

2022

RESPONSIBILITY
AND CORPORATE
SUSTAINABILITY
REPORT



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Every citizen can verify that there is a historical correlation between progress and sensibility for human rights. For instance, it is relevant to state that, since 1948, which is the year in which the United Nations General Assembly proclaimed the Universal Declaration of Human Rights, interest, debate, and activism regarding the state of human rights have grown exponentially in a big part of the world. Despite the fact that concern and steps forward on the matter had been happening for a long time, that moment was a catalyzer that set forward a huge mechanism that has gradually gained ground for the fight for human rights.

When I say mechanism, I do not refer only to the creation and development of organizations specialized in the defense and promotion of Human Rights, or the laws that have been approved in hundreds of countries to defend them and punish those who violate them, of the meaningful public debates that have arisen from painful and emblematic cases. It is, perhaps, even more important than what was previously stated that Human Rights have found a more cemented spot in the dominant mentality of our times. The times in which they were a subject for the specialists are behind. Human Rights have become an inevitable presence in the global conversation, both at a public or private level, and, as anyone could attest, they



JUAN CARLOS ESCOTET RODRÍGUEZ CHAIRMAN OF THE BOARD OF DIRECTORS

are a constant and overwhelming subject in social networks and media

The Global Reporting Initiative has announced that, from 2022, the diligence of companies that favor Human Rights are deepened and reported in a transversal way in all the areas of the organizations. In Banesco, we celebrate this new way of analyzing such a crucial category as a sign of these times. In February 2009, our Directive Board approved the creation of our first "Banesco Citizen Code of Ethics and Conduct". This is a document drafted in 12 chapters and 51 articles.

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

t was drafted keeping Human Rights, the compliance with the Law, the prevention and control of money laundry, and the permanent compliance with the Responsibility, Reliability, Quality and Innovation practices, which are Banesco's corporate values, in mind. This first code, which was perfected in 2016, is still in force today. Overtime, all the different elements of the Code have been incorporated in the everyday functioning of our organization. They have become predominant factors of our Culture.

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Just like in previous years, the number of matters included in this report is broad and, in a way, it shows the totality of our operations. There is a series of information that show the continuity and deepening of our programs. They also show the Sistema city and discipline we include in our work, in order to prevent that the execution of our duties from being weakened by the routine or time.

There is another group of facts and figures that showcase the great ability of our organization to adapt to new realities and to seize the opportunities that present themselves, in order to design and further new projects.

Therefore, I would like to highlight that, due to the restrictions that the COVID-19 pandemic brought about, 2022 was a year in which we had to revise our business model, the services,

and the products that we offer to our clients, as well as the way in which Banesco will further and innovate its commitment to digital transformation, which will be very important for the coming years.

During the last trimester, we incorporated the social risks included in the United Nations Guiding Principles on Business and Human Rights, issued in 2011 to our vision of Risk Management. This document, which deserves more dissemination than it has gotten so far, highlights the responsibility that companies have with regards to the protection of Human Rights, independently of whether the States do it or not. In other words, this is our responsibility which is additional to the mere fulfillment of laws, regardless of context and whatever may be the country where a company operates.

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The 2022 report shows the improvements we have made regarding the structure and effectiveness of our Corporate Governance. For instance, we have reduced the number of committees to improve our agility and give more timely decisions. It also gives an account of our awareness campaign regarding the Sustainable Development Goals, which is a task that we must continue on a long-term basis. In a more situational level, it showcases our careful efforts to return progressively to in-person work, avoiding risks to the health of our work teams.

Simultaneously, the balance of our actions in favor of our Social Partners showed important figures again: more than 27 million bolivars were invested in community projects, as well as projects of our collaborators and their families. The external action was executed through 41 projects managed by 27 social organizations. Three of the most satisfying programs of the last few years, Participatory Budget, The Micro-Entrepreneurship training program, and Corporate Volunteering, kept on giving our organization more than satisfactory results.

I would like to finish this brief introduction of our social report for 2022 by reminding you of the full relevance of the realities that we have boldly and responsively worked on for over 30 years: we are still focused on improving our indicators of quality of service, our vocation of being a leading brand in credit intermediation is intact, we keep on investing on the updating and training of our collaborators, we do not grow apart from our historical purpose, which is to be an organization that, aside from giving financial services, is a progress and well-being factor for the Venezuelan nation.

Juan Carlos Escotet Rodríguez

CHAIRMAN OF THE BOARD OF DIRECTORS BANESCO BANCO UNIVERSAL







PROFILE OF THE **ORGANIZATION** MISSION, VISION AND VALUES

Banesco Banco Universal, C.A., is an institution of integral financial services with 100% Venezuelan capital. Its headquarters is Ciudad Banesco, which is located in Colinas de Bello Monte, Caracas, Venezuela.

MISSION

COMPREHENSIVE AND INNOVATIVE FINANCIAL SERVICES

- We are an organization of comprehensive financial services aiming at knowing the needs of our clients and meeting them through relationships based on mutual trust, easy and secure access, and excellence in quality of service.
- We combine tradition and innovation with the best human talent and advanced technology, and we work to offer a better customer experience.
- We are committed to the well-being of our community, develop win-win relationships with our suppliers and employees, and optimize shareholder returns.

We have physical and digital channels through which we offer our financial products and services to individuals and legal entities throughout the country.

VISION

INNOVATION AND EFFICIENCY WITH HUMAN SENSE

- To be leaders in customer experience: This means providing attention and personalized services models, which are comprehensive, simple, fast, and reliable through the best Omnichannel network in the country.
- To be pioneers in innovation: To become so acquainted with our customers' needs and habits that we end up anticipating their requirements with innovative, technologically integrated products, services, and channels that result in a better life quality.
- To be an example of Human Sense: To continue to prepare the best human talent to promote a balance between profitability and human quality, leaving a mark of the highest standards of quality and performance.





With innovation, efficiency and human sense, we support the premise of being with our clients. That is the meaning of our With You





PROFILE
OF THE
ORGANIZATION

RESPONSIBILITY

- We fulfill our commitments to customers, teams, and society.
- We behave according to each of our statements.
- We keep focused until we ensure that we have met the clients' expectations.
- We respect valuable ideas, even if they are different from our own.

RELIABILITY

- We defend the interests of our clients and the organization above our own.
- We act with generosity, considering the impact of our decisions and prioritizing collaborative work.
- We speak openly about risks and limitations; we acknowledge and own up to our mistakes.

QUALITY

- We work with passion on providing the best solutions for our clients, making the best use of time and resources.
- We have agile, simple, and scalable processes that allow us to do things right from the beginning.
- We share best practices and question ourselves.

INNOVATION

- We encourage entrepreneurship and experimentation from the simplest things; we are tolerant of mistakes and learn from them.
- We are building a vision of future and transversality for our organization.
- We know the best technological and non-technological solutions and incorporate them in a timely and efficient manner.



BANKING SYSTEM

According to information published by the Superintendency of Banking Sector Institutions (SUDEBAN), the Venezuelan financial system closed 2022 with 26 banking institutions, 20 private and 6 public. During this period, the national banking system had 2,587 offices, 33,838 workers, 2,352 ATMs throughout the country, and 401,624 points of sale.

The institutions that make up the financial system have shown great resilience in a difficult business context in the last few years, which was characterized not only by important economic contractions, but by the continuation of restrictive policies that hinder their performance in their intermediation management, which is their main purpose. Furthermore, they saw themselves in the need to speed up the digital transformation process that was

already happening in Venezuela because of the COVID-19 pandemic, as well as investment plans and resources that this entailed. This was achieved, for the satisfaction of the banking users, the regulating entities, and other stakeholders, keeping a continuity in the business at all times.

These efforts were reflected in the evolution of the Gross Added Value of the Financial and Insurance Activities in 2022, which presented a growth of 21.80% from January to September, which is higher than that of the non-oil-related activities as a whole (14.49%).

These results reaffirm the importance of banking as an essential ally for the greater dynamism of the productive system, which has gotten very positive management indicators, such as interannual growth of the credit



PROFILE OF THE **ORGANIZATION**

portfolio (759.19%) as well as the increase of deposits from clients (365.77%), the decrease debt rate (0.46%) and a higher credit intermediation ratio (27.55%)

The total assets of the financial system experimented a growth of 336.51% in 2022, reaching VED 130.42 billion at the end of that year.

It can be argued that the baking market's management has been successful. We have faced the many challenges that we have encountered fully and we have obtained a net benefit of VED 2.76 billion in 2022, a Return on Assets (ROA) of 5.23% and on Average Equity (ROE) of 27.83%, thus improving both indicators notably, due to the flexibilization of certain measures that kept affecting our performance.

BANESCO BANCO UNIVERSAL, C.A.

The total assets of the Bank reached the VED 7.51 billion in December 2022, with an annual variation of VED 6.26 billion (502.0%) and a semestral variation of VED 5.40 billion (255.6%) which could be attributed mainly to higher liquid assets (+523.7% vs December 2021). This balance was of VED 4.08 billion (4.3%) of assets, dude to the reserve requirement, followed in rank by the net credit portfolio (26.1% of assets), which is 5.9% higher than during the same period of the previous year (20.2%).



In 2022, an important growth amounting to 676.6% (VED 1.7 billion) was obtained in our net portfolio. This made us reach the third spot in the financial system, with a total of VED 2.00 billion and a market share of 15.15%, with the settlement of 7,704 loans during the entire year.

We always keep in mind the needs of our clients. We are the leading bank in the market for automobile loans, credit cards, and agricultural loans, with a share of 45.30%, 27.40% and 22.08% respectively.

We also ranked as the second institution in mortgage loans (6.94% of shares) followed by our commercial portfolio (14.07%) and microcredits (9.79%). We ranked third in both.

We kept an excellent portfolio with a very low level of delayed payments (0.0036%), a wide coverage for non-accrual loans (61,067.57%), above the market's average (636.97%), which contributed to an intermediation ratio of 45.18%, which is higher than average in 17.63%.

We were preferred by almost 4 million clients. We had a balance of deposits of clients of VED 4.33 billion (+417.2% vs December 2021), and a share of 9.31%.

It is convenient to highlight the important asset strengthening we have had last year. We ended the period with VED 2.03 billion, Equity Adequacy ratio of 39.85% and Capital Adequacy Ratio of 64.70%, exceeding by far the levels required by law in both cases.

The Income Statement of Banesco Banco Universal, C.A, gathered, in the entirety of 2022, a net income of VED 364.6 million. This is in accordance with a better performance in the general economy, as well as more adequate conditions to exercise our intermediating work. This led to an important increase in the loans given, and therefore, more income due to credit transactions; as well as excellent management indicators, highlighting the maintenance of a higher level of liquidity (94.1%) than average within the market, as well as a Return on Assets (ROA) of 12.9% and on Average Equity (ROE) of 82.1%.



PROFILE
OF THE
ORGANIZATION

FINANCIAL SUMMARY 2022

(Stated in Million VED.)	First Half 2021	Second Half 2021	First Half 2022	Second Half 2022
Total Assets	722.7	1,247.7	2,112.2	7,510.3
Liquid Assets	374.5	653.7	1,241.3	4,077.4
Security Investments	49,7	63.6	78.7	265.1
▶ Net Credit Portfolio	125.8	251.8	388.7	1,957.4
Gross Credit Portfolio	128.7	257.7	407.8	2,001.4
Deposits from clients	380.3	837.6	1,548.1	4,332.2
Total Equity	140.7	104.5	189.1	2,025.1
Net Income	33.1	14.0	31.0	333.6
Ratios (%)				

Ratios (%)				
Credit Portfolio Provisions / Gross Loan Portfolio	37,766,709.7	897,866.7	133,763.0	61,097.6
Non-Accrual Loans / Gross Loan Portfolio	0.0	0.0	0.0	0.0
▶ Net Result / Average Assets *	14.4	6.6	3.9	12.9
▶ Net Income /Average Equity *	61.9	39.4	61.0	82.1
▶ Liquidity	98.5	78.1	80.2	94.1

^{*} Annual Percentages









anesco Banco Universal maintained its Dexcellent performance despite the restrictions due to the Covid-19 pandemic. The changes and new working pattern led us to revisit the business model, the customer experience, and the digital transformation.

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

COMPREHENSIVE RISK MANAGEMENT MODEL

The comprehensive risk management model is based on the guidelines proposed by international standards and are implemented locally to ensure compliance with the related legislation, as well as a solid risk culture, adequate structure and business models, processes and tools that allow for the development of our activities in a strategic framework based on risk administration and management policies as defined by the Corporate Governance in an everchanging economic context, such as the Venezuelan Context.

CORPORATE RISK MANAGEMENT

The Comprehensive Risk Administration Function of Banesco Banco Universal, C.A. plays a crucial role around which the rest of the functions ought to be structured. This implies that all the areas should be involved directly and indirectly with the identification, assessment, measurement, and follow-up of the risks. Therefore, the organizational structure of the institution ought to be in total sync with this function.

The structure of Corporate Risk Governance of Banesco Banco Universal, C.A. includes the definition of clear responsibilities and objectives, and starts from the inclusion of the Bank's Board of Directors as the main authority for the approval of the risk management model regarding the periodic updating of the risk appetite level, the adaptation of methodologies, procedures and tools for risk management in the face of changes in the economic, financial, and legal environment, as well as the strengthening of the risk culture. It also fulfills the functions of global risk supervisor by monitoring results and defining action plans in line with the Bank's risk appetite levels.

The Comprehensive Risk Administration is carried out through a structure that has strategic and operational responsibilities, which allow for an easy global management of all the risks taken in any activity or area of the institution.

The Strategic Structure of Banesco Banco Universal is responsible for the revision and approval of the strategies, policies and methodologies for the assessment of risks regarding credits, market, interest rates, liquidity,



operations, the law, and our reputation; as well as ensuring that the resource allocation is adequate for the implementation of comprehensive risk management in the institution.

This structure is made up of the Board of Directors, the Risk Committee, and the Vice-Presidency of Comprehensive Risk Management (VPAIR), which takes over the role played by the Comprehensive Risk Management Unit (UAIR), in accordance with Resolution No. 136.03 "Rules for Adequate Integral Risk Management", issued by the Superintendency of Banking Sector Institution.

The Board of Directors appointed the Risk Committee as a collective body to comply with the responsibility of supervising the Bank's comprehensive risk management and the fulfillment of the functions of the Vice-Presidency of Comprehensive Risk Management, responsible for proposing to the Risk Committee and the Board of Directors the annual risk planning, policies, risk appetite levels, methodologies, tools and proceedings to address unforeseen changes in the economic and financial environment conditions or in a particular situation of the Bank. It is also responsible for implementing the approved risk framework and monitoring the results to ensure that the risk appetite level is met.

The highest responsible for the Risk area is the Vice-President of Comprehensive Risk Management, who is appointed by the Risk Committee and the Board of Directors, and is supported by a multidisciplinary team formed to manage credit, market and liquidity, operational, legal, reputational and legal risks.

RISK COMMITTEE

The risk committee is created by the Board of Directors of Banesco Banco Universal, C.A. and its general goal is to be responsible for the appropriate Comprehensive Risk Management regarding the challenges that the Institution may face. To achieve that, it will guarantee the existence of a system that includes goals, policies, and proceedings as well as the ability to identify, assess, measure, and monitor the risks, to support the Board of Directors in the achievement of its goals, starting by its strategic planning.

The Board of Directors

shall grant the Risk Committee all the faculties to exercise its functions regarding the Comprehensive Management of the Risks that Banesco Banco Universal C.A. might take. This committee shall meet at least monthly, and all its sessions and agreements shall be recorded in minutes that every one of the members ought to sign.

The committee shall be made up of at least two members of the Board of Directors and the President of the Bank, all of them shall have the right to speak up and vote. The person in charge of VPAIR, the Compliance Official for the Prevention of Money Laundry, Terrorism Financing, and Proliferation of Weapons of Mass Destruction, the Internal Auditor, and the executives in charge of the PAIR business areas related to risk taking shall have a right to speak up but not to vote. Likewise, external auditors can be summoned, when necessary.

During 2022, the Risk Committee met twelve times, and dealt with aspects such as the approval of risk methodologies, the monitoring of the main financial and operational indicators, modifications of the particular limits in products or services, the updating of manuals on market, liquidity, credit, and operational risks, the result of models (backtesting), among others.

On the other hand, the Operational Structure of Banesco Banco Universal, C.A. is in charge of carrying out the strategies, as well as proposing policies, proceedings, and qualitative and quantitative methodologies for the management of risks in each of the functional units of the institution. This structure is segmented into a main branch and a support branch.



The main function of the Operational Support Structure is the identification, evaluation, measurement, follow-up and communication of the risks inherent to the Bank's processes and products.

In order to achieve an effective comprehensive risk management, Banesco Banco Universal, C.A., the Board of Directors, the Risk Committee and the Vice-Presidency of Comprehensive Risk Management promote an effective culture of risk and control, which contributes to understanding the importance of risk management, as well as guaranteeing the existence of communication channels that allow constant feedback between the strategic and operational structures.

RISK APPETITE FRAMEWORK

The Bank is organized in three pillars: (1) **The determination of the risk appetite**, setting the levels and types of risk to be assumed, achieving thus a balance between the risk-return elements accepted by the shareholders. (2) **Acting proactively in risk management**, through the identification, review and constant monitoring of exposures and (3) **the provision of risk quantification methodologies**, adapted to the new demands of the environment for an effective monitoring of the risk appetite set.

The risk appetite is defined as the amount and type of risks that can prudently be assumed in the execution of the business strategies established by Banesco, even under unexpected circumstances. In establishing the risk appetite, adverse scenarios that could negatively affect the levels of capital, liquidity and profitability are taken into account.

A forward projection of the Risk Appetite Framework (RAF) variables is made under stress scenarios, in order to identify possible deviations from the established thresholds; in which case, appropriate actions are taken to ensure that such variables remain within the target risk profile.

The definition of the risk appetite is the responsibility of the Board of Directors and is linked to the business strategies set by the Bank. The risk appetite is expressed in qualitative terms and through limits, structured around 6 main axes:

1. COMPREHENSIVE RISK

- AEquity Absorption
- Risk Adjusted Return on Assets (RAROC)
- Solvency Ratio
- Risk Weighted Ratio
- Return on Equity (ROE)
- Return on Assets (ROA)
- Cost Efficiency

2. CREDIT RISK

- Non-performing loans
- Non-performing loans adjusted for write-offs
- Average NPL height
- Overall Portfolio Concentration Ratio
- Cost of Credit
- Concentration Top 20 LoansCréditos

3. MARKET AND LIQUIDITY RISK

- Structural Liquidity Ratio (RALE)
- Adjusted Structural Liquidity Ratio (RALEA)
- Public Funds Concentration Ratio (RACOCAP)
- Public Fundraising Gini
- Liquidity Gaps (Contractual, Expected and Stressed)
- Liquidity Coverage Ratio (LCR)
- Surplus Requirement Requirement
- Days of Default Legal Reserve Requirement
- Financial Cost Deficti

between Deposits

 Ratio of Banesco Reserve Requirement Coverage to System Coverage

4. OPERATIONAL AND LEGAL RISKS

- Initial Event Exposure
- Recovey Percentages
- Average Recovery Time
- Event penalties
- Fines, lawsuits and penalties by Human Capital, Finance and Legal
- Gap Closure Indicator
- Staff Turnover
- Succession Planning
- PC/LC/FT/FPADM Culture Index

5. REPUTATIONAL RISKS

- News in printed media
- Negative mentions in Social Networks
- Net Promoter Score (NPS)
- PC/LC/FT/FPADM Culture Index

6. TECHNOLOGICAL RISKS

- Global Internal and External Availability
- System Reliability
- Vulnerability Management, Patches and Antivirus



Each of the key metrics has three thresholds, ranging from business as usual to higher levels of impairment:

- **Goal:** Amount you are willing to accept in pursuit of the mission/vision.
- Alert: Acceptable level of variation in the results or actions related to the achievement or attainment of the goals.
- Limit: Maximum amount of risk we are able to bear in the pursuit of objectives.

