Assoc.	250,000.00
Serviam Assoc., Former Students of the Merici Academy	15,000.00
Venezuelan Assoc. for Down Syndrome	15,000.00
Venezuelan-American Association for Friendship	60,000.00
Asoden, Los Campitos (priv. school)	3,000.00
Asunto Público	24,125.00
AVESAMAR	2,000.00
BID & Co. Editor	45,000.00
Construction Chamber	28,000.00
Capital Market Finance	9,000.00
National Center for Competitiveness	7,224.00
Journalists National Guild	50,000.00
San Ignacio Private School	5,000.00
Venezuelan Episcopal Conference	50,000.00
Colinas de Bello Monte	14,475.00
Community Council, Caracas	
Libros Marcados, Publishing House	22,575.60
Tomás Vicente González School	320.00
Fesnojiv	1,637,000.00
Foco Sustentable	16,212.00
Foros de Formación Profesional (Evenpro)	16,500.00
FUDEP	15,066.00
Friends of the Elder Foundation	4,788.00
Friends of the Child with Cancer Foundation	100,567.00
ArtessanoGroup Foundation	28,880.00
Cardioamigos Foundation	15,000.00

Foundation for the Assistance to the Family, Children and Adolescents (Fundafana)	10,000.00
Metropolitan Sports Foundation (Fundemeca)	30,000.00
Gual y España Foundation	20,000.00
Mariano Picón Salas Foundation	10,000.00
The Children's Museum Foundation	3,000.00
"Paso a Paso" Foundation	9,405.00
Santo Domingo Foundation	115,760.00
Siembra de Venezuela Foundation	30,000.00
Trasnocho Cultural Foundation	15,392.00
Venezuelan Foundation Against Infantile Paralysis	200,000.00
Fundailusión	50,000.00
Fundana	191,078.57
Cyngular Editorial Group	257,600.00
I.Q. Historiadora	43,600.00
Baruta Police Autonomous Institute	5,000.00
University Institute for Public Relations (IUDERP)	4,905.00
Invecapi	32,115.00
Inversiones Europa	14,571.00
A Friendly Hand, Civil Assoc.	50,000.00
Individual	8,873.00
Individual	125,800.00
Individuals	6,000.00
Individuals (scholarships)	119,801.00
Provea	6,000.00
Rolando Peña	150,000.00
IPSFA Football selection	10,000.00
SenosAyuda	15,000.00
El Cuarteto, Civil Society	50,000.00
Andrés Bello Catholic University	278,960.00
Central University of Venezuela	5,000.00
Metropolitan University	155,263.00
Simón Bolívar University	344,009.65
Venamcham	8,423.00
Venezuela Without Boundaries	14,280.00
Total Bs.	7,836,542.42

2. MIDDLE-THE PLAINS REGION

C.A. Energía Eléctrica, Barquisimeto	5,000.00
Children Foundation, Guárico state	10,998.00

"El Niño Simón" Regional Foundation, Carabobo state	6,000.00
Gobernación del estado Carabobo	6,998.00
Total Bs.	28,996.00

3. WESTERN-ANDEAN REGION

Autonomous Institute of Nutrition, Mérida state.	2,847.00
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Los Andes University	48,735.90
Total Bs.	51,582.90

4. EASTERN-SOUTH REGION

Foundation for Margarita Social Development (Fundesmar)	380,000.00
Single Authority of Los Roques	1,000.00
Monagas state regional government.	8,457.00
Los Roques Scientific Foundation	20,000.00
Total Bs.	409,457.00

5. ZULIA-FALCÓN REGION

Savings and Social Prevision Fund of Zulia University Workers (Capreluz)	5,000.00
Social Prevision Foundation for the Nurse, Zulia state	202.00
Falcón State Regional Government	15,000.00
Zulia State Regional Government	108,030.00
Museum of Contemporary Art, Zulia state	57,140.00
UCAB Coro	15,900.00
Total Bs.	201,272.00

NATIONAL TERRITORY

Venezuelan Association for Catholic Education (AVEC)	1,315,375.00
Fe y Alegría - IUJO	1,481,640.00
Total Bs.	2,797,015.00



Statement GRI Application Level Check

GRI hereby states that **BANESCO BANCO UNIVERSAL** has presented its report "Informe de Responsabilidad Social Empresarial 2009" to GRI's Report Services which have concluded that the report fulfills the requirements of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

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

29 March 2011, Amsterdam

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The "+" has been added to this Application Level because BANESCO BANCO UNIVERSAL has submitted (part of) this report for external assurance. GRI accepts the reporter's own judgment for choosing its assurance Provider and for deciding the scope of the assurance.

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

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 23 December 2010. GRI explicitly excludes the statement being applied to any later changes to such material.

■ Survey

Please send your opinion about this report by fax (+58 212) 901-8356, or scan this page and send it to bertha_vivas@banesco.com. Thanks a lot!

Name: _____ Physical Address: _____
e-mail: _____ Telephone: _____

You are (Underline one of these answers):

- ☐ Stockholder ☐ Banesco Banco Universal Employee ☐ Customer ☐ Supplier ☐ Contractor
☐ Representative of the Authorities ☐ Other (please be specific): _____

1. What is your general impression about this report?

- ☐ Excellent ☐ Good ☐ So-So ☐ Negative

2. What is your opinion about the organization of the chapters included in this report?

- ☐ Excellent ☐ Appropriate ☐ Could Improve ☐ Inappropriate

If you wish, you can propose the modifications you deem necessary: _____

3. What is your specific opinion about each chapter? ☐ Excellent ☐ Good ☐ So-So ☐ Negative

Mission, Vision and Values	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Social Action in the Community	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N
Main Impacts, Risks and Opportunities	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Banesco Corporate Volunteers	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N
The Banesco Brand	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Our Customers	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N
Corporate Government	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Banesco Community Banking	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N
Our Stockholders	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Our Environmental Commitment	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N
Our Human Capital	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Our Suppliers	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N
Our Social Partners	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N	Our Commitment to the Authorities	<input type="checkbox"/> E <input type="checkbox"/> G <input type="checkbox"/> S <input type="checkbox"/> N

If you wish, you can propose the modifications you deem necessary: _____

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

- ☐ Excellent ☐ Appropriate ☐ Could Improve ☐ Inappropriate

If you wish, you can propose the modifications you deem necessary: _____

5. What do you think about the clarity of the tables and graphics displayed?

- ☐ Excellent ☐ Appropriate ☐ Could Improve ☐ Inappropriate

If you wish, you can propose the modifications you deem necessary: _____

6. In general terms, what do you think about the Corporate Social Responsibility actions developed by Banesco?

- ☐ Excellent ☐ Good ☐ Acceptable ☐ Poor

Explain, if you wish: _____

7. Do you see any personal benefit from the publication of Banesco's Corporate Social Responsibility Report? Which benefit do you see?

8. What is your opinion about the international certification granted to these reports?

- ☐ Very important ☐ Important ☐ Indifferent

9. Do you consider that Banesco accomplishes a satisfactory accountability to its stakeholders? Please explain.

10. Do you deem necessary to publish these reports on paper, or would it be enough to display them at the Internet?

- ☐ Printed ☐ Only in the Internet