Risk appetite limits are monitored on a regular basis, and the Vice-Presidency of Comprehensive Risk Management reports monthly to the Risk Committee and the Board of Directors on the risk profile and compliance with the limits.

CREDIT RISK

Credit risk is the possibility of losses occurring as a result of the failure of clients and/or counterparties to pay the stipulated contract.

The credit risk methodologies implemented are applied, on the one hand, to estimate regulatory capital through the Basel standard method. On the other hand, Banesco Banco Universal, C.A. has implemented the Behavior predictive statistical model to grant credit cards and loans, which considers a set of variables to assess the payment behavior of the Bank's clients, through

the estimation of probabilities of default (PD) to obtain risk ratings, which is periodically calibrated to adapt it to the most recent payment dynamics, to ensure that granting decisions are based on updated information.

For monthly monitoring, a set of key credit risk indicators, combined with the risk appetite levels approved by the Board of Directors, is estimated in order to measure the level of compliance with the Bank's objectives, and if any deviation is observed, early warnings are presented for the definition of action plans by the owners of the processes, allowing for the correction of the compliance gaps.

The most relevant indicators include bad debt expenses, delinquency, delinquency adjusted for write-offs, cost of credit,

Top 20 credit concentration, past-due balance,

portfolio concentrationi, past-due balance, portfolio concentration index, average portfolio delinquency height, 30-day delinquency ratio, weighted portfolio PI and loss given default (PDI).

In the second half of 2022, economic figures for the country's Gross Domestic Product (at constant prices) were released, registering growth of 17.45%, 23.30% and 13.22% in the first, second and third quarters of 2022, respectively, so that the January-September accumulated period closed with an increase of 17.73% with respect to the same period in 2021; however, this recovery was uneven in some economic sectors.



After the rebound of the world economy in 2021, as a result of the easing of lockdowns put in place to combat the COVID-19 pandemic, the records available for 2022 show a generalized slowdown on a global scale.

The appearance of other variants of the Coronavirus, as well as the emergence of the Russia-Ukraine conflict, triggered new alerts in the world economy, due to the persistence of supply chain disruptions and container shortages, rising energy prices, interest rates and rising inflation.



To respond to the circumstances generated by the pandemic in the current macroeconomic environment, we have strengthened the procedures for monitoring credit risk, supported by a set of strategies, an entrenched risk culture, a robust governance structure, and processes and tools, namely:

- A credit risk management model in which the roles and responsibilities of each of the areas involved are defined, with active participation of the Credit Risk Management in decision-making. In the granting of credit, an evaluation is made of criteria that determine the payment capacity for new crops, focused on economic sectors of greater development, and on those with a cash flow in foreign currency that allows honoring the contractual commitments acquired in the UVC (Credit Value Unit) credits, of greater demand in the capitals owed as the exchange rate deteriorates with the national currency.
- Generation of frequent and complete portfolio follow-up reports, which show the details of clients in terms of classification, economic group, business units, guarantees, past due balances, concentration levels, among others; there is also a weekly follow-up of clients with arrears of more than 15 days in order to manage efficiently and not impact the delinquency indicator.

- Close monitoring of sectors/clients supported by a clear segmentation of the same, in order to detect in time changes in the original characteristics of such credits, and to ensure the appropriate management of those in which there is a possibility of total or partial loss.
- Monitoring of the risk profile and the factors identified, through, inter alia, internal, competitor and market indicators, which make it possible to anticipate future developments.
- Regular monitoring of risk appetite and its metrics, in particular taking into account the performance of portfolios under moratorium and its effect on credit provisions.

Considering all of the above, the main credit risk metrics of Banesco Banco Universal, C.A., evolved as described as follows:

- Exposure to credit risk increased 766.09% with respect to the previous year, as a result of the increase in the exchange rate, which affects the revaluation of the loan portfolio.
- The NPL ratio ended 2022 at 0.0036%, slightly higher than the level observed in December 2021 (0.0003%), while the banking system reflected an average of 0.46%.
- The coverage ratio for the immobilized portfolio ended 2022 at 61,097.57%; the market, on the other hand, averaged 636.97%. The

cumulative cost of risk as of December 31, 2022 was 5.70% (256 basis points above the previous year).

MARKET RISK

Market risk is the likelihood of losses occurring in the value of the positions held (assets and liabilities) as a result of adverse movements in market variables (interest rates, exchange rates and prices, and security prices).

For market risk management, the Value at Risk (VaR) technique is applied, a statistical measure that estimates the maximum loss that a portfolio could register in a time interval and with a certain level of probability or confidence.

It can also be conceptualized as the maximum expected loss for a given investment position or portfolio, which is assumed not to change during the investment period in the event of a variation in the risk factors, during a defined time horizon and a given level of probability.

This measure summarizes the Bank's risk exposure and expresses it in monetary terms; in other words, it allows risk to be defined as follows: We are "X%" certain that no more than "VaR amount in monetary units" will be lost, in the next "N" days.

There are several methods for estimating VaR, and the Organization applies the Parametric Normal Delta and Monte Carlo Simulation,



based on the historical behavior of the price returns of the instruments comprising the investment portfolio, at a confidence level of 99%, both estimated on a daily basis.

Stressed VaR is also calculated in scenarios in which the volatility of the prices of the instruments in the Bank's portfolio increases by certain percentage points with respect to their historical record.

Market risk monitoring is applied through the monthly calculation of the VaR/Equity indicator in terms of the risk appetite for this metric. The exposure in relation to equity reached 0.49% at the current year-end, which represents a slight increase of 0.18 percentage points with respect to 2021. This low amount is mainly due to the regulations that prevent Venezuelan banks from making investments other than those issued by the Nation and its decentralized entities and to the limited supply of this type of instruments in recent years.

In order to measure the efficiency of VaR in terms of its capacity to estimate risk adequately, backtesting is applied, which is a process performed to confirm whether the VaR calculation is correct, compared with the observed profit and loss results.

This process is carried out through the application of several tests, such as the percentage of exceptions, which consists of counting how









many times the observed losses exceed the VaR; while the Kupiec test evaluates a null hypothesis, in which the proportion of exceptions is equal to the theoretically expected one; that is, if the number of real observed exceptions (three for each method), is close to the number of expected exceptions (between 2 and 3), thus placing them in the green (optimal) Basel zone.

At the end of the exercise, the contrast for the parametric model showed a correct performance of the model, remaining within the "green" zone (0-4 exceptions) and an average exception size of 1.62; while the Monte Carlo simulations yielded results in the Basel yellow zone and an average exception size of 1.95, allowing both models to be accepted, as has been the case every year.

Banesco Banco Universal C.A. estimates other metrics related to VaR. such as the Conditional Var (CVaR), which is the expected value of the magnitude of the portfolio loss conditioned to those days in which an exception occurs, i.e., when the loss exceeds the estimated VaR.

With respect to exchange rate risk management, in order to preserve capital ratios and provide stability to the income statement, a set of indicators of equity sensitivity to variations in this risk factor has been implemented and is constantly monitored.

Considering its composition, for the trust portfolio, counterparty risks are evaluated to estimate expected losses. On the one hand, to obtain ratings for the main financial institutions, the CAMEL method is applied based on the evaluation of financial and managerial soundness (when the portfolio has interbank operations); while for the evaluation of companies, there are two methods for estimating ratings, one obtained through the evaluation of companies that have previously been reviewed for credit granting through the Financial Administration System (SAFI), and another for companies that have not been evaluated by SAFI (when the portfolio consists of commercial paper).

In addition, **VaR** is estimated to predict the largest potential loss of the portfolio with a confidence level of 99% for National Public Debt **Securities**. The losses for the portfolio under various stressed scenarios are also estimated.

LIQUIDITY RISKS

Liquidity risk is the risk that is manifested by the inability of financial institutions to purchase or otherwise obtain the necessary funds, either by increasing liabilities or converting assets to meet their on- and off-balance sheet obligations when due, without incurring unacceptable losses.

Due to the local economic and financial environment, liquidity risk has taken preponderance for the monitoring and definition of plans for action and adjustments in line with the risk appetite. To cover these needs, the Bank has the application of the standards accepted by international convergences for the management and follow-up of liquidity risk.

One of the structures applied for measuring liquidity is based on the estimation of short and medium-term gaps, to evaluate the difference between the assets and liabilities of the Organization's balance sheet, in order to anticipate liquidity difficulties by estimating the availability and use of funds. This analysis is applied under three scenarios: the first, which is contractual and takes into account the behavior of cash flows, according to their specification contained in the contracts that support such operations, referring to amounts, maturities, rates, terms and other previously stipulated clauses. The second scenario is the expected scenario, which is constructed based



on the contractual scenario and simulating the cash flows, in accordance with the behavioral assumptions normally observed. The third is the stressed scenario, which is constructed taking into account the extreme behaviors that the projected cash flows may present, and is based on the contractual scenario and the expected scenario.

Furthermore, liquidity indicators are available, which are used to estimate the current liquidity structure of the balance sheet as an indicator to measure the Organization's exposure to liquidity risk, through the evaluation of the relationship between highly liquid assets and highly demandable liabilities in the different terms of analysis, using the liability volatility methodology for deposits without a contractual maturity date.

The Bank has a structure of indicators for monitoring aligned with the risk appetite, such as the 30-day accumulated liquidity gap, the liquidity coverage indicator, the structural liquidity ratio, the adjusted structural liquidity ratio, concentration of liabilities, excess of legal reserve between deposits and days of noncompliance with the legal reserve.

Within the liquidity management model, in recent years we have been incorporating indicators that allow us to generate early warnings of liquidity deterioration through the adoption of international best practices. During the first half of the year 2022, the Liquidity Coverage Ratio

(LCR), which reached 262% as of June 2022 and 387% as of December 31, 2022, and defined a relative appetite for this metric of 110%, was implemented, monitored and exceeded very comfortably the liquidity requirements established by international financial regulations.

Similarly, we incorporated the NSFR (Net Stable Funding Ratio), which is a structural measure aimed at fostering longer-term stability by encouraging banks to adequately manage their maturity mismatches by funding long-term assets with long-term liabilities.

Banesco Banco Universal, C.A., reflects NSFR ratio levels above 460% and 340% in total figures at the end of 2022.

In addition to the aforementioned structure, the Bank periodically updates the Liquidity Risk Contingency Plan (PCL), which establishes three types of contingencies: (i) Particular: situation affecting only the Institution; (ii) Systemic: general impact on the banking system; and (iii) Organic: generated by economic policies established by the monetary authorities. In order to identify the level of liquidity contingency in which the Bank finds itself, a set of regulatory, internal and market indicators is calculated and monitored, which allows establishing a criticality level based on predefined

limits and thresholds, thus generating an overall risk weighting, in order to determine the level of severity or alert, and with this, identify the type of liquidity contingency presented, in order to then implement the corresponding risk mitigation actions and communication plans.

This contingency plan helps mitigate the risks associated with the legal reserve measures (73% of deposits from the public) established by the Central Bank of Venezuela (BCV), which have been reflected in the rates and amounts in the overnight market, as well as the impact on fines for non-compliance with current regulations.

OPERATIONAL, LEGAL AND REPUTATIONAL RISKS

Operational risk is the probability of potential damages and losses caused by the forms of organization and the structure of its management processes, weaknesses in internal controls, errors in the processing of operations, security failures, non-existent or outdated business contingency plans, the potential for unexpected losses due to inadequate systems, administrative failures, external events, deficiencies in internal controls and information systems caused, among others, by human error, fraud, inability to respond in a timely manner or cause the interests of the financial institution to be compromised in one way or another.



Additionally, it covers the categories of Legal Risk (legal proceedings with root cause in operational risk) and Reputational Risk, such as negative opinion that may affect the Bank's image, both in illicit business transactions with clients, or deterioration of the image as a result of events that may affect the Bank's image.

The operational risk model is characterized by maintaining a focus on processes, it crosses the Bank transversally by evaluating the processes from start to finish. It is a continuous cycle of application to identify, evaluate and mitigate risk situations, and it is based on self-management by the owners of the processes; this means that risk management is not only the responsibility of the Risk area, but of all employees; therefore, in the development of daily work and exposure to the different risk factors faced, it is the responsibility of the owner of the process to be alert to know how to identify, control and report them.

Operational risk management is oriented towards the identification of root causes. to prevent their occurrence, and the mitigation of possible consequences, through the establishment of mitigation plans, whose evolution and compliance is monitored on a monthly basis and certified by Internal Audit (as a third line of defense), in order to minimize monetary and reputational losses, its impact on the recurring generation of

results, contributing to increase the quality and availability of services.

In addition, in line with best practices and recommendations, the Bank has procedures in place to collect materialized risks, both internal and external and with financial or non-financial impact (regardless of their amount), with the appropriate level of detail to enable an effective analysis that provides useful information for management.

During 2022, 307 events were managed with this approach, resulting in 74 risk mitigation strategies.



This statistical compilation is also used as input for the estimation of capital requirements through the operational risk VaR.

Banesco Banco Universal, C.A., has Comprehensive Risk Delegates, who are responsible for strengthening the risk framework approved in the areas they supervise, supporting the management of the risks assumed in the processes they execute, as well as informing the Vice-Presidency of Comprehensive Risk Management about loss events that may have materialized, in order to identify management strategies for the mitigation of future events that may generate losses to the Bank. Finally, since risks are present in all business and support areas and are related to all products, processes and systems, employees are responsible for managing the risks generated by their activities.

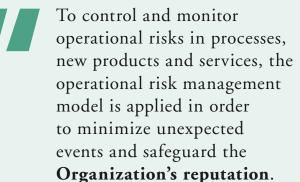
The operational risk model has three components:

- The determination of the operational risk profile, based on evaluating, anticipating and mitigating the potential operational risks and their impact on the business, using a variety of tools and approaches framed in the most demanding international standards, such as Basel, ISO 31000, COBIT and COSO.
- Promote synergy in the area of control and operational risk, through the Operational Risk Committee, which during the year 2022 met 189 times, resulting in the



inclusion of 627 strategies that were submitted for follow-up, for a total of 454 risks.

Promote and enhance our risk culture, the primary objective of which is to raise employee awareness of the importance of risk management in their daily functions, by sharing Newsletters, Wallpapers and Webinars, combined with training for Integrated Risk Officers (IRDs) and Master IRDs, in order to establish sound risk management disciplines as key factors to enable effective supervision and control that supports the long-term sustainability of the Institution.



During the year 2022 and as an action of continuous improvement in our processes, we managed the acquisition of a tool for the automation of the entire Risk Management and Compliance (GRC) process, which will provide a global vision of risk directly to those responsible, and will contribute to decision making in their processes. It is expected to be implemented in the second guarter of 2023...

With respect to legal risks, the Venezuelan banking sector is regulated, so it may be frequently involved in individual or collective legal proceedings arising from ordinary business activities.

It is difficult to predict the outcome of legal actions and proceedings, both those to which it is currently exposed and those that may arise in the future. To establish the amounts to be provisioned, three factors are taken into account: (i) the amount sued, which is maintained at historical values, unless there is a condemnatory decision for the Bank ordering its indexation; (ii) the probability of success, determined according to the factual and legal arguments used in the defense, the probability of obtaining or not, a judgment in favor of the Bank is evaluated; and (iii) the procedural stage in which the lawsuit is, which gives us an idea of the stage and status of the case and how much would be missing for a possible decision ending the process. The expected provision percentage in cases with a higher probability of loss is 10% of the amount demanded; however, it is adjusted depending on the stage of the lawsuit...

As of December 31, 2022, Banesco Banco Universal. C.A., has VED 1.3 million in provisions for the procedures it faces, of which VED 1.2 million correspond to civil and mercantile contingencies and VED 149 thousand to tax contingencies.

BUSINESS CONTINUITY

One of the main pillars that contributes to maintaining our operational resilience is Business Continuity management, aimed at preventing and/or anticipating partial or total disasters that could affect operational continuity due to human error or failure, damage to technological equipment, failure of physical infrastructure, non-compliance with regulations, natural, economic or social disasters, or limited human resources. The latter could include the COVID-19 pandemic, in the face of which the critical mission operation was maintained through the adoption of a business continuity plan, which establishes the strategies and procedures to be implemented by an interdisciplinary team that provides the required direction, support, equipment, methodologies and standards to ensure continuity in critical operations.

The main objectives of Business Continuity Management are summarized as follows:

- Reduce the Organization's vulnerability by maintaining and preserving technology services.
- Design prevention activities and recovery plans for critical technology services that support key business processes, at reasonable costs. Ensure the prompt recovery of critical IT services after an interruption of normal operations.



 Establish policies and procedures to avoid, to the extent possible, the eventual consequences of a disaster or force majeure.

By the end of 2022, we were able to perform 164 partial tests of critical services/applications according to the Business Impact Analysis, which allows us to clearly identify the entity's mission processes and analyze the level of impact in relation to business management. This allows exercising the Contingency

Plans, verifying the correct operation, the robustness of the technological platform and the logistics of simul-

taneous activation of the main critical services/ applications in the Alternate Data Processing Center (CPDA) of El Rosal, and thus continuing with the continuous improvement and updating of the Contingency Processes.

Also, in compliance with the best international and regulatory practices established by SUDEBAN, the Business Impact Analysis (BIA) was updated, thus making it possible to estimate the possible financial and operational impacts of critical business processes, estimate interruption times and consequently establish the optimum recovery time, this being the fundamental basis for the development of contingency plans that will make it possible to operationalize the actions, In the event of a disaster or unscheduled interruption of operations, where processes, people and means (areas, equipment and communications) are

available, so that the consequences of such events do not severely affect the operational continuity and therefore, the provision of critical services to internal and external clients, which generally translates into monetary losses, constituting the backbone of the business continuity exercise.

HUMAN RIGHTS RISK

By the end of 2022, we will incorporate social risks with an emphasis on the Human Rights principles enshrined in the United Nations (UN) in 2011, as part of its commitment to the risk management framework.



DUE DILIGENCE PROCESS

Banesco Banco Universal, C.A., in line with the United Nations Guiding Principles on Business and Human Rights, carried out during the last quarter of the year 2022, the definition of the human rights due diligence process in order to identify, prevent, mitigate and correct the possible impacts in this area.

In this phase, the human rights process was aligned with the current Operational Risk Management Model, so that the due diligence process is continuous and dynamic; in other words, from 2023 onwards, all operational risk assessment processes will include the identification of human rights risks, and mitigation plans will be established for those that are significant, whose evolution will be monitored on a monthly basis, in order to obtain certification from Internal Audit regarding compliance (as a third line of defense).

Additionally, during the year 2023, the first global identification and evaluation of this risk factor will be carried out within the framework of the following classifications:

- Employment conditions: fair hiring and wages, labor rights and relations, safety, health and welfare conditions in a suitable working environment.
- **Products:** Impact of lending activity on human rights.



- Suppliers: contracting conditions, supplier control and responsible purchasing policies.
- Client Welfare: accessibility, service, safety and respect.
- Transversal Issues: data protection and the impact of new technologies on human rights.

This first analysis will determine the effectiveness of the current measures and the incorporation of the strategies in the action plans, and its exhaustive follow-up will make it possible to improve the effectiveness in the coming years of the regulatory framework on human rights that applies to us as a financial institution and in accordance with the highest international standards.

DIALOGUE WITH STAKEHOLDERS, CLIENT AND EMPLOYEE CONSULTATION

For Banesco Banco Universal, C.A., dialogue with its stakeholders is fundamental, since communication is the basis of trust and transparency; it allows us to know their needs, problems, expectations and concerns, so that we can respond to them through different strategies that, in turn, contribute to the continuous improvement of the Organization, generating shared value.

DIRECT TANGIBLE VALUE

The Economic Value Generated (EVG) at the end of 2022 was VED 1.3 billion. Among the items that make up the EVG, 96.96% (VED 1.3 billion) corresponded to net interest income, while 0.06% came from net commissions.

TANGIBLE VALUE CREATION • BREAKDOWN BY STAKEHOLDER GROUP

THO	ITCA	NDC	OF	VED

Stakeholders	Value Indicator	2022	2021
Shareholders	Dividends ¹	21,875,700	2,829,322
Employees	Personnel Expenses ²	194,850,044	54,273,116
Clients	Interest and Similar Charges ³	68,678,444	16,940,079
Suppliers	Other General Administrative Expenses ⁴	612,303,803	154,046,629
Canintu	Taxes ⁵	242,957,140	55,366,409
Society	Funds Destined to Community Support ⁶	2,687,486	845,720



Freepik.es

- 1) Source: Managerial Shareholders Unit.
- Source: SUDEBAN. Estado de Resultados de Publicación o CONRP, Gastos de Transformación (Gastos de Personal Grupo 441).
- Source: SUDEBAN. Estado de Resultados de Publicación o CONRP, Gastos de Captaciones del Público (Gastos Financieros por Captaciones Grupo 411).
- 4) Source: SUDEBAN. Estado de Resultados de Publicación o CONRP, Gastos de Transformación (Rubro 440 Gastos Generales y Administrativos, excepto 441 Gastos de Personal, 449-12 Aportes al Fondo de Garantía de Depósitos y Protección Bancaria, 449-13 Aportes a la Superintendencia de Bancos y Otras Instituciones Financieras).
- 5) Source: CONRP (Estados Financieros de Banesco Banco Universal, C.A.): Incluye Impuesto sobre la Renta, Impuestos Municipales, Impuestos al Valor Agregado, Aportes a la SUDEBAN, FOGADE, SSO, SPF, LPH, INCE y LOSEP. (Cuentas 445-01 Impuestos Municipales, 445-99 Otros Impuestos y Contribuciones, 441-22 Aportaciones Patronales, 449-12 Aportes al Fondo de Garantía de Depósitos y Protección Bancaria, 449-13 Aportes a la Superintendencia de Bancos y Otras Instituciones Financieras, 471 Impuesto sobre la Renta, Aporte de la LOSEP (ver Balance de Publicación). Disposiciones de la Ley de Aporte Social a las Comunas y el Aporte de LOCTI.
- Source: SUDEBAN. Estado de Resultados de Publicación o CONRP, Gastos Extraordinarios (Grupo 450).



INDIRECT AND INDUCED VALUE GENERATED

Indirect Value is the production of wealth and sustainable development resulting from the social, environmental and economic actions promoted by the bank, e.g.: indirect employment.

These effects operate through multiple channels such as: the activities stimulated by the banking customers based on the products and services provided to them and the dynamics generated by suppliers through the operations they carry out to materialize the activities contracted by them.



The identified effects may also be extended to the more indirect impacts on the environment and different stakeholders generated as a consequence of the entity's actions, multiplying its range of action and, therefore, the social value that is implemented from those measures.

ECONOMIC VALUE GENERATED & DISTRIBUTED

IN VED

Stakeholders	2022	2021
ECONOMIC VALUE GENERATED (EVG)	1,360,002,653	449,304,243
Brokerage Margin ⁷	1,318,686,521	443,279,809
Net Commissions 8	775,620	211,794
Other Ordinary Income 9	6,737,225	44,127
Other Profits and Net Loss 10	33,803,287	5,768,513
ECONOMIC VALUE DISTRIBUTED (EVD)	1,071,986,687	266,515,476
Dividends ¹	21,875,700	2,829,322
Suppliers and Other General Administrative Expenses ⁴	612,303,803	154,046,629
Taxes ⁵	242,957,140	55,366,409
Personnel Expensesl ²	194,850,044	54,273,116
ECONOMIC VALUE WITHHELD (EVW-EVG-EVD)	288,015,966	182,788,766

- 7) Source: SUDEBAN. Publication Income Statement or CONRP (Item 510 Financial Income minus 410 Financial Expenses plus 520 Income from Recoveries of Financial Assets minus 420 Expenses from Impairment and Impairment of Financial Assets plus 530 Other Operating Income (except for 533 Income from Realizable Assets, 537 Income from Special Programs and 539 Miscellaneous Operating Income) minus 430 Other Operating Expenses (except 433 Realizable Property Expenses, 435 Depreciation, Amortization and Devaluation Expenses, 439 Miscellaneous Operating Expenses).
- 8) Source: SUDEBAN. Statement of Income for Publication or CONRP (Item 530 Other Operating Income, except 533 Income from Realizable Assets, 537 Income from Special Programs and 539 Miscellaneous Operating Income) minus 430 Other Operating Expenses (except 433 Expenses from Realizable Assets, 435 Expenses from Depreciation, Amortization and Devaluation of Sundry Assets, 439 Miscellaneous Operating Expenses).
- 9) Source: SUDEBAN. Publication Income Statement or CONRP (Account 539 Miscellaneous Operating Income).
- 10) Source: SUDEBAN. Publication Income Statement or CONRP (Account 533 Revenues from Realizable Assets minus 433 Expenses from Realizable Assets).



| %

COMPREHENSIVE RISK MANAGEMENT

DIALOGUE WITH STAKEHOLDERS AND MATERIALITY GROUPS

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



We maintain a continuous review process, taking into consideration the specific characteristics that are part of our environment and stakeholders.

The relations we have built and strengthened over time with them have allowed us, based on experience, to clearly identify their needs, as well as to interact with each group and to design strategies for meeting their expectations.

To determine the material issues on which this Sustainability and Corporate Social Responsibility report is based, we have taken

PERCENTAGE SHARE OF ECONOMIC VALUE GENERATED & DISTRIBUTED

	2022	2021
ECONOMIC VALUE GENERATED (VEG)	100.00%	100.00%
BROKERAGE MARGIN ⁷	96.96%	98.66%
Net commissions ⁸	0.06%	0.05%
Other ordinary income ⁹	0.50%	0.01%
Other profits and net loss 10	2.49%	1.28%
ECONOMIC VALUE DISTRIBUTED (EVD)	100.00%	100.00%
Dividends ¹	2.04%	1.06%
Suppliers and other general administrative expenses ⁴	57.12%	57.80%
Taxes ⁵	22.66%	20.77%
Personnel expenses ²	18.18%	20.36%

as a basis the GRI Standards, which establish how to understand the context of the Organization, identify and evaluate the real and potential impacts according to the demands that our Stakeholders have expressed through the different forms of dialogue and listening that we have established with each one of them and finally analyze these requests and prioritize them.

These issues are a comprehensive roadmap for business management that we have designed with a focus on sustainability, in order to respond effectively to our stakeholders and the Sustainable Development Goals.





MAT	ERIAL TOPICS	Stakeholders			Relevance Level								
N°	Issues and/or Material topics	Shareholders	Human Capital	Clients	Social Partners Community	Suppliers	Authorities	Bank	Stakeholders	Main Actions	2022 Material Topicrelated to GRI Standard		
										Maintain and promote good corporate governance.			
										Active response to new regulatory requirements.	▶ GRI 201:		
									Continuous monitoring of the Control Systems.	Economic Performance 2016 • GRI 203: Economic Impacts			
	Financial Solvency,	ransparency X >	X	Χ					High	High	Generation of direct and indirect economic value through the efficient development of the banking activity.	Indirect 2016 GRI 207: Taxation 201	
1	Transparency and Business Ethics				Х	X	Х	Х			Maintenance of financial indicators, solvency, profitability, liquidity, among others.		
												Follow-up on Compliance with the Banesco Citizen's Code of Ethics.	
										Support for inclusion and bankarization, and access to our platforms. Development of business diversification plans			
2	Banking Security and Compliance	X	X	X	X	Χ	Χ	High	High	Maintain advanced technology and innovation of products and services adapted to people's needs.	■ GRI 205: Anticorruption 2016		
										Continuous improvement of processes and health of systems.			



MAT	ERIAL TOPICS		S	TAKEH	IOLDERS	3			VANCE		
N°	Issues and/or Material topics	Shareholders	Human Capital	Clients	Social Partners Community	Suppliers	Authorities	Bank	Stakeholders	Main Actions	2022 Material Topicrelated to GRI Standard
3	Innovation, Financial Products and Services	X	X	X	X	X	X	High	High	Description Continue conducting market surveys that enable the Bank to learn about the environment in which customers, the community and the general public operate, properly segmented to understand and meet their needs in a timely manner.	 GRI 416: Customer Health and Safety 2016 GRI 417: Marketing and Labeling 2016 GRI 418: Customer Privacy 2016
4	Recruitment, Development and Retention of Human Talent	×	×	_	-	_	-	High	High	 Training and Professional Development Program designed for all Bank personnel Corporate Volunteer Development Programs Carry out activities that benefit employees and their family environment - Programs and activities aimed at work-life balance. Collective Bargaining Agreement - Evaluations undertaken based on performance and level of responsibilities/functions performed. 	 GRI 202: Market Presence 2016 GRI 401: Employment 2016 GRI 402: Worker-company relations 2016 2016 GRI 403: Occupational Health and Safety 2018 GRI 404: Training and education 2016 GRI 405: Diversity and Equal Opportunity 2016





MAT	ERIAL TOPICS	Stakeholders						Relevance Level			
N°	Issues and/or Material topics	Shareholders	Human Capital	Clients	Social Partners Community	Suppliers	Authorities	Bank	Stakeholders	Main Actions	2022 Material Topicrelated to GRI Standard
5	Social Investment and Community Relations	X	-	X	X	_	-	High	High	 Develop initiatives to get closer to the communities to meet their needs through social dialogue. Microentrepreneur Training Program and Participatory Budgeting Build alliances to promote volunteer activities 	GRI 413: Local Communities 2016
6	Eco-efficiency	X	Х	-	Χ	_	-	Mid	Mid	Management of environmental programs	 GRI 302: Energy 2016 GRI 303: Water and Effluents 2018 GRI 306: Waste 2020
7	Relationships with Suppliers	Х	-	-	-	Χ	-	Mid	Mid	Promote the development and training of our suppliers as well as adherence to and respect for the principles of the United Nations Global Compact.	■ GRI 204: Sourcing Practices 2016
8	Digital Transformation	Х	Х	Х	Χ	Χ	Χ	High	High	Adapt to new digital trends in order to improve the experience of both external and internal	GRI 416: Customer Health and Safety 2016





THE INTERNAL DIMENSION OF OUR SOCIAL RESPONSIBILITY







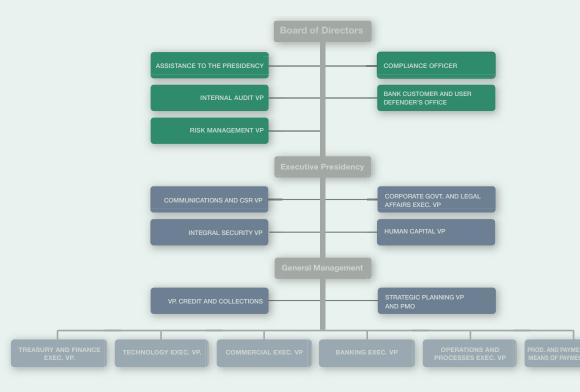


CORPORATE **G**OVERNANCE

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

ORGANIZATIONAL CHART OF BANESCO BANCO UNIVERSAL

AS OF DECEMBER 31, 2022



OUR MANAGEMENT

During 2022, we promoted the optimization by reducing the number of committees in order to encourage the review of the topics required by the Organization through agile structures that allow us to make timely decisions.

On the other hand, we continued to develop the communication plan focused on reinforcing the strategic communication standards and the Corporate Governance team was included in the meetings as special guests, in order to identify elements for improvement in its operation.







CORPORATE GOVERNANCE

CORPORATE GOVERNANCE CHART FLOW OF BANESCO BANCO UNIVERSAL





BOARD OF DIRECTORS MEMBERS

MAIN DIRECTORS

Juan Carlos Escotet Rodríguez

José Grasso Vecchio

Chief Executive Officer

Carlos Alberto Escotet Alviárez Carlos Eduardo Escotet Alviárez Emilio Durán Ceballos

SUBSTITUE DIRECTORS

María Clara Alviárez Hurtado Teresa Yabuur Ebrimain María de la Cruz Campos Esteves Juan Carlos Seoane Ares







BODIES AND MECHANISMS OF THE CORPORATE GOVERNANCE SYSTEM

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

Our governance structure is composed of the Shareholders' Meeting, the Board of Directors, the Chairman of the Board of Directors, the Vice President of the Board of Directors, the Executive Director, the Chief Executive Officer, the General Manager, the Executive Committees, the different Executive Vice Presidencies, as well as the Compliance Officer and the Internal Auditor.

BOARD OF DIRECTORS

This governing body is in charge of the general management of the Bank's business and operations, and has the broadest powers of administration and disposition of the Bank, including the approval of the Corporate Social Responsibility policy. It is composed of qualified individuals with broad experience in different areas of the banking business, of recognized solvency and honorability. It meets on a monthly basis and is responsible for the definition and strategic direction of the Organization, approves the

SHAREHOLDERS' MEETING

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

The Shareholders' Meeting shall have the following powers: (i) Determine the number of Directors to be part of the Board of Directors; (ii) Appoint the members of the Board of Directors and fix their remuneration; (iii) Appoint the Commissioner and the Alternate and fix their remuneration; (iv) Discuss, approve or modify the Financial Statements submitted to it, in view of the Commissioners' report; (v) Dictate and amend the Company's Bylaws; vi) Decide on the early dissolution, extension, merger with another company, sale of corporate assets, change of corporate purpose, increase, reduction or reinstatement of share capital and amendment of the Bylaws in the aforementioned matters; vii) Decide on the distribution of dividends and the form of payment thereof, in the amount, with the frequency and at the time it deems convenient, in compliance with the Law and the Bank's Bylaws; viii) Decide on the creation of reserves or special sections submitted for its consideration by the Board of Directors; ix) As well as to hear and decide on any matter within its competence, as per the Law and the Company's Bylaws.

business principles and policies. The Board of Directors also regulates the autonomy of executive decisions, monitors the work of the Bank's operational and functional areas, evaluates and compares business projections and the results of each fiscal year with those of previous years.

The appointment of its members is made in compliance with the Banking Sector Institutions Law (LISB) and other provisions issued by the Superintendency of Banking Sector Institutions and and with the Bank's bylaws.

After reviewing the reports and analyses drafted by the Risk Unit and the Risk Steering Committee, this governance body is also responsible for knowing and approving the policies for managing the risks to which the Organization is subject, including economic, environmental and social risks.





CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman of the Board of Directors exercises the legal representation of the Organization in the broadest manner before all authorities and any other persons or public/private entities, and presides over the deliberations of the Board of Directors. His absence shall be filled by the vice president of the Board of Directors.

PRESIDENT

He is appointed by the Board of Directors and shall have the powers pertaining to the daily management and operation of the Bank and its internal services, and shall report periodically to the Board of Directors on the financial situation of the Company and the results of its operations, as well as comply with and perform such other duties as the Board of Directors may designate. He is in charge of reviewing the Social Responsibility Report.

EXECUTIVE COMMITTEE

It is the executive body reporting to the Executive Presidency, which accompanies it in the management, supervision and integral operation of the Bank.

COMITÉ EJECUTIVO

This is the executive body responsible for ensuring compliance with the policies, strategies, standards, procedures and guidelines approved by the Board of Directors, since it acts by delegation of the Board, meets on a weekly basis and is responsible for ensuring the proper achievement of the Bank's goals.



It also guarantees the approval of the most relevant issues related to the administration of movable and immovable assets; the follow-up and control of business plans and their financial results; the approval of new products, services, channels and improvements in their functionalities, seeking continuous improvement of processes. This body also defines policies for the prevention of financial crimes, information security and business continuity.

Likewise, the Executive
Committee takes the necessary
actions to promote the
corporate culture and identity
and to define strategies for the
promotion of the brand under
a scheme of responsibility and
sustainability.

COMPLIANCE OFFICER

The Compliance Officer reports to the Board of Directors and is dedicated solely to the prevention and control of Money Laundering, Financing of Terrorism and Financing of Proliferation of Weapons of Mass Destruction (ML/FT/FT/FPWMD).

Among its main functions are the following: a) To Promote and supervise the compliance with policies, procedures, provisions and controls related to the Prevention and Control of Money Laundering and Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction approved by the Board of Directors of the Obligated Party b) To design together with the ML/FT/FPWMD Prevention and Control Unit the Annual Operational Plan; c) To submit annual and quarterly reports to the Chairman and Board of Directors of the Bank, which, which among other aspects,



CORPORATE
GOVERNANCE

contain the progress of the Annual Operating Plan, Annual Training Program in Prevention and Control of ML/FT/ FPWMD, as well as its recommendations for improving undertaken actions; d) To file to the National Financial Intelligence Unit (UNIF) the Suspicious Activity Reports deemed necessary, as well as the replies to requests for information related to the subject required by it and other competent authorities, within the deadlines established by the Law and request for information among other; e) Maintain institutional relations with this Superintendency/UNIF, as well as with other competent authorities, non-governmental organizations and institutions dedicated to the prevention, suppression and control of ML/ FT/ FPWMD; f) Develop communication strategies aimed at informing and raising awareness among customers and employees on issues related to the subject; among others.

INTERNAL AUDITOR

The internal auditor is responsible for ensuring the compliance of the Bank's operations and procedures with the Law, prudential regulations, the Institution's internal process manuals and the accounting principles approved by the Superintendency of Banking Sector Institutions. Likewise, he is in charge of overseeing the adequate functioning of the internal control systems.

This entity must ensure compliance with the resolutions of the General Assembly of



Shareholders, the Board of Directors and the Superintendency of Banking Sector Institutions. It also guarantees the following: compliance with the financial statements, together with the legal representative and the general accountant; internal coordination of the analysis of the different operations of the Institution and, acting jointly with the Audit Committee, submission of reports to the Board of Directors on the results of the different audits performed in order to improve the processes and correct any deficiencies that may arise. Its functions are attributed in the Decree with Rank, Value and Force of Law of Institutions of the Banking Sector and other sub-legal norms issued by the banking regulator.

DIRECTIVE THEMATIC COMMITTEES

These are the bodies that support the exercise of the responsibilities of the Board of Directors, which aim at promoting compliance with corporate policies and the transparency of the business conducted by management. During 2022, the Bank had the following committees:

ASSETS AND LIABILITIES COMMITTEE

It is responsible for the management of market and liquidity risks (price, interest and foreign exchange rate) and for adequacy of assets. It periodically analyzes the degree of exposure to risks and suggests short and medium-term financial strategies for the risks assumed in line with the foreseeable evolution of the markets. This committee meets on a weekly basis and its main objective is to manage the Bank's assets and liabilities from a financial, commercial and risk perspective, anticipating market threats and opportunities in order to optimize results and achieve compliance with the goals set forth in the financial planning.

AUDITING COMMITTEE

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





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



This Committee includes
Internal Regulations for its
operation, aligned with good
corporate governance practice.
It meets on a monthly basis and
is chaired by an Independent
Director.

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

THE FOLLOWING IS A SUMMARY TABLE:

CONDUCTED AUDITS	Reports issued during 2022	Reports issued during 2021									
GENERAL BRANCHES, BRANCHES IN BORDER ZONE AND HIGH-RISK CLIENTS											
Gran Caracas	69	69									
Central - Los Llanos	17	18									
Carabobo	14	16									
Los Andes	17	18									
South-eastern	19	16									
North-eastern	16	17									
Center-western	20	19									
Southern Zulia	12	12									
Zulia - Falcón	12	12									
Gran Caracas Border Zone	-	0									
Central - Los Llanos and Carabobo Border Zone	-	4									
Los Andes Border Zone	-	14									
South and North-eastern Border Zone	-	16									
Southern Zulia and Falcón Border Zone	-	23									
Central Western High-risk Customers	-	-									
Gran Caracas High-risk Customers	-	-									
High-risk Customers and PEP	-	1									
Total General	196	255									

CENTRALIZED AREAS

Conducted Audits	l Half 2022	II Half 2022	l Half 2021	II Half 2021	
Centralized areas	36	12	30	20	
Comprehensive Risk	2	2	1	1	
Compliance Office	6	4	6	4	
Sub-Total	44	18	37	25	
Total General	6	2	62		





CENTRAL CREDIT COMMITTEE

The purpose of this committee is to decide on credit requests submitted to it, according to the levels of autonomy authorized by the Board of Directors and in compliance with the regulations in force on this matter, decide on credit requests, approval and release of credit guarantees, decide on proposals for renegotiations of any of the terms and conditions of the approved credits. Additionally, it submits to the Board of Directors a monthly report on credit approvals according to the levels of autonomy.

APPOINTMENT AND REMUNERATION COMMITTEE

It is a body that supports the Board of Directors' management, meets quarterly and is responsible for advising on the selection, appointment and remuneration of the members of the Board of Directors. It also aims at developing the strategic management approach of the executive human talent, in terms of compensation, development and succession.

RISK COMMITTEE

Its main function is to manage, identify, measure and mitigate the risks to which the Organization is exposed, through a system that includes objectives, policies, procedures, risk identification, measurement, valuation and monitoring capabilities, which support the Board of Directors in strategic planning and reasonably ensure the achievement of its objectives. The Committee meets on a monthly basis.

TECHNOLOGY COMMITTEE

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

PROJECT COMMITTEE, INVESTMENT AND PROCUREMENT

Its main objective is to conduct the Bank's comprehensive process of projects, investment, and procurement, from the creation of the portfolio to the completion of each project, ensuring the strategic management, execution and promise of value of the investment portfolio. It meets on a weekly basis and is responsible for the formulation of the budget to the procurement of goods and services. This committee guarantees the efficiency levels of the expenditure and the selection of the best option offered in the market in order to achieve the goals of the Organization.







CORPORATE
GOVERNANCE

MANAGERIAL REPORT ON THE COMPLIANCE WITH GOOD GOVERNANCE REGULATIONS

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

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

Banesco Banco Universal, C.A. is therefore following the "one share, one vote" principle. Accordingly, it recognizes the proportionality that must be guaranteed between the percentage of participation in the capital and the corresponding right of participation in the formation of the will of the institution, always through the informed exercise of the shareholders' political rights.

The Organization, through the Executive Vice-Presidency of Corporate Governance and Legal Affairs, evaluates the governance mechanisms for the benefit and protection of the interests of its shareholders, customers and employees, as well as the generation of lines of action for the promotion of managerial encouragement and discipline that contributes to the satisfaction of our clients. In order to ensure compliance with global standards of good corporate governance, the performance of the bodies is reviewed annually in accordance with their annual planning, compliance with the Institution's standards and internal regulations. Depending on the results, actions are taken to optimize their operation, taking into consideration the criteria of efficiency and effectiveness in the fulfillment of each committee's objectives.

It also conducts ongoing reviews before the **Board of Directors** of the composition, objectives, and critical points of the governance bodies for purposes of optimization and follow-up.



REGULATION, CORPORATE AND UNIONS PARTICIPATION

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

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

From a social action perspective, the Bank is a member of the Venezuelan-American Chamber of Commerce and Industry (Venamcham) at the national level, The Voluntary Dividend for the Community and the Caracas Chamber of Industry.





OUR ETHICS AND HUMAN RIGHTS POLICY

We promote equality among our personnel and in the treatment with our clients without distinction as to ethnic origin, socioeconomic status, marital status, age, physical appearance, disability, political affinity, religious belief (or lack thereof), sexual orientation or any other particularity. We respect their dignity and guarantee equal opportunities. We base our business relationships on equity, fair transactions and mutual benefit, and a non-discriminatory policy for selecting suppliers.

Banesco Banco Universal, C.A., takes into account social and environmental issues in all its activities.



We are signatories of the United Nations Global Compact. These are agreements by which organizations around the world make a voluntary commitment to establishing in their strategies operations principles related to labor standards, environment, human rights, corruption and transparency.

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

Banesco Banco Universal seeks to implement these commitments as part of its business strategy. Therefore, it has complied with these initiatives:

 The content of the Ten Principles of the Global Compact through our internal and external media (blog).

In 2022, 137 service contracts were signed with its suppliers, of which 54 included Clause number 20 literal J), related to the Ten Principles of the Global Compact, based on the Universal Declarations and Conventions applied in the areas of Human Rights, Environment, Labor Standards and Anti-Corruption.

OUR RESPONSIBIITY AND SUSTAINABILITY POLICY

Our Responsibility and Sustainability Policy is aimed at achieving Economic, Social and Environmental Sustainability and a responsible management in all areas of the organization. We are committed to the Sustainable Development of our stakeholders and –to achieve the goal that



we have established—we have established a value proposition, based on our products, services and programs that promote Economic, Social and Environmental Development in a balanced manner. Therefore, we assume our responsibility to respect and promote Human Rights; to contribute to the well-being in all its areas of operation; to interact, under ethical principles, with all its different interlocutors: workers, clients, suppliers, authorities, shareholders and

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



society in general.



SUSTAINABLE DEVELOPMENT GOALS

Banesco Banco Universal, C.A. is committed to contributing to the Sustainable Development Goals (SDGs) of the United Nations. That is why through our management and business activities, as well as our social programs, we contribute directly to the fulfillment of these goals.

During 2022, we maintained the institutional campaign initiated in 2021 to educate and raise awareness among our stakeholders about the Sustainable Development Goals.

The means of diffusion include social networks, the corporate blog, internal media, and messages on radio stations.

Among the aspects covered in the aforementioned campaign are:

- ¿What are the SDGs, importance and background?
- How does Banesco contribute to the SDGs?
- Simple actions to contribute to the SDGs as citizens.

The main SDGs that we support through our banking and social management activities are:



We promote support projects that boost the resilience of communities and people in vulnerable situations.

Through our Microentrepreneur Training Program, we educate entrepreneurs to be more productive in their businesses in order to be sustainable and profitable.



We offer our employees constant support and benefits for the nutrition of them and their families. We provide various

options that contribute to putting an end to hunger, achieving food security and improving the nutrition of our employees and their families. Likewise, we contribute directly to feeding programs carried out by our partners and social allies in vulnerable populations.



We collaborate with health institutions to improve people's quality of life and meet

their needs. Our employees and their families have a health policy for Hospitalization, Surgery, and Maternity as well as support in case of extreme illnesses. Our medical service located at the Bello Monte head-quarters provides primary care to our employees in the region.



Education is one of the main pillars of our Corporate Responsibility and Sustainability policy, and to be able to act

we rely on alliances with our partners and social allies in the education sector. We contribute to projects that allow them to fulfill their objective of providing education, we grant university scholarships, we have an editorial collection that is disseminated through the Banesco Virtual Library, which is totally free of charge, and we educate through the Microentrepreneurship Training Program.



We are open to diversity, we understand and respect every human being. Our Code of

Ethics contemplates non-discrimination policy, which is applicable to our Human Capital and stakeholders. We promote an inclusive and diverse workplace, as well as equal opportunities. Our Microentrepreneur Training Program reports a participation of more than 60% of women.



We count on a trained Human Capital committed to the business that allows us to meet the needs of our customers

immediately. We are competitive in the labor market with the aspiration of attracting and retaining the best talent and that its professionals feel motivated, committed and rewarded.



We implement programs to boost the financial inclusion of communities and their

capacity for entrepreneurship so that they obtain the necessary skills to manage their businesses successfully and contribute to the economic growth of their communities.



We are committed to contributing to the progress and growth of people and businesses to support the sustainable develop-

ment of communities.



We are committed to contributing to the progress and growth of people and businesses to support the sustainable deve-

lopment of communities.



We are a transparent organization in our business actions. We are committed to accountability to all our stakeholders

and to ethical responsibilities, risks and anti-corruption issues.



We are convinced that strategic alliances between different sectors, organizations, and companies allow us to con-

tribute exponentially to the sustainable development of communities. We abide by the legal framework in force, which contributes to the application of poverty eradication policies.





COMPREHENSIVE RISK MANAGEMENT SYSTEM FOR MONEY LAUNDERING, FINANCING OF TERRORISM AND FINANCING OF PROLIFERATION OF WEAPONS OF MASS DESTRUCTION (SIAR ML/FT/FPWMD)

At Banesco Banco Universal, C.A., the Comprehensive Risk Management System for Money Laundering, Terrorist Financing and Financing of Proliferation of Weapons of Mass Destruction (SIAR ML/FT/FPWMD) is adapted to the nature and complexity of the businesses, products and financial services offered and it abides by the legal provisions governing the matter.

- Through the SIAR, potential suspicious (ML/FT/FPWMD) activities are prevented and identified, in any of their stages, taking the following steps:
- Prevention: To reduce the possibility that resources from ML/FT/FPWMD related activities are deposited in the Banking System, through the application of policies, procedures and internal controls for the adequate knowledge of the client and employees, complemented with constant information,

- training and education of the Entity's personnel at all levels, in compliance with the training policies set forth in this Resolution
- Control and Detection: Of activities intended to be carried out or that have been conducted in order to give semblance of legality to transactions related to ML/FT/FPWMD, by means of implementing proper, timely, and effective controls and monitoring tools.
- Report: Timely, efficient and effective report of the identified transactions that are pretended to be carried out or that had been conducted and are suspected to be related to ML/FT/FPWMD.
- Preservation: For the legal term established in Article 70 of these regulations, of all files, transaction records and documentation, both in physical and electronic form, derived from the preceding tasks aimed at providing the competent authorities with these elements when they are required to advance their investigations.



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OUR POLICY

Our business management philosophy is to promote shareholder confidence, offering profitable and sustainable growth, plural and participative business management, with diverse ideas and thoughts that provide high profitability and solvency.

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

We are respectful of the rights of all shareholders regarding the dividend payout policy.

OUR MANAGEMENT

During 2022, Ordinary Assemblies were held on March 28 and September 27, Extraordinary Assemblies were held on March 28, May 31 and September 27, as well as the Ordinary and Extraordinary Assemblies held in 2021. In these meetings, a sufficient quorum was reached to discuss and resolve all the items contemplated in the notices, all of which were approved.

A solid corporate governance structure has allowed us to manage risks and opportunities in a prudent manner, safeguarding the interests of our shareholders and considering society as a whole.

SHAREHOLDERS' UNIT

This is the area in charge of attending and interacting with our shareholders. Its specialists attend in a customized, expeditious and responsible manner to the requirements, doubts and comments made by our shareholders on various topics related to their shares.

They can also access them electronically through our website, mailbox and telephone support lines.







SHAREHOLDERS

As of December 31, 2022, Banesco Banco Universal, C.A., had 5,935 shareholders, owners of Banesco common shares, preserving the same number as in 2021.

BASIC FEATURES

SHARE CAPITAL (VED)

2022	Total Equity VED 61,000,000
2021	Total Equity VED 104,483,067

Shares	2022
Number of shares	610,000,000,025,000,000
Circulation	610,000,000,022,045,467
Treasury	2,954,533

	2021
Number of shares	9,125,000,000
Circulation	9,122,045,467
Treasury	2,954,533

DIALOGUE WITH OUR SHAREHOLDERS

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

- Shareholders Unit.
- Ordinary and Extraordinary General Shareholders' Meetings.
- Semiannual Financial Reports.

- Annual Corporate Social Responsibility Report.
- Digital newsletter, sent via e-mail to our customers.
- Direct contacts and meetings with shareholders.
- Agency Network.
- The corporate website www.banesco.com, which offers relevant information related to financial information issued by the Bank and the external auditors, CSR reports, and half-yearly financial reports.







In order to provide an efficient and effective service to our shareholders, we have at our disposal:

- E-mail: atencion_al_accionista@banesco.com.
- Telephone number: 0212-501-92-59/77-34.
- Bank's website: https://www.banesco.com/category/somos-banesco. This section of the web site is updated in a timely manner on topics inherent to Banesco Banco Universal's shares.





















OUR POLICY

The year 2022 posed the challenge of continuing to manage customer service in a context in which care and biosecurity were maintained due to the pandemic, and at the same time, the progressive return to the office. The latter implied adjustments in the employees' personal lives to resume face-to-face operations with the Bank's support, progressively adapting schedules and dynamics. The focus remained on productivity, one of the main talent management objectives, along with customer service.

At the same time, the leaders were accompanied to facilitate, in collaboration, the progressive return to a more face-to-face working day, progressively resuming on-site team management practices, while preserving the necessary care for health and well-being in the workplace.

Our purpose is to generate stable sources of employment without discrimination of any kind. By 2022, we covered the vacant positions with 721 new hires to close the year with 3,178 emplovees and 21 interns in our workforce, for a total of 3,199 collaborators.

BANESCO CODE OF ETHICS AND CONDUCT

The principles of ethics and conduct of all employees are incorporated in the Banesco Code of Ethics and Citizen Conduct and are aimed at respecting human rights and preventing and controlling money laundering. The code contributes to the standardization of actions, roles and values, seeking excellence in relations with all those who are part of Banesco Banco Universal, C.A.

Our Code of Ethics and Conduct is a public document that can be found on the Intranet Portal and on the website (https://bit.ly/31y-G5yQ) for consultation by interested parties.

During 2022 we continued to disclose the adjustments made to the Code in September 2021, for which a communication plan was implemented. Its fundamental objectives were to reinforce the values, inform and promote compliance with the Institution's regulations, ensure the continuity of the "Know Your Employee" Policy, promote excellence and quality in the Bank's culture, and contribute to the management of processes. This plan also considers the commitment to maintaining

OUR POLICY

We are committed to offering more humane and sustainable work environments, aligned with our corporate values. We enhance the capabilities and skills of our employees and thus offer our customers quality service.

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



ethical behavior in achievements and results, and to ensuring the security of our customers, as well as the prevention of Money Laundering, Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction.

As part of the plan, at least 100 notices were sent out during the year, each of which covered the core aspects of our Code of Ethics.

Through our e-mail address Contigo_Capital_ Humano@banesco.com our employees can maintain constant and direct communication with the Coordination of the Human Capital Attention Center (CACH), an area that attends to the requirements of Banesco Citizens that are related to Human Capital management and require an immediate or short-term response. The requests received are handled in coordination with the areas involved in their resolution.

Through the aforementioned actions, the Bank promotes the values and attitudes that support Human Rights, fostering measures that enable an environment of respect and inclusion. Thus, during 2022, the Institution received no complaints related to employees, shareholders, customers, the community, or suppliers.

AGE AND GENDER DISTRIBUTION

Average	verage 2022				2021			Variation		
Age	Fem.	Male	Total	Fem.	Male	Total	Fem.	Male	Total	
15-17	22	19	41	8	5	13	175.00%	280.00%	215.38%	
18-25	182	134	316	153	124	277	18.95%	8.06%	14.08%	
26-30	198	156	354	212	127	339	-6.60%	22.83%	4.42%	
31-35	263	150	413	271	139	410	-2.95%	7.91%	0.73%	
36-40	351	151	502	364	144	508	-3.57%	4.86%	-1.18%	
41-45	330	159	489	319	142	461	3.45%	11.97%	6.07%	
46-50	289	129	418	288	144	432	0.35%	-10.42%	-3.24%	
51-55	182	132	314	166	123	289	9.64%	7.32%	8.65%	
56-60	113	102	215	113	98	211	0.00%	4.08%	1.90%	
61-65	55	44	99	44	27	71	25.00%	62.96%	39.44%	
66-70	16	10	26	14	13	27	14.29%	-23.08%	-3.70%	
71-75	7	3	10	5	0	5	40.00%	0.00%	100.00%	
>75	1	1	2	1	1	2	0.00%	0.00%	0.00%	
Total	2,009	1,190	3,199	1,958	1,087	3,045	2.60%	9.48%	5.06%	

GENDER DISTRIBUTION AND POSITION: CATEGORY

	2022				2021			Variation		
LEVEL	Fem.	Male	Total	Fem.	Male	Total	Fem.	Male	Total	
Interns / Apprentices	78	52	130	66	33	99	18.18%	57.58%	31.31%	
Base	633	264	897	664	245	909	-4.67%	7.76%	-1.32%	
Professional / Technical	947	676	1623	891	621	1,512	6.29%	8.86%	7.34%	
Supervision	44	50	94	44	46	90	0.00%	8.70%	4.44%	
Managerial	284	121	405	273	114	387	4.03%	6.14%	4.65%	
Vice-presidents	19	18	37	20	23	43	-5.00%	-21.74%	-13.95%	
CEO	0	1	1	0	1	1	_	0.00%	0.00%	
Directors	4	7	11	0	3	3	_	133.33%	266.67%	
President	0	1	1	0	1	1	_	0.00%	0.00%	
Total	2,009	1,190	3,199	1,958	1,087	3,045	2.60%	9.48%	5.06%	





AGE AND POSITION DISTRIBUTION CATEGORY

		2022						20	21			
LEVEL	15-17	18-30	31-40	41-50	> 50	Total	15-17	18-30	31-40	41-50	> 50	Total
Interns / Apprentices	40	90	0	0	0	130	13	86	0	0	0	99
Base	0	278	332	194	93	897	0	246	371	204	88	909
Professional / Technical	1	297	484	492	349	1,623	0	278	458	465	311	1,512
Supervision	0	4	24	31	35	94	0	4	19	38	29	90
Managerial	0	1	70	175	159	405	0	2	66	172	147	387
Vice-presidents	0	0	4	10	23	37	0	0	4	13	26	43
CEO	0	0	0	1	0	1	0	0	0	1	0	1
Directors	0	0	1	4	6	11	0	0	0	0	3	3
President	0	0	0	0	1	1	0	0	0	0	1	1
Total	41	670	915	907	666	3,199	13	616	918	893	605	3,045

NATIONAL DISTRIBUTION

The recruitment policy is the same for all regions of the country. Since 2022, we have resumed our face-to-face candidate interview and evaluation processes, maintaining, as appropriate, virtual modes. Our Human Capital offices in the regions review and assess candidate profiles to validate their alignment with organizational requirements.

The Vice Presidents responsible for the Sales Network in the different regions of the country are natives of each of these regions, which gives them a better understanding of the economic dynamics in each locality and of their customers. This is beneficial to local communities and strategically strengthens decision making based on the particularities of each area.

CONTRACTING AND GENDER DISTRIBUTION

	2022		20	21	Variation		
LEVEL	Female	Male	Female	Male	Female	Male	
Apprentices	64	45	60	30	6.67%	50.00%	
Interns	14	7	6	3	133.33%	133.33%	
Contracted	138	91	49	35	181.63%	160.00%	
Fixed	1,793	1,047	1,843	1,019	-2.71%	2.75%	
Sub-Total	2,009	1,190	1,958	1,087	2.60%	9.48%	
Total	3,199		3,045		5.06%		





Our territorial division corresponds to our business strategy, and therefore represents an important source of employment in the different regions; 89% of our workforce is made up of permanent employees.

NATIONAL DISTRIBUTION

	2022		20	21	Variation	
REGION	Employees	Total in %	Employees	Total in %	Employees	Total in %
Metropolitan	2,180	68.15%	2,056	67.52%	124	80.52%
Central-Los Llanos	288	9.00%	271	8.90%	17	11.04%
Western Andean	274	8.57%	256	8.41%	18	11.69%
Eastern South	259	8.10%	262	8.60%	-3	-1.95%
Western North	198	6.19%	200	6.57%	-2	-1.30%
Total General	3,199	100.00%	3,045	100.00%	154	100.00%

VICE-PRESIDENTS OF THE NET

		2022	2021		
REGION	Quantity	% From Local Community	Quantity	% From Local Community	
Metropolitan	1	100.00%	1	100.00%	
Western Andean	1	0.00%	1	0.00%	
Eastern South	1	100.00%	1	100.00%	
Western North	1	100.00%	1	100.00%	
Total General	4	75.00%	4	75.00%	

NUMBER OF EMPLOYEES

YEAR	Total of Employees
2022	3,199
2021	3,045
Variation %	5.06%

GENDER DISTRIBUTION

YEAR	Female	Male
2022	2,009	1,190
2021	1,958	1,087
Variation %	2.60%	9.48%

SENIORITY AVERAGE

YEAR	Seniority Average
2022	10.26
2021	10.77
Variation %	-4.74%

NUMBER OF EMPLOYEES BY WORKING HOURS

Working hours	Amount
Full time	3,167
Part time	32



INCOME AND EXPENDITURE **VARIATION**

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

Between 2021 and 2022, the Turnover Rate increased from 16.57% to 20.12%. Thus, the variations occur within the current legal framework, aiming at better labor relations and an excellent organizational environment, in compliance with the provisions of the Organic Law on Prevention, Conditions and Working Environment (LOPCYMAT).

TURNOVER RATE

ITEM	2022	2021
Income (*)	721	352
Expenditure	566	657
Population	3,199	3,045
Total	20.12%	16.57%

^{*} In income, transfers to permanent employees and contract renewals were not considered. The turnover rate is calculated using the formula [[(Income + expenditure)/2]population at the end of the year x 100].

TURNOVER RATE BY REGION

		2022		2021			
REGION	Population	Income + Expenditure	Turnover rate	Population	Income + Expenditure	Turnover rate	
Metropolitan	2,180	951	21.81%	2,056	699	17.00%	
Central-Los Llanos	288	88	15.28%	271	76	14.02%	
Western Andean	274	88	16.06%	256	102	19.92%	
Western North	198	99	25.00%	200	76	19.00%	
Eastern South	259	61	11.78%	262	56	10.69%	
Total General	3,199	1,287	20.12%	3,045	1,009	16.57%	

TURNOVER RATE BY REGION, AGE, AND GENDER

		2022										
	<	18	18-30		31-40		41-50		>50			
REGION	Fem.	Male										
Metropolitan	93.18%	89.47%	48.86%	48.43%	14.97%	20.29%	7.34%	9.33%	4.18%	7.08%		
Central-Los Llanos	-	-	37.50%	50.00%	21.95%	18.52%	5.49%	6.52%	6.06%	14.29%		
Western Andean	-	-	30.36%	63.64%	15.38%	16.67%	8.77%	16.67%	0.00%	0.00%		
Western North	-	-	81.82%	37.50%	24.42%	22.50%	26.67%	33.33%	13.51%	6.82%		
Eastern South	-	-	34.62%	33.33%	16.41%	17.50%	6.76%	10.71%	1.04%	11.76%		

		2021										
	<	18	18-30		31-40		41-50		>5	50		
REGION	Fem.	Male										
Metropolitan	68.75%	50.00%	31.06%	38.36%	14.90%	19.54%	7.02%	10.87%	7.49%	5.94%		
Central-Los Llanos	-	1.00%	26.47%	41.67%	20.24%	9.26%	7.64%	10.87%	6.06%	16.67%		
Western Andean	-	-	46.55%	41.67%	15.43%	22.00%	13.39%	16.07%	4.17%	15.38%		
Western North	-	-	23.53%	33.33%	17.71%	31.25%	14.29%	22.73%	13.79%	19.05%		
Eastern South	-	-	72.22%	30.00%	7.53%	16.67%	6.79%	11.76%	5.95%	8.82%		







TURNOVER RATE BY REGION AND GENDER

	2022						2021					
	Popu	lation	Income + E	xpenditure	Turnov	Turnover rate		Population		xpenditure	Turnover rate	
REGION	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Metropolitan	1,264	916	515	436	20.37%	23.80%	1,226	830	380	319	15.50%	19.22%
Central-Los Llanos	217	71	64	24	14.75%	16.90%	206	65	58	18	14.08%	13.85%
Western Andean	193	81	55	33	14.25%	20.37%	178	78	68	34	19.10%	21.79%
Western North	136	62	73	26	26.84%	20.97%	143	57	47	29	16.43%	25.44%
Eastern South	199	60	41	20	10.30%	16.67%	205	57	40	16	9.76%	14.04%
Total General	2,009	1,190	748	539	18.62%	22.65%	1,958	1,087	593	416	15.14%	19.14%

PERFORMANCE ASSESSMENT

During 2022, we conducted performance assessments for the entire population on a semiannual basis, considering the methodology for measuring quantitative objectives according to the results of the Bank's strategic indicators and those of the related Executive Unit. 2 to 3 operational tactical objectives were also incorporated from each employee. We maintained the diagnosis of key competencies according to the role of each employee in order to deepen the development plans to close gaps and critical talents. A total of 2,686 employees were assessed (71% of them belong to the Executive Segment). 93.01% of the personnel were evaluated in compliance with the estimated target population. The remaining percentage corresponds to inactive personnel or those who were not assessed by their supervisors within the time frame established. A total of 83.96% of the final staff (fixed and contracted) at the end of the year was considered the target population.

PERFORMANCE ASSESSMENT	2022	2021	Variation (%)
Total of Employees	3,199	3,045	5.06
No. of Assessed Employees	2,686	2,743	-2.08
% of Assessed Employees	83.96%	90.08%	-6.79

PERFORMANCE ASSESSMENT BASED ON POSITIONS

	2022				2021				
	Male		Female		Male		Female		
REGION	Assessment	%	Assessment	%	Assessment	%	Assessment	%	
Base	226	21.3	574	31.4	222	22.6	611	34.7	
Professional / Technician	646	60.9	920	50.3	581	59.1	829	47.1	
Supervision	49	4.6	42	2.3	46	4.6	40	2.2	
Managerial	105	9.9	254	13.9	109	11.1	260	14.7	
Vice-presidents	27	2.5	36	1.9	23	2.3	20	1.1	
Directors	7	0.6	2	0.1	2	0.2		0.0	
TOTAL BY GENDER	1,060	100.0	1,828	100.0	983	100.0	1,760	100.0	
Total General of assessment	2,888			2,743					





POSITION PROMOTIONS

Our promotion policy allows our employees to internally advance to positions of greater responsibility. Therefore, in 2022, we promoted 322 employees as a primary way to fill vacancies and as development opportunities within the organization.



POSITION PROMOTIONS

DIRECTORATE	2022	2021	Variation
General Management	19	1	1,800%
Board of Directors	24	9	167%
Executive Presidency	17	24	-29%
Bank Exec. Dir.	3	8	-63%
Human Capital Exec. Dir.	7	0	_
Commercial Exec. Dir.	42	97	-57%
Corporate Governance and Legal Affairs Exec. Dir.	5	3	67%
Operations and Processes Exec. Dir.	117	43	172%
Products and Payment Methods Services Exec. Dir.	27	12	125%
Technology Exec. Dir.	38	31	23%
Treasury and Finances Exec. Dir.	23	18	28%
Total General	322	246	31%





REMUNERATION POLICIES

We continually evaluate the needs of our employees and strive to provide them with better working conditions. In 2022, there was a general average increase of 321% in March, pursuant to the regulations in force.

PROCESSES TO CALCULATE REMUNERATION

Banesco Banco Universal, C.A. establishes its payments by analyzing the relative weights of its positions in each of its work units, taking into consideration the decrees on this matter by the Executive branch, the budget defined for this purpose, macroeconomics indicators, and any other relevant variables that allow for the appropriate allocation to be established for each case.

The yearly remuneration of a collaborator includes Basic Monthly Income, Vacation Bonus, Profits and a Company Contribution to Savings Bank

of 11%.

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

The gap between the remuneration of the highest paid person and the average remuneration of the rest of the Organization's workforce has narrowed during the period covered within this report.

PAYMENT	2022	2021
Average Remuneration of the rest of the population	130	25
Total Annual Remuneration Ratio	5.0	6.4

- The Average Remuneration of the rest of the population considers the average salary of the Organization at the end of the reported year, excluding the highest paid person.
- The calculation includes full-time, part-time and contract employees.
- Given the local environment in which Banesco Banco Universal, C.A. operates, there is information that is kept confidential in order to safeguard the personal safety of our employees and the Institution's senior management.

PERCENTAGE INCREASE OF YEARLY
PAYMENT REGARDING THE HIGHESTPAID PERSON IN COMPARISON TO THE
PERCENTAGE INCREASE OF YEARLY
PAYMENT FOR THE REST OF THE BANK

PAYMENT	2022	2021
Highest-paid position	306%	2,186%
Average Salary	420%	1,150%
% of Annual Increase	321%	1,008%





EMPLOYEES WITH DISABILITIES

In line with our corporate values, we promote the integration and job training of people with disabilities in the Organization.

We develop strategies for the inclusion of people with special needs, based on international and national guidelines that orient our management.

Their development has undoubtedly enabled them to both feel and be productive for society, making an example of their effort and perseverance in and outside the Bank.

In the year 2022, the program "Disability is part of Diversity at Banesco" was developed, which consisted of 5 modules and was attended by around 100 employees. The modules addressed the following topics: I. New Culture of Disability and the Convention on the Human Rights of Persons with Disabilities; II. Human Rights and Appropriate Treatment of Persons with Disabilities; III. Prevention and Disability; IV. Strategies for the approach to persons with disabilities; V. Disability and Family; VI. Postural hygiene, ergonomics and/or occupational hygiene; VII. 5D Challenge.

In this regard, the Bank implements a plan that includes actions related to good treatment, accessibility, and the inclusion of people with disabilities in conjunction with CONAPDIS (National Council for People with Disabilities).

TYPE OF DISABILITY BY GENDER

	2022		20)21
REGION	Female	Male	Female	Male
Visual, Musculoskeletal	1	0	0	0
Visual, Intelectual, Mental	1	3	0	0
Visual	0	0	1	0
Musculoskeletal	0	2	1	1
Intellectual, Mental	1	1	2	4
Musculoskeletal disability and other	1	0	0	0
Total General by Gender	4	6	4	5
Total General	1	0		9

DISABILITIES BY REGION

REGION	2022	2021	Var. %
Metropolitan	10	9	11%
Total	10	9	11%

Accessibility: It consists of the adaptations of the facilities for the movement without obstacles or barriers of persons with disabilities. That is to say: "The organs and entities of the National, State and Municipal Public Administration, and all natural and legal persons of private law, that plan, design, project, construct, remodel and adapt buildings and urban and rural environments at the national, state and municipal levels, must comply with the standards of the Venezuelan Commission of Industrial Standards (COVENIN). They must also

abide by the technical regulations on the matter issued by the respective agencies, regarding accessibility for persons with disabilities.

The common spaces of residential areas, interior designs for educational, sports, cultural, health care, commercial centers, establishments and offices, recreational and tourist sites, and urban environments shall have areas that allow for unobstructed and barrier-free movement and safe access. to the different environments and sanitary services for people with disabilities".

Good Treatment: "The organs and entities of the National, State and Municipal Public Administration, and all natural and legal persons under private law are obliged to



guarantee full access, provide preferential attention and create adequate and effective mechanisms to facilitate information, procedures and other services provided to persons with disabilities".

Inclusion and Integration: "The organs and entities of the National, State and Municipal Public Administration, as well as public, private or mixed companies must incorporate at least 5% of persons with permanent disabilities in their total payroll, whether they are male or female executives, employees, workers or laborers".

Positions assigned to persons with disabilities must not impede their performance, pose obstacles in their access to the job, or exceed their ability to perform the job.

Workers with disabilities are not obliged to perform tasks that are hazardous for the type of disability they have".

In addition, we were able to arrange for a multidisciplinary team from CONAPDIS to visit Ciudad Banesco in order to update the certification record of the employees.

TRAINING

In 2022, we designed and delivered learning experiences in various modalities: on-site, remote and online, aimed at providing technical and professional improvement of Banesco Citizens. We also acquired new technical and professional knowledge in banking regulations and the development of competencies, aiming at efficient performance of their functions in order to accompany them to achieve high quality results.

TRAINING BY POSITION LEVELS

	P	articipatio	n	ı	Man Hours	S	Average hours		
LEVEL	2022	2021	Var. %	2022	2021	Var. %	2022	2021	Var. %
Base	9,922	6,257	58.57	60,340	58,659	2.87	6.08	9.37	-35.10
Professional/Technician	22,857	16,261	40.56	132,322	117,875	12.26	5.79	7.25	-20.15
Supervision	1,095	1,060	3.30	7,841	8,092	-3.10	7.16	7.63	-6.15
Managerial	7,914	6,845	15.62	32,077	31,041	3.34	4.05	4.53	-10.53
Vice-presidents	843	424	98.82	4040	2592	55.86	4.79	6.11	-21.56
Directors	43	6	616.67	148	12	1.133.33	3.44	2.00	72.09
President	0	0	_	0	0	_	0.00	0.00	_
Тотац	42,674	30,853	38.31	236,768	218,271	8.47	5.55	7.07	-21.50

Average Hours = Total Hours - Man / No. of Participations - 2022 = 236,768/42,674 = 5,548

TRAINING BY GENDER

	Trained Employees								
		20	22		2021				
LEVEL	Female	%	Male	%	Female	%	Male	%	
Base	1,071	31.43%	382	20.66%	4,747	22.44%	1,510	15.44%	
Professional/ Technician	1,695	49.74%	1,084	58.63%	10,535	49.79%	5,726	58.55%	
Supervision	80	2.35%	86	4.65%	594	2.81%	466	4.76%	
Managerial	481	14.11%	190	10.28%	5,021	23.73%	1,824	18.65%	
Vice-presidents	76	2.23%	98	5.30%	261	1.23%	248	2.54%	
Directors	5	0.15%	9	0.49%	0	0.00%	6	0.06%	
President	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
Total	3,408	100.00%	1,849	100.00%	21,158	100.00%	9,780	100.00%	





OPERATIONAL RISK WORKSHOPS

During last year, we paid special attention to fostering spaces that promote a risk culture in the Organization by integrating innovative strategies for adult learning. We held several editions of a Film Forum of the movie "Too Big to Fail", which was organized by the expert team of the Comprehensive Risk Management Exec. Dir. for all employees nationwide and was attended by 403 collaborators. It is worth noting that since it was internal training, it did not require any extraordinary economic investment.

Likewise, we promote regulatory banking knowledge on Risk Management and the corresponding methodology in the Bank through our Virtual Learning strategies. During the process, we relied on our platform, which is available to all active employees and supported by the validation of contents by the leaders of the integral Risk unit.

BUDGET FOR TRAINING OF OPERATIONAL RISK DELEGATES

Considering that all the training on Operational Risk was delivered by experts in this field and was an internal training, it did not have any extraordinary economic implication.

TRAINING BY FIELD OF KNOWLEDGE

	Training Hours				
AREA OF KNOWLEDGE	2022	2021	Var. %		
Banking or Regulations Knowledge	189,452.00	154,971.00	22.25		
Conocimiento Técnico	40,913,00	48,734	-16.05		
Desarrollo de Competencias	6,403,00	15,729	-59.29		
Total Training Hours	236,768	219,434	7.90		
Total Employees	3,199	3,045	5.06		
Average Training Hours	74.01	72.06	2.71		
Total Employees Trained	3,147	2,823	11.48		
% Employees Trained	98.37%	92.71%	6.11		

OPERATIONAL RISK WORKSHOPS AND TRAINING

	20	22	2021		
NAME OF THE ACTIVITY	Participants	Certified / Approved	Participants	Certified / Approved	
Specialized talks on AIR, Managerial Methodology of Risk and Operational Risk Tools/Film Forum	403	403	1,249	1,249	
Talks on Comprehensive Management of Risk, delivered to new employees	241	241	117	117	
2022 Risk Culture Virtual Course	1,837	1,837			
Training Program for Young Talented People	36	36	12	12	
Total General	2,517	2,517	1,378	1,378	

These trainings were carried out by a team of expert facilitators in the Risk area, generating a high level of detail and analysis with practical cases related to the reality of the Organization.

TRAINING IN PREVENTION AND CONTROL OF MONEY LAUNDERING AND TERRORISM FINANCING

	Nun	nber of Employ	yees	Amount in VED			
LEVEL	2022	2021	Var. %	2022	2021	Var. %	
New hires	716	341	109.97	0	0	0.00	
Active Personnel	4,019	3,910	2.79	114,194.78	519,306.17	-78.01	
Total	4,735	4,251	11.39	114,194.78	519,306.17	-78.01	

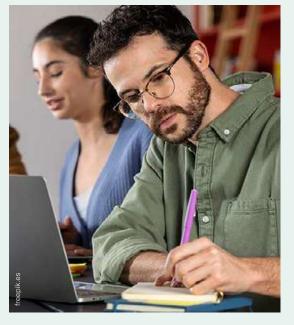




SKILL DEVELOPMENT

Relying on Google's collaborative tools to hold Online Sessions and Webinars, and thanks to the acquisition of our new Virtual Learning Platform, we kept the focus on Self-Learning, making available contents associated with the Development of Competencies, achieving 2,624 participations in 6,403 hours of training in this area of knowledge.

During this period, in search of new methodological strategies to foster our Human Talent's learning, and systematically and permanently focused on organizational learning processes, we developed innovative experiences aimed at achieving the technical and professional improvement of Banesco Citizens. Therefore, under all circumstances, our employees can efficiently perform their functions, yielding high quality results. Our most important initiatives are framed in the following areas: training activities in key areas of Business, such as: Sales, Collection and Recoveries, Business Processes, Project Management, and Financial Logistics. Focus was also placed on strengthening the skills of Collaborative Work and Agile Methodologies, Leadership and Management of Work Teams associated with Digital Transformation, Leadership, Innovation, and Service Orientation.



The Collaborative Work and Self-Learning Competency played an important role this year, thanks to the coordination of online learning spaces run by employees from different areas of the Organization, previously trained as Banesco Virtual Facilitators. They delivered 7 Webinars for 949 employees and shared the benefits of the different Google APPs.

Both our Virtual Learning platform and the use of collaborative tools allow us to share with all co-workers a very high value for their personal and professional development, enabling them to enhance their self-development.

INTERNSHIP PROGRAM

We actively participate, in compliance with the Law, in the training of more than 120 apprentices. At the end of 2022, there were 109 INCES (National Institute of Training and Socialist Education) apprentices, of which 99 are in the theoretical phase at our East Branch Headquarters, known by INCES as the Banesco DAE (Business Learning Development Center). These apprentices are gaining technical knowledge and developing competencies that will enable them to join the banking area as Comprehensive Financial Workers.

Likewise, we have assisted 51 interns, 32 of them from Fe y Alegría Schools, 19 from Higher Education Institutes and 6 Banesco employees, who have required work spaces to complete this phase of higher education as a requirement to obtain university degrees.

INTERNSHIPS

INTERNS	2022	2021	Var. %
External *	51	16	218.75
Internal **	6	6	0
Total	57	22	159.09

External Interns: Refers to High School and Advanced Technical students. In 2022, the program was offered to 51 external interns, university or advanced technical students.



^{**} Internal Interns: Employees who are studying and wish to do their internships in the Organization. In 2022, support was provided to 6 employees.

OCCUPATIONAL HEALTH AND SAFETY

ABSENTEEISM BY DISEASE / ACCIDENT

		2022		2021			
TYPE OF DISEASE / ACCIDENT	Leaves	Missed Days	% Medical Absenteeism	Leaves	Missed Days	% Medical Absenteeism	
Common disease	400	3,462	0.31	292	3,250	0.28	
Work incidents	5	36	0.00	0	0	0.00	
Common accidents	42	413	0.04	17	188	0.02	
TOTAL ABSENTEEISM DUE TO DISEASE / ACCIDENTS	447	3,911	0.35	309	3,438	0.30	

ABSENTEEISM DUE TO WORK INCIDENTS – AMOUNT OF LEAVES

	2022			2021			
REGION	Male	Female	Total	Male	Female	Total	
Central-Los Llanos	0	1	1	0	0	0	
Metropolitan	0	4	4	0	0	0	
Western-Andean	0	0	0	0	0	0	
Eastern-South	0	0	0	0	0	0	
Zulia-Falcón	0	0	0	0	0	0	
Total Absenteeism due to Work Incidents	0	5	5	0	0	0	

ABSENTEEISM DUE TO COMMON ACCIDENTS – AMOUNT OF LEAVES

	2022			2021			
REGION	Male	Female	Total	Male	Female	Total	
Central-Los Llanos	1	12	13	1	2	3	
Metropolitan	13	13	26	6	7	13	
Western-Andean	0	0	0	0	1	1	
Eastern-South	0	2	2	0	0	0	
Zulia-Falcón	0	1	1	0	0	0	
Total Absenteeism due to Common Accidents	14	28	42	7	10	17	





ABSENTEEISM DUE TO COMMON ACCIDENTS - AMOUNT OF DAYS

	2022			2021			
REGION	Male	Female	Total	Male	Female	Total	
Central-Los Llanos	5	140	145	1	36	37	
Metropolitan	98	138	236	50	86	136	
Western-Andean	0	0	0	0	15	15	
Eastern-South	0	14	14	0	0	0	
Zulia-Falcón	0	18	18	0	0	0	
Total Absenteeism due to Common Accidents	103	310	413	51	137	188	

ABSENTEEISM DUE TO COMMON DISEASE - AMOUNT OF DAYS

	2022			2021		
REGION	Male	Female	Total	Male	Female	Total
Central-Los Llanos	71	598	669	36	686	722
Metropolitan	0	250	250	13	72	85
Western-Andean	526	1,347	1,873	345	800	1,145
Eastern-South	107	471	578	178	1,028	1,206
Zulia-Falcón	30	62	92	0	92	177
Total Absenteeism due to Common Disease	734	2,728	3,462	572	2,678	3,250

The total number of days lost due to common diseases in the 2022 and 2021 were 3,462 and 3,250, respectively, i.e., 400 days off in 2022 and 292 days off in 2021. The most frequent pathologies are considered within the common diseases presented below:

TOTAL GENERAL ABSENTEEISM BY NO. OF LEAVES

	2022			2021		
GENERAL ABSENTEEISM	Male	Female	Total	Male	Female	Total
Total	96	351	447	60	249	309

2022 and 2021 data by type of Disease/Accident are herein presented from a general perspective and from one divided by region, gender and No. of days missed.





MOST FREQUENT PATHOLOGIES CAUSING LEAVES

YEAR	Musculo-Skeletal and Articular	Respiratory	Gastro-intestinal	Gynecologic	Dermatologic	Viral Diseases
2022	111	47	32	64	13	42
2021	56	28	19	43	10	84

ABSENTEEISM DUE TO COMMON DISEASE – AMOUNT OF LEAVES

	2022			2021		
REGION	Male	Female	Total	Male	Female	Total
Central-Los Llanos	7	66	73	3	64	67
Western-Andean	0	24	24	2	8	10
Metropolitan	62	161	223	34	70	104
Eastern-South	9	55	64	14	90	104
Zulia-Falcón	4	12	16	0	7	7
Total Absenteeism due to Common Disease	82	318	400	53	239	292

In relation to commuting accidents, only 2 were reported by 2022. Educational actions are implemented for our employees to avoid unsafe acts or conditions.

ABSENTEEISM DUE TO COMMUTING ACCIDENTS

	2022			2021		
REGION	Male	Female	Total	Male	Female	Total
Central-Los Llanos	0	0	0	0	0	0
Metropolitan	0	0	0	0	0	0
Western-Andean	1	1	2	0	0	0
Eastern-South	0	0	0	0	0	0
Western-North	0	0	0	0	0	0
Zulia-Falcón	0	0	0	0	0	0
GENERAL TOTAL COMMUTING ACCIDENT	1	1	2	0	0	0



OCCUPATIONAL HEALTH INDICATORS

ABSENTEEISM RATE *						
YEAR	%					
2022	0.55%					
2021	0.44%					
* No se incluyen los permisos Pre y	Post Natal					
TOTAL LEAVE DAYS**						
YEAR	Days					
2022	3,911					
2021	3,438					
	13.76%					

^{**} Leave days include common diseases, as well as common and workrelated accidents



EMPLOYEES WITH PARENTAL LEAVE RIGHTS

	2022		20	21
EMPLOYEES WITH PARENTAL LEAVE RIGHTS	Male	Female	Male	Female
Amount of Employees with Parental Leave rights	762	1,332	681	1,327
Amount of Employees who used their Parental Leave	10	74	16	62
Amount of employees who came back to work after their parental leave	09	70	13	39
Return-to-work rate after parental leave	90.00%	94.59%	81.25%	62.90%
Amount of employees who are still in the Organization after a year of their parental leave	1	4	4	6
Employee Retention Rate	10%	5%	25%	10%

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

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

INSURANCE POLICY

As part of the Collective Agreement and of the socioeconomic benefits offered by the Organization to its employees, a basic health policy has been contracted for all of them. This policy covers hospitalization, surgery and maternity (HSM). In addition, an extreme contingency policy has been contracted, which covers 8 types of specific pathologies. These are managed policies, completely free of charge for workers. Coverage is frequently reviewed and updated. Further, employees are offered an excess policy, which allows them to complement their coverage.

During 2022, the Organization continued the SARS-CoV2 prevention campaign, the virus that causes COVID-19. For employees who had symptoms, the Medical Service, through Telemedicine, provided primary health care, medical and emotional counseling, as well as financial assistance for the purchase of medicines.

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

WORKPLACE SAFETY

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

Our efforts are aimed at achieving the quality and reliability of the services provided, by the organization. We focus our efforts on minimizing fraud, service interruption time, occupational accidents and diseases, maximizing the availability of our services, and maintaining effectiveness in all our activities. For safety purposes, we executed all the appropriate biosecurity measures.

As Banesco Banco Universal, C.A. is part of the financial sector, the activities carried out by the personnel working in this organization are considered to be of minimum and low risk, because most of them do office work. Taking this into account, the greatest risk for the musculoskeletal pathology is identified in workers from different areas and, in the case of the psycho-social and physical risk, the cashiers and operative administrators are the most vulnerable, followed by the agency managers. Preventive measures for the implementation of teleworking were also developed.



At the end of 2022, Banesco Banco Universal, C.A. had 180 employees representing both the employees and the employer in the Occupational Health and Safety Committees (CSSL), between agencies and headquarters, which are distributed as follows:

OCCUPATIONAL SAFETY AND HEALTH COMMITEES (CSSL)

		2022	2021		
REGION	CSSL	Employees	CSSL	Employees	
Central-Los Llanos	10	20	31	98	
Metropolitan	15	30	18	58	
Western-Andean	21	42	33	84	
Eastern	22	48	18	54	
Zulia-Falcón	20	40	24	66	
Тотац	88	180	124	360	



The CSSLs have worked in line with the directives of the Occupational Health and Safety Service Management, in order to help control and advise on the Occupational Health and Safety Programs required by the LOPCYMAT (Organic Law on Prevention, Conditions and Working Environment).

WORK CENTER WITH WORKPLACE SAFETY AND HEALTH PROGRAMS

	2022	2021
REGION	CSSL	CSSL
Central-Los Llanos	10	31
Metropolitan	15	18
Western-Andean	21	33
Eastern	22	18
Zulia-Falcón	20	24
Total	88	124



TRAINING ACTIVITIES PERFORMED

Every year we update and reinforce the regulatory and technical knowledge of all Banesco Citizens in the area of Occupational Health and Safety. This year we enhanced that knowledge in the first half of the year through Google's collaborative tools, later incorporating the data in the Virtual Learning Platform acquired in the second half of 2022.



Likewise, different training actions were carried out in SSLL, in online and face-to-face learning modalities, covering the following contents:



TRAINING

		Female		Male		Total	
	Name of the event	Participants	Hours	Participants	Hours	Participants	Hours
T1	All we know about the Omicron variant	1,292	20,672	709	10,240	2,001	30,912
T2	Postural Hygiene in the Office, Ergonomic Hazards and Prevention	1,080	17,280	577	9,232	1,657	26,512
Т3	COVID-19	1,012	16,192	578	9,248	1,590	25,440
	Fire Extinguisher Safety Capsule	715	11,440	458	7,328	1,173	18,768
T4	Disability is part of Diversity at Banesco	546	8,736	322	5,152	868	13,888
То	TAL	4,645	74,320	2,644	41,200	7,289	115,520

		Female		Male		Total	
	Online training	Participants	Hours	Participants	Hours	Participants	Hours
T1	Myths and truths about COVID-19	1,192	19,072	633	10,128	1,825	29,200
T2	Occupational Health in Remote Work	946	15,136	533	8,528	1,479	23,664
Т3	Let's talk about the vaccine to protect us from COVID-19	1,033	16,528	547	8,752	1,580	25,280
T4	Recommendations Post COVID-19: How to start over	958	15,328	508	8,128	1,466	23,456
То	TALES	4,129	66,064	2,221	35,536	6,350	101,600





OCCUPATIONAL HEALTH & SAFETY TRAINING 2022

Modality	Content / Name of the Event (2022)	Participation	Hours
B-learning	Practice at Universidad Central de Venezuela - Certification: Banesco Emergency Brigade	24	144
Online	Talk: Why talk about Cancer?	140	210
Online	Talk: On Valentine's Day, Activate your feelings!	201	301.5
Online	Module I: Emergency Brigade Formation - Certification: Banesco Emergency Brigade	47	70.5
Online	Module II - Topic 1: Basic First Aid - Certification: Banesco Emergency Brigade	40	80
Online	Module II - Theme 2: Human Rights and Appropriate Treatment of Persons with Disabilities	110	330
Online	Module III: Emergency Action Plan - Certification: Banesco Emergency Brigade	39	78
Online	Module III: Prevention and Disability	103	309
Online	Module IV: Fire Prevention and Extinguishing - Certification: Banesco Emergency Brigade	29	58
Online	Module V: Disability and Family	109	327
Online	Module VI: Postural Hygiene, Ergonomics and Occupational Hygiene	95	285
Online	Module VII: 5D Challenge	67	134
Online	Webinar: The Power of Your Presence. Essential elements to return to face-to-face	268	402
Online	Webinar: It's time to get moving! Active Breaks and Occupational Health	139	208.5
Online	Webinar: Strengthening Our Well-Being and Emotional Balance - Key to Return to Face-to-Face	476	714
Online	Webinar: Healthy Work, Healthy Life. Ergonomics and Occupational Health	337	505.5
Online	Webinar 1st edition: Transforming from Exclusive to Inclusive. Integration and Preferential Treatment	278	417
Online	Webinar 2nd edition: Transforming from Exclusive to Inclusive. Integration and Preferential Treatment	163	244.5
Online	Module I: New Disability Culture and the Convention on the Human Rights of Persons with Disabilities	244	732
Online	Module IV: Strategies for the Approach and Inclusion of Persons with Disabilities	95	285
On-site	Awareness Talk: Disability is part of Diversity in Banesco (for Executives)	39	58.5
On-site	Meeting of Banesco: Brigade	59	118
	Total	3,102	6,012





OCCUPATIONAL HEALTH & SAFETY TRAINING 2021

Modality	Content / Name of the Event (2021)	Participations	Hours
Online	Talk: Get to Know more about coeliac disease	13	19.5
Online	Talk: Gratitude is a Social Art	20	1,5
Online	Web Forum: "Let's talk about the Vaccine".	49	30
Online	Update Program - Banesco Emergency Brigade #1: Webinar: Emotional Management	38	73.5
Online	Refresher Program - Banesco Emergency Brigade #4: CATALYST Leadership	1	1,5
Online	Webinar #1: Me and my relationships in this New Normality (3 sessions)	62	93
Online	Webinar: With you during Remote Work	141	211.5
Online	Webinar: The Love of your Life	76	114
Online	Webinar: Ergonomics in Remote Work	12	18
Online	Webinar: It's time to get moving!	7	10.5
Online	Webinar: Home school, a whole challenge	48	72
Online	Webinar: New times demand new skills	123	184.5
Online	Webinar: Active pauses during Remote Work	14	21
Online	Webinar: Tips and Recommendations Physical Safety in Agencies – Metropolitan Area	34	51
Online	Webinar: Tips and Recommendations Physical Safety in Agencies - Central and Western Region	21	31.5
Online	Webinar: Healthy Work, Healthy Life	6	9
Online	Session: Active Pauses, manage stress through laughter	27	40.5
Online	Session: Active Pauses to manage anxiety with joy	30	45
Online	Session: Active Pauses to reconnect us with joy	11	16.5
	Тотаl	733	1,099.5





COVID-19 ACTIONS

The year 2022 was kept under a dual work context: on-site and telecommuting, which required the Organization to develop strategies to support both modalities, with a view to preserving the health of employees. Among these strategies we can highlight the following:

- Assistance of Banesco Citizens in the hybrid work schemes, aimed at improving their remote work conditions and providing them with laptops, Mobile Broadband and chairs.
- The "Telecommuting Guidelines" were prepared, aimed at supervisors and employees, with recommendations for optimizing performance and productivity in a remote work environment. In addition, a Webinar was held to disseminate the recommendations set forth in the guides.
- Two surveys were conducted to obtain information on the situation of employees during telecommuting. The information collected allowed the organization to understand their experience and to take measures to improve it.
- Digitalization of 90% of Talent Acquisition management, meeting the majority of the process through digital tools, enhancing the experience of new talent and of the internal client in pandemic contexts.
- Payroll and personnel services management focused on employee satisfaction in terms of client service, products and services; channeling the necessary technological

- adaptations to comply with regulatory requirements.
- At the Labor Relations level, the following were achieved: Digitalization of the Process for the Payment of Social Benefits, Digitalization of the Process for the Renewal of Contracts or Fixed Term Contracts, and Digital Notice on Prevention Measures COVID-19.
- Aware of the demands and challenges that characterize the current environment, supported by e-learning strategies, we implemented solutions linked to timely and accurate information with a focus on the topic of health, highlighting: Myths and truths of COVID-19, Let's talk about the vaccine to protect us from COVID-19 and Post COVID-19 Recommendations: How to start over.

WORKING RELATIONS

The Collective Labor Agreement of Banesco Banco Universal, C.A. was approved by the Directorate of National Inspection and other Collective Labor Affairs of the Private Sector on October 10, 2013, and it is still in force at the end of 2022.

According to its third clause, it covers all employees hired and under a working relation,

who provide services in Banesco Banco Universal C.A., with the exception of the Presidents of the Board of Directors, Executive Presidents, Directors, Vice-Presidents and Executive Vice-presidents, Managers, Interns, and INCES Apprentices.

In this regard, 59.61% of our employees are covered by the current agreement, which consists of Preliminary, General, Economic and Socioeconomic Clauses, Union Clauses and Final Clauses. There are 1,907 workers affiliated to the National Union of Workers of Banesco Banco Universal, C.A. (SITRABANESCO).

This policy provides competitive socioeconomic benefits in the market. It is focused on improving quality of life for workers and their families since, in addition to economic benefits, it offers benefits such as a hospitalization, surgery and maternity policy, which covers workers and their families (spouses and children), as well as scholarships for workers, toys for their children, and help with school supplies, among others. The result of applying the Principle of Social Responsibility to our main asset, talent, generates well-being, improvements in working conditions and the quality of life of our employees.

EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS	2022	2021	Var. %
Total Employees	3,199	3,045	5.05
Employees covered by the Collective Agreement	1,907	2,021	-5.64
% Employees covered by the Collective Agreement	59.61%	66.37%	-10.18





FREEDOM OF ASSEMBLY

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

Likewise, as another expression of freedom of unionization, the right to collective bargaining and to enter into collective bargaining agreements is guaranteed. The principal members of the Executive Committee of the trade union are recognized as having the right not to be removed from their posts, and a contribution from the organization to the trade union is envisaged.

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

Banesco maintains a Comprehensive Risk Management System to tackle Money Laundering, Financing of terrorism and of the proliferation of mass destruction weapons (ML/FT/FPMDW). Its scope, design, structure, and obligations have been implemented in accordance with the regulations in force; for this reason, the banking institution adopts appropriate, effective, and sufficient practices aimed at identifying, evaluating, and implementing measures to reduce the possibility of being used as a mechanism to conceal illicit capital

or to divert funds intended to finance terrorist groups or activities.

In this context, Banesco Banco
Universal, C.A. prepares
and executes an Annual
Operational Plan (AOP),
approved by the Board of
Directors and containing,
among other components,
the Annual Training Program
(ATP), drafted on the basis of
the training needs and adjusted to
the Bank's operational profile, accor-

ding to the specific functions of each area.

The execution of this plan allowed for the active participation of the organization's employees

through on-site and online learning, with different focuses and contents related to the basic aspects of the ML/FT/FPMDW, applicable regulations, the Know Your Employee Policy, the Know Your Client Policy, as well as specialized training for the employees responsible for compliance.

Likewise, the Bank fosters Communications Strategies aimed at Customers and Employees in the area of ML/FT/FPMDW Prevention and Control. Intranet has served as an information tool on this subject and it is intended to provide all the Institution's employees with information that helps to prevent, control, and detect attempts to do Money Laundering or finance terrorism.

Our employees are also encouraged to support the actions of the Unit of Prevention and Control of Money Laundering and Financing of Terrorism and of Proliferation of weapons of mass destruction.

We have direct lines of communication with the Appointment and Remuneration Committee (see Corporate Governance chapter), as well as a mailbox: "Banesco Unit for the Prevention of Money Laundering", where notifications of unusual or suspicious activities that may be detected in clients or employees can be made.



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

In this regard, to ensure transparency and the application of the "Know Your Employee" policy, the institution's personnel are required to notify the origin of any funds they may receive in their accounts, other than payroll payments, through the corresponding supports, when requested by your immediate supervisor or the Employee Responsible for Compliance.

EQUALITY AND NO DISCRIMINATION

At Banesco Banco Universal, C.A. we encourage equality between our employees, without distinction of age, race, color, creed, political or sexual preferences, or for any other reason that may generate prejudices. We therefore ensure the same opportunities for everyone and we promote tolerance, respect and inclusion campaigns.

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

Internally, we also have rules that prevent discriminatory practices such as the Collective Agreement (Clause 2 of the General Declaration of Principles) and the Code of Ethics and Conduct of the Banesco Citizen, which was last updated on September 29, 2021.

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

In the Venezuelan labor market there is a greater supply of men than women for certain areas and positions. At Banesco Banco Universal, C.A., we offer equal opportunities by gender, as evidenced by the fact that at the end of 2022, 62.80% of our employees are women and 37.20% are men.

CHILD EXPLOITATION

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

SALARY RATIO BETWEEN MEN AND WOMEN

POSITION CATEGORY	2022	2021
Base	1.02	1
Director	-	-
Managerial	0.97	1.03
General Manager	-	-
President	-	-
Professional/Technician	1	1
Supervision	1	1
Vice president	1	1.29

FORCED LABOR

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

It is worth highlight that the legal provisions in force in Venezuela regulate the contracting and performance of work, in its different modalities, and prohibit the exploitation of children and forced labor. These regulations also promote the establishment of measures of a mandatory nature for the protection of workers, and even young apprentices, whose activities are supervised by the Venezuelan state institutions.



BENEFITS RECEIVED BY OUR EMPLOYEES

The quality of life for our employees and their families is one of the most important aspects of the Organization. Our constant challenge is to remain a leading company in providing benefits and the best working conditions.

Efforts are made year after year to evaluate the socioeconomic conditions of our country to offer to our talent competitive benefits and the best conditions to improve their quality of life. That is why, our benefits program encompasses our entire personnel, regardless of their work status, including those who work both part-time and on a fixed-term basis. This keeps us at the forefront of the country's financial sector, mainly in the areas related to food, health, and housing.



CONTRACTUAL BENEFITS

	Investment (VED)			No. of Beneficiaries		
CONTRACTUAL BENEFITS	2022	2021	Var. %	2022	2021	Var. %
Contributions to Savings Fund	422,954.51	59,567.14	610.05	3,122	3,278	-5.00
Aid to families due to the employee's Death	5,107.92	571.20	794.24	8	5	60.00
Aid for School Supplies	816,000.00	757,152.00	7.77	1,434	1,511	-5.10
Scholarships	794,300.00	115,943.00	585.08	560	327	71.25
Contribution to Cashiers and Promoters	127,127.38	16,773.55	657.90	739	797	-7.28
Contribution due to death of immediate relative	20,400.00	9,900.00	106.06	66	62	6.45
Contribution due to Mother's Day	399,900.00	126,630.00	215.80	1,333	1,404	-5.06
Contribution due to Marriage	3,300.00	1,200.00	175.00	11	11	0.00
Contribution due to Birth of Children	12,300.00	3,000.00	310.00	41	29	41.38
Christmas toys	1,401,000.00	333,920.20	319.56	1,097	1,142	-3.94
Award Policies - Recognition due to Seniority	104,575.00	23,800.01	339.39	494	527	-6.26
HSM Collective Insurance Policy	10,936,452.59	3,678,058.95	197.34	8,312	8,106	2.54
Family Subsidy	49,334.80	12,985.00	279.94	749	917	-18.32
Uniforms and Equipment	1,131,561.66	2,426.01	46.542.91	0,00	435	-100
Vacation Bonus	338,283.64	53,887.64	527.76	2,245	2,046	9.73
Total General	16,562,597.50	5,195,814.70	218.77	20,211	20,597	-1.87



NON CONTRACTUAL BENEFITS

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

NON CONTRACTUAL BENEFITS

	In	vestment (VEI	D)	No.	of Beneficia	ıries
BENEFIT	2022	2021	Var. %	2022	2021	Var. %
Parking Subsidy	18,972.96	11,813.97	60.6%	6,960	7,080	-1.7%
Dining Subsidy*	18,121,754.08	3,196,290.58	467.0%	1,022,458*	449,676	127.3%
Medical Service	730,902.84	751,187.75	-2.7%	1,494	1,226	21.8%
Medical Aid for Severe Diseases	50,806.03	1,089.65	4,562.6%	10	4	150.0%

BASIC-NEED ITEMS DISTRIBUTION DAYS

During 2022, given the greater supply of basic-need articles in the market, other kinds of activities, equally oriented toward the integral wellbeing of our employees and their families, were carried out.

LEGAL OBLIGATIONS TABLE

	In	vestment (VEI	D)	No. of Beneficiaries		
LEGAL OBLIGATIONS	2022	2021	Var. %	2022	2021	Var. %
Daycare	5,085.44	144.39	3,422.02	13	4	225.00
INCES	85,237.52	12,303.08	592.81	3,702	3,709	-0.19
Law on Employees' Food	1,431,922.51	187,379.18	664.18	3,724	3,650	2.03
Employment Law	83,183.34	10,935.33	660.68	3,693	3,702	-0.24
FAOV (Housing Law and Habitat Law)	269,487.83	41,868.88	543.65	3,702	3,709	-0.19
Mandatory Social Security	416,618.31	53,696.45	675.88	3,693	3,702	-0.24
Money Laundering Prevention Training	114,194.78	51,930.62	119.90	4,735	4,251	11.39
Total	2,405,729.73	358,257.93	571.51	23,262	22,727	2.35





^{*} No. of Dining Subsidies/Beneficiaries.

YOUR HOUSE WITH BANESCO PROGRAM

	Investme	ent (VED)	No. of Beneficiaries		
TYPE OF MORTGAGE	2022	2021	2022	2021	
Mortgage Purchase Loan (FAOV + Own funds)	3,423,391.61	1,591,643.75	13	10	
Mortgage House Renovation + Extension Loan (FAOV + Own funds)	2,174,087.16	251,091.00	7	1	
Total	5,597,478.77	1,842,734.75	20	11	



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OTHER BENEFITS GRANTED TO EMPLOYEES

		Investment (VED		No. of Beneficiaries			
BENEFIT	2022	2021	Var. %	2022	2021	Var. %	
Banesco Banco Universal, C.A., Automobile Loan	1,267,580.00	838,503.73	51.17	10	13	-23.08	
Sportive, Recreational and Cultural Activities	336,489.51	66,410.00	406.69	3,500	2,300	52.17	
Formation and Training Programs	1,292,861.38	459,532.64	181.34	3,147	2,823	11.48	
Total	2,896,930.89	1,364,446.37	112.32	6,657	5,136	29.61	

ENGAGEMENT ASSESSMENT AND ORGANIZATIONAL CULTURE

Challenges and changes were present during 2022 for the population in general, therefore, the Organization kept as a challenge to continue the Engagement and Culture momentum, in response to a very demanding environment, where the need to achieve results and productivity was imperative.

At the close of 2022, the annual measurement of Culture and Engagement was carried out, with the participation of 85% of the workforce (2,306). Among the most relevant results, the following stand out: Corporate Identity,

Customer Orientation, Development and Self-Development, as strengths, reaching a level of 83% in the Global Culture Indicator.

As for the measurement of Engagement, we obtained an Overall Result of 85%, showing no changes over the previous year, the main strengths being Alignment with Strategy, Communication, Leadership and Stability.

As part of the Annual Culture and Engagement Plan, we continue to prioritize actions for the care of our employees' mental and physical health through meditation spaces, webinars to contribute to self-care practices, new spaces for acknowledgement, Infographics for Emotional Management, and wellbeing-related information in a podcast format. Within the framework of Culture, the improvement of customer service and experience was also promoted, giving rise to recognition of "Memorable Agencies", concluding with 3 winning agencies for having a constant and high result in the ISN Customer Indicator, a score awarded by customers. Furthermore, we resumed the tours to our branches as well as the "Conquering the 1st Place" program, focused on improving service.



THE EXTERNAL DIMENSION OF OUR SOCIAL RESPONSIBILITY























We are centered in creating value, transcending our offer of financial products and services in order to generate a positive impact in the quality of life of our clients and of the communities in which we operate.

Our social investment is envisaged from the business perspective and it aligns with our corporate strategy, respect and ethical values, human rights, the community and the environment.

We conduct our social investment on the basis of trust, building transparent and ethical relations with our social partners and with the community for the development of the local economy. We directed our strategic investment to programs with social value that meet the needs of the communities with which we have a close dialogue and who constitute an important link in our chain of value. The investment is directed to three specific areas: education, financial inclusion and healthcare.



During 2022, we allocated a social investment of VED. 27.6 million to support projects of the community and our employees and their families, reaching a total of more than 14 thousand beneficiaries during this period.

This investment was materialized in 41 projects from 27 institutions through its Partners and



Social Allies, promoting quality education, assistance to children and people with special needs, medical services and others. The Participatory Budget and the Micro Entrepreneurship Training Program continue to be the most important projects for the Organization, and through them we get closer to the needs of the communities we serve.

The Organization's strategy for Sustainability and Social Responsibility is drafted, developed and executed by the Vice Presidency for Corporate Communications and Social Responsibility, which reports directly to the executive presidency.

In the following pages, we will indicate the support that we have given for years to the institutions belonging to our Program of Corporate Social Responsibility





OUR SOCIAL PARTNERS

	2022					2021		
Dodu / Institution	Duningk	Amount	Benefi	ciaries	Duciosa	Amount	Benefi	ciaries
Body / Institution	Project	VED	Directs	Indirects	Project	VED	Directs	Indirects
Micro Entrepreneurs Training Program	Micro Entrepreneurs Training Program	155,466	9,114	31,899	Micro Entrepreneurs Training Program	58,129	7,269	36,345
Fe y Alegría	Restoration of the structure of the Instituto Universitario San Francisco de Fe y Alegría	136,224	825	6,000	Reparation of a Transformer, type Pad Mounted of 300 KVA (Administrative area)	37,135	717	6,957
A.C. Red de Casas Don Bosco	Strengthening of the Protection Services (Bosco Bus-Patio) for vulnerable children and adolescents	212,121.00	1,200	4,800	Strengthening of the Protection Services (Bosco Bus-Patio) for vulnerable children and ado- lescents, ranging from 6 to 7 years old in the Metropolitan Area of Caracas	83,000	1,200	4,800
Fundana	"NutriFamilias" Nutritional Care and Recovery Program	293,815	2,300	11,500	Nutrifamilia Feeding Program	88,428	600	3,000
UCAB	Scholarships	732,707	60	240	UCAB Scholarships Program Caracas and Guayana	186,545	54	162
	Sponsorship of UCAB "Feria del Oeste" (Western Fair)	2,610	Undefined	Undefined	Sponsorship of UCAB "Feria del Oeste" (Western Fair)	1,559	Undefined	Undefined
AVEC	Construction of a Perimeter Fence for the AVEC School U.E.I. Padre José Manyanet	18,200	477	2,385	Repairs and Equipment for School Monseñor Sixto Sosa, Táchira State.	7,350	1,085	5,425
Venezuelan Foundation against Pediatric Paralysis	Sponsorship with beds for musculos- keletal surgery for low-income patients	107,778	16	64	Sponsorship with beds for musculoskeletal surgery for low-income patients	27,440	16	64





OUR SOCIAL PARTNERS

			2021					
5 1 (1 111 11		Amount	Benefi	ciaries		Amount	Benefi	ciaries
Body / Institution	Project	VED	Directs	Indirects	Project	VED	Directs	Indirects
A.C. Apoye	Plan for the transition to a hybrid classroom/online training scheme in A.C. Apoye	22,067	45	290	Online Training Plan on Performing and Plastic Arts, AC Apoye., consisting of the design and development of an activity plan with recreational and formative activities to be implemented during the vacation period for 6 weeks.	5,000	54	270
Salesian Sisters Civil Association	Contribution for infrastructure improvements at Centro María Auxiliadora, Barquisimeto, Lara state. Contribution for the project: Roof waterproofing, damaged roof tiles removal and replacement, and rainwater drainage installment at the Centro María Auxiliadora in Barquisimeto, Lara state.	33,488	700	1,400	Construction of a roof for the children's playground, U.E. Inicial Monseñor Rufino Pérez, Consejo Ciruma, Zulia State	5,690	45	100
Simón Bolívar Music Foundation	Comprehensive Training Program for Leaders and Managers of El Sistema	17,738	30	2,440	Restructuration and measure- ment of the perimeter wall of the building Núcleo Tamá. San Cristóbal, Tachira State.	5,925	45	100
Museo de los Niños	Contribution for remodeling the restrooms at the Museo de los Niños	39,178	More than 1,000 children in pri- mary education	More than 1,000 adolescents, parents, repre- sentatives and teachers	_	-	-	-
IESA	Master's degree scholarship program for outstanding students	91,200	10	35	Master's degree scholarship program for outstanding students	41,500	10	
Total		1,733,492	14,777	61,053		547,701	13,990	57,123





BANESCO PARTICIPATORY BUDGET FOR SOCIAL PROJECTS

During April and May, participatory budgets were held in the following states: Zulia, Carabobo, Lara, Nueva Esparta, Anzoátegui, Mérida and the five municipalities of the Gran Caracas, divided in two groups: Libertador and Sucre and El Hatillo, Baruta and Chacao municipalities.

During this season, the participating projects were varied and covered different areas of action such as health, education and vulnerable populations. In the Gran Caracas area, in the Libertador and Sucre municipalities, the winning foundation was Operación Sonrisa, with its program "Cambiando Vidas, Una Sonrisa a la Vez", which provided specialized pre- and post-surgical medical care to patients with cleft lip and palate and of low economic resources.

Fundadown received the budget corresponding to the municipalities of Baruta, Chacao, El Hatillo and Carabobo State, for the project of training services on integral health and psychological support to families of people with Down syndrome.

The winner in Zulia was SOS Aldeas Infantiles de Venezuela, with its project for the nutritional support of 50 acutely malnourished children between 6 months and 7 years of age, and in the state of Anzoátegui, the Foundation Centro Integral de Apoyo y Mejoramiento Infantil (CIAMI), which will support specialized

therapies for children and young people with intellectual disabilities.

In the state of Lara, the Fundación Amigos del Niño con Cáncer Lara (FANCA), will use the resources to finance the provision of intrathecal trays for the diagnosis and treatment of cancer in children and adolescents; while Uniandes was the winning foundation in the state of Merida, with training for the prevention of violence and sexual abuse in children and adolescents in the Santa Catalina de El Chama community.

In the states of Nueva Esparta and Táchira, by vote of the participants, there were two winners per region, sharing the resources. The organizations *SenosAyuda* and *Olimpíadas Especiales*, in Nueva Esparta, received the contribution for the refurbishment of the security for the main office and to increase training opportunities for small athletes, in order

to promote the development of visual-motor coordination in confinement time.

Meanwhile, in Táchira, the contribution went to the Asociación Venezolana de Educación Católica (AVEC), for the construction and refurbishment of Biology, Chemistry and Physics laboratories at the Unidad Educativa Colegio Jorbalán, and the Foundation Una Luz para El Autismo (FUNAUTA), for the Escuela para Padres Funauta project, which provides training to family members and teachers on the appropriate integration of children with ASD.



PARTICIPATORY BUDGET BY REGION

			The same
REGION	2022	2021	3 *
Zulia	11,000.00	3,000.00	40
Nueva Esparta	11,000.00	3,000.00	6
Mérida	11,000.00	3,000.00	-
Gran Caracas (Libertador, Chacao, Baruta, El Hatillo and Sucre)	22,000.00	6,000.00	Ta .
Anzoátegui	11,000.00	3,000.00	
Carabobo	11,000.00	3,000.00	
Lara	11,000.00	3,000.00	
Táchira	11,000.00	3,000.00	
Total (VED)	99,000.00	27,000.00	
			350



PARTICIPATORY BUDGET FOR PEOPLE CERTIFIED BY THE BANESCO MICRO ENTREPRENEURSHIP TRAINING PROGRAM

The Participatory Budget for Entrepreneurs is an initiative that we created in 2022, with the aim of supporting all those entrepreneurs certified by our Banesco Micro Entrepreneurship Training Program (PFM). It is an exercise in transparency and participation, which consists of granting a non-refundable economic contribution to the enterprise with the highest number of votes cast by the participants in the final stage, the educational partners of the PFM and a vote from Banesco Banco Universal, C.A.

This program's objectives are: to develop, implement and promote the selected business or idea; to generate sustainable and solid businesses; to strengthen the local economy, make it grow and secure new jobs in the future..



In this first edition, during September and October, 33 proposals were received from entrepreneurs who graduated from the PFM of the Metropolitan Area of Caracas, out of which, having met the technical criteria, 7 were pre-selected. The final event of the first edition took place on November 18, and the winner was the *Iniciativa Mundial Ingeniería del Futuro* (IMIF), which received a non-refundable amount of VED. 14,400. This program constitutes a part of our commitment to Venezuelan entrepreneurs and to the creation of sustainable businesses.



BANESCO SCHOLARSHIPS AND LIFETIME SCHOLARSHIPS

In Banesco Banco Universal, C.A., we are firmly committed to the progress of society and to higher education students. To this effect, we promote and participate in higher education initiatives and programs developed by national universities with which, not only do we have a commercial relation, but also with which we have established agreements for the grant of scholarships.

SCHOLARSHIPS AND BANESCO LIFETIME SCHOLARSHIPS

	2022		20:	21	Variation %	
Institution	Beneficiaries	Amount VED	Beneficiaries	Amount VED	Beneficiaries	Amount VED
UNIMAR	39	79,500.00	30	24,255.00	30.00%	227.77%
Banesco Scholarship Program – UCAB	58	732,707.06	54	186,545.45	7.41%	292.78%
Universidad Monteávila	15	121,600.00	10	74,700.00	50.00%	62.78%
IESA	10	91,200.00	10	41,500.00	0.00%	119.76%
Тотаl	122	1,025,007.06	104	327,000.45	17.31%	213.45%



BANESCO PUBLISHING FUND

The Banesco Publishing Fund has become a reference in the Venezuelan publishing field and the academy. Its goal is to promote and support Venezuelan education, as well as the publishing activity in the country.

We sponsor and publish books by Venezuelan authors, whose contents contribute to the integral formation of people in order to build citizenship

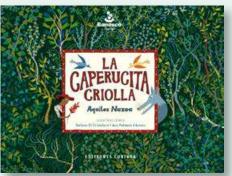


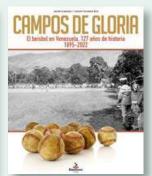
Banesco supports diversity and the many views that can explain Venezuelans today, their identity traits, their diverse expressions and their appreciation for peace and coexistence.

During 2022 we added 5 new titles: Campos de Gloria, Antología del 7° Concurso Nacional de Poesía Joven Rafael Cadenas and La Caperucita Criolla, from the Heritage Collection; 70 años de historias de migrantes, from the Journalism Collection and Nuevo País del Diseño Gráfico, from the Los Rostros del Futuro Collection..

These and all the texts of our Editorial Fund can be downloaded for free in our Virtual Library, available in our web page: www.banesco.com.







OUR COMMITMENT BASED ON ATTENTION AREA

	Investm	Investment VED			
ATTENTION AREA	2022	2021	Variation %		
Care for Children at Risk, Senior Citizens and People with Disabilities	692,946.69	257,347.99	169.26%		
Health	420,445.71	100,882.69	316.77%		
Education	1,822,001.94	488,224.80	273.19%		
Unions	25,546.28	6,284.88	306.47%		
Culture	250,996.56	83,287.52	201.36%		
Publishing Projects	281,713.25	95,121.89	196.16%		
Community Events	229,376.49	15,839.89	1,348.09%		
TOTAL VED	3,723,026.92	1,046,989.66	255.60%		

^{*} Partners' and Social Allies' contributiions included.

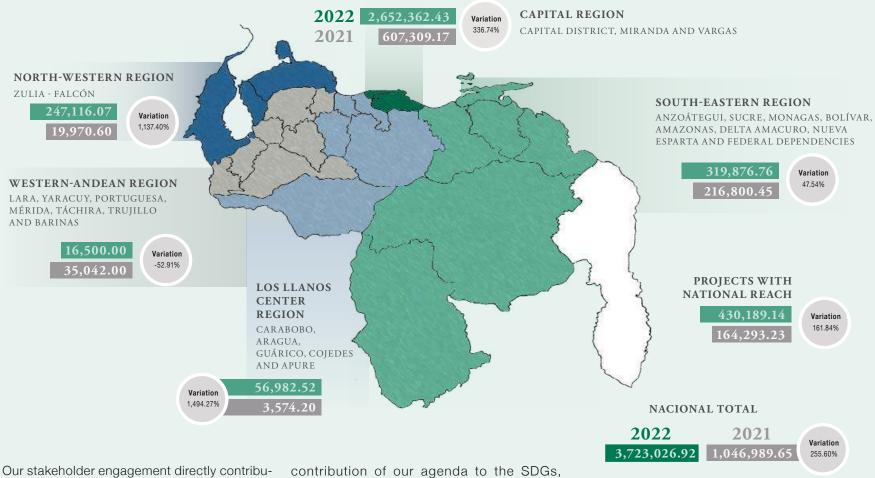
During the year 2022, no negative impacts were generated by our operations in the communities.



OUR SOCIAL
PARTNERS
AND SOCIAL
ACTION IN
COMMUNITIES

BANESCO SOCIAL ACTION IN THE COUNTRY BY REGION

INVESTMENT VED



Our stakeholder engagement directly contributes to several of the United Nations Sustainable Development Goals (SDGs). We are constantly evaluating and analyzing the contribution of our agenda to the SDGs, identifying which goals we can have the most impact on with our activity, commitments and strategy in the future.



OUR SOCIAL PARTNERS AND SOCIAL ACTION IN COMMUNITIES

MICRO-ENTREPRENEURSHIP TRAINING PROGRAM

In 14 years, Banesco has taken many steps with its entrepreneurs. In 2008, the country was introduced to the first MicroEntrepreneurship Training Program, which promotes financial education, providing administrative, personal and managerial tools so that people who want to start their own business can obtain the necessary knowledge and skills.

The program is designed for people over 18 years of age, both nationals and foreigners residing in Venezuela, and offers a free certificate of participation. It is the emblematic program of the Corporate Social Responsibility (CSR) Policy of Banesco Banco Universal, C.A., and a platform for entrepreneurs. Hence, our co-responsibility is an expression of financial education and inclusion.

Its objectives for entrepreneurs are:

- Drive sales growth
- Improve customer relationships
- Optimize revenue and expense control
- Improve their quality of life
- Improve their performance as business managers.

In 2022, the program certified 9,114 entrepreneurs; 5,893 women and 3,221 men between the ages of 18 and 65, mostly Venezuelan university students, technical college graduates

and high school graduates, accounting for businesses in operation for less than one year (745) and more than one year (4,657).

Of this universe of trained microentrepreneurs, 4,085 people completed the Technological Module, which is complementary and offers the necessary tools to digitalize and market their products and services through social networks. This brings the total number of graduates of this program up to 82,068 graduates in 14 years.



Thanks to the sustained effort of our educational allies, who manage the various course options, the Instituto Universitario de Gerencia y Tecnología (IUGT), FundAcción Social, the Universidad Posible, the Asociación Venezolana de Escuelas Católicas (AVEC), and the Asociación de Promoción de la Educación Popular (APEP), we are able to offer our Virtual Training Program in all the states of the country and to Venezuelans located in Argentina, Chile, Colombia, Ecuador, Spain, Mexico, among other countries.

We also established 25 alliances with various social, educational, business and government organizations to actively promote the Micro Entrepreneurship Training Program and include a greater number of people.

Among these alliances are the following: Municipality of Zamora, Dirección de Desarrollo Juvenil: Asociación Civil Buena Voluntad. Centro de Salud Santa Inés UCAB. Student Center of the School of Economics, Sociology, Social Work and Public Health of the Universidad Central de Venezuela (UCV), Coca-Cola Femsa, EmpreMujeres, C.E.I. P Isabel Fajardo, Faculty of Economics and Social Sciences-UCV, Foundation Cultura Sin Fronteras, Foundation Renaciendo en Familia, Foundation Tapas Anzoátegui, Foundation Miel y Canela, Flash Creativo, Iniciativa Mundial Ingeniería del Futuro (IMIF), Otro Enfoque, Student Welfare Organization OBE-UCV, Redes Profesionales RSE en el Mundo, Nestlé Venezuela, Innovation and Entrepreneurship Center UCAB, Universidad Centroccidental Lisandro Alvarado.



OUR SOCIAL **PARTNERS** AND SOCIAL **ACTION IN** COMMUNITIES

ACCOUNTABILITY

Accountability is an exercise that we promote and request from each one of the foundations or institutions that benefit from our programs. This practice guarantees transparency and encourages trust between our main stakeholders. To facilitate the experience of our Partners and Allies, we created a simple and practical format containing the necessary information for the clear and concise accountability in the execution of each project.

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

We also send a Satisfaction Survey to our Social Partners to assess our ma-

nagement and improve in the areas in which, in their view, there is space for improvement.

INDICATOR	2022	2021	Var.
Banesco's response to request for support	100.0	98.5	1.5%
Guidance and support from CSR area regarding the conditions under which a project is approved or not	97.1	93.8	3.5%
Information and channels to manage a project	100.0	98.5	1.5%
Outcome of the Project in terms of the received donation	95.7	98.5	-2.8%
Satisfaction Index	98.6	97.6	1.0%

INNOVATION

As we do every year, in 2022, in order to optimize the Micro Entrepreneurship Training Program and adapt it to the national context, the Administrative and Technological Modules were revised and updated, adjusting content on business administration, the new qualities of entrepreneurs, environmental analysis, marketing trends, technology and communication, sustainability and social responsibility.

On the other hand, in order to know the impact of the Program, a virtual survey was applied to its 2020 and 2021 graduates, via e-mail. The survey was conducted on several variables, such as: gender, age, academic background, satisfaction with the content of the Program and the experience in it, impact on the improvement of the enterprises/businesses, business practices that have been applied based on the acquired knowledge, as well as the social impact that they have generated in their environment.

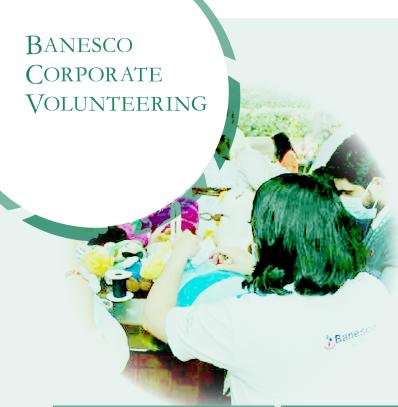
SATISFACTION INDICATORS REGARDING OUR SOCIAL PARTNERS

A total of 1,175 people from different regions of the country participated in the survey, distributed among 728 women and 447 men between 18 and 74 years of age, with different levels of academic training. Among the findings, it is worth mentioning:

- Most are satisfied with the content studied in the Program and have benefited in their personal, family and entrepreneurial growth.
- The Micro Entrepreneurship Training Program has had a great impact in improving the business management of most of its graduates.
- Some have been able to provide benefits to their employees as a result of their participation in the Program.
- Graduates have been able to implement good business practices: marketing in social media, recording of invoices and sales made, application of profit calculations, among others.
- Positive community impact has improved as a result of the growth of entrepreneurship..

In 2023, our Program will continue its virtual journey, with some on-site courses in all regions of the country, thus Banesco Banco Universal, C.A., maintains its commitment to contributing to the sustainable development of Venezuela, increasingly training more and more microentrepreneurs.





OUR POLICY

We are committed to promoting teamwork and solidarity through Corporate Volunteering, carrying out social activities in the communities with our Social Partners or establishing alliances with private institutions with which we share the same values of solidarity and commitment.

Our Corporate Volunteering, in line with our Social Responsibility and Sustainability Policy, establishes that employees can dedicate several work hours to activities organized by the Life Quality Management, which is the office managing and coordinating Corporate Volunteering alongside and in collaboration with the Communication and Corporate Social Responsibility Vice-presidency.



Specific events

INVESTMENT IN BANESCO VOLUNTEERING

Group Projects

2022 Bs. 1,325.74

2021* Bs. 4,636.38

Variation

-71%

TYPE OF VOLUNTEERING

Those Volunteering actions	Those Volunteering Actions
where protocol or logistics support during corporate	where the volunteer group plans, designs and executes
events is given.	the activity with the super- vision of the Volunteering
	Coordination.

Professional Voluteering

Constituted by a team of professionals that facilitate learning experiences to our Social Partners through workshops, conferences, counseling and organizational aspects.

Free time use

* The figure for the year 2021 is updated. Due to an unintentional error, the information

on training and education and man-hours was not included.

Volunteering actions, where one or several volunteers. by their own initiative, share their time or talent for the benefit of Social Partners.

OUR MANAGEMENT

During this period our Corporate Volunteers dedicated more than 780 hours of collaborative work in the different programs and social initiatives of the company and of our Social Partners.

Our volunteers started the year 2022 with a beautiful activity where they became the Three Wise Men and delivered toys and clothes to more than 30 children who are cancer patients, at the doors of the Foundation Amigos del Niño con Cáncer, located in the parish of San Bernardino in Caracas. The donation was made thanks to the solidarity of the Bank's employees, who responded to the internal collection campaign "Ayúdanos a Ayudar" (Help us to Help).

We also developed "Ayudemos a Las Tejerías" (Let's Help Las Tejerías), an initiative to collect food and basic necessities from our employees: drinking water, medicines, clothes, shoes, mattresses, and a special contribution from the Bank for the most vulnerable communities affected by the landslide in Las Tejerías, Aragua State. We have the support of our social partner Dividendo Voluntario para la Comunidad (DVC) for the delivery of the donation.

Similarly, we supported "The Stuffed Animal Hospital", with its project "We are looking for Surgeons to Repair Toys", whose objective



BANESCO CORPORATE VOLUNTEERING

was to recycle and reuse stuffed animals and dolls, to give them a second chance and make many children happy. Undoubtedly a special campaign: very heartfelt and loved by the employees. We were able to collect 500 stuffed animals, 145 dolls and more than 114 toys. In this activity, 150 volunteers participated in 180 volunteer hours.

During this year, we also supported Fundana's XVI Auction "For the love of art and Venezuelan children". We hosted this event, which included an exhibition of 99 works by 92 renowned artists, which were auctioned in order to raise funds to create a safe home and provide comprehensive care to children in vulnerable situations.

On the other hand, within the framework of the International Volunteer Day declared by the United Nations Assembly and celebrated on December 5 of each year, Banesco Banco Universal, C.A., awarded 7 female employees in the Professional Volunteers Category for their dedication and social work. Additionally, in a closing ceremony, the most outstanding volunteers in the execution of the Volunteering 2022 Program were given recognition for their dedication and social work.

DISTRIBUTION OF BANESCO CORPORATE VOLUNTEERING

BY POSITION / MAN HOURS DEDICATED

	20	022	20	21
POSITION	Volunteers	% of the total	Volunteers	% of the total
Apprentices/Interns/Dissertation students	0	0.00%	0	0.00%
Base	41	24.55%	18	9.63%
Professionals and Technicians	54	32.34%	37	19.79%
Supervision and Managerial	72	43.11%	128	6845%
Vice-presidents	4	2.34%	4	2.14%
Total Volunteers	171	100.00%	183	100.00%
Total Man Hours Dedicated	785	100.00%	343	100.00%
Annual Average Hours per Volunteer	4.59		1.83	

BY TYPE OF ACTION / MAN HOURS DEDICATED

PARTICIPATION MODEL	2022	2021
Specific Social Action Events	785	157
Group Projects	0	0
Environmental Volunteering	0	86
Volunteer Training	0	100
Total Hours	785	343



ACTIVITIES HELD WITH OUR SOCIAL PARTNERS

SOCIAL PARTNER	Activity	Volunteer Hrs.
Foundation Amigos del Niño con Cáncer	"Ayúdanos a Ayudar" en el Día de Reyes	36
FUNDANA	Apoyo Logístico Subasta "Fundana"	176
El Hospital de Peluches	Buscamos Cirujanos para Reparar Juguetes	180



OUR CLIENTS











OUR POLICY

In Banesco Banco Universal C.A., we develop strategies that ensure the continued improvement of our products and services, the diversification of channels, the creation of new ones on the basis of artificial intelligence and the improvement of those that allow requirement self-management and information search. New digital banking trends have oriented a business strategy grounded in innovative technological solutions and within the framework of that orientation; we deliver to our clients the new services and adjustments of the existing channels.

OUR MANAGEMENT

Banesco Banco Universal, C.A., remained a benchmark in the financial system, ending 2022 with a gross portfolio amount of VED. 2 billion and 7,704 settled loans, of which 6,652

were granted in the second half of the year, reaffirming once again the Institution's vocation towards credit intermediation, maintaining excellent portfolio management indicators, adequately proportioned and of high quality, with a delinquency rate of 0.0036%.

DIGITAL CHANNELS, BOTH ELECTRONIC AND PHYSICAL

We have a wide network of physical and electronic distribution channels nationwide:

- 202 Customer Service Centers (Agencies and Ticket Offices)
- 134,596 Points of Sale (Physical and Virtual)
- 409 ATMs

CONTACT CENTERS

REGION	2022	2021	Var.
Capital	75	79	-5.06%
Los Llanos - Center	34	36	-5.55%
Western - Andean	34	37	-8.10%
South-Eastern	34	37	-8.10%
Zulia - Falcón	25	25	0.00%
Total	202	214	-5.60%

ATMS

REGION	2022	2021	Var.
Capital	160	160	0.00%
Los Llanos - Center	73	70	4.28%
Western - Andean	66	64	3.12%
South-Eastern	63	56	112.50%
Zulia - Falcón	47	47	0.00%
Total	409	397	3.02%







PRODUCTS AND SERVICES

- Checking Account with Interests
- Checking Account with no Interests
- Electronic Account
- Savings Account
- Electronic Savings Account
- Investments: Time Deposits
- Green Account

- UVC Commercial Credits
- UVC Vehicles
- Microcredits
- Manufacturing Sector Credits
- Agricultural Credits
- Mortgage Credits

AMOUNT OF TRANSACTIONS

	Amount of T		
CHANNEL	2022	2021	Variation
E-Banking	1,168,812,982	1,239,645,679	-5.71%
Mobile Banking	104,502,161	72,606,187	43.93%
ATMs	21,400,917	13,378,525	59.96%
Points of Sale	767,888,303	865,741,474	-11.30%
Telephone Banking (IVR-CAT-Online Chat-Telemarketing)	9,186,638	13,616,004	-32.53%
BanescOnline for Enterprises	23,368,752	13,575,524	72.14%
Agencies Network	2,660,791	1,490,240	78.55%
Mobile Payment	259,773,395	244,048,581	6.44%
Total	2,357,593,939	2,464,102,214	-4.32%

As a responsible Organization, we have developed our financial activity in compliance with our stakeholders' Human Rights, applying this compliance principle in 100% of the products and services offered. Committed to equal opportunities to favor the socioeconomic integration of people with special needs, we continuously review the adaptation of ATMs and multifunctional equipment to facilitate access and use by all users.

OTHER IMPORTANT PRODUCTS

In 2022 we developed alliances with MoneyGram to support our customers. The purpose of this initiative is that natural persons, residing in Venezuela, and who are our customers, receive bolivars in their accounts in local currency, on behalf of people (also natural persons), located in different parts of the world



and through MoneyGram's physical and virtual channels.





DEBIT AND CREDIT CARDS

CREDIT CARD ISSUING BUSINESS

During 2022, there was an increase in sales of 5,776% compared to 2021, which meant an increase in the portfolio amount of 12,121%. During this period, 224,159 clients benefited from increases in their limits.

ACTIVE DEBIT AND CREDIT CARDS	2022	2021	Var.
No. of Credit Cards	1,335,845	1,627,828	-17.94%
No. of Debit Cards	3,667,160	3,752,417	-2.27%

DEBIT CARD ISSUING BUSINESS

Banesco Debit Cards recorded an increase in sales of 229% in 2022 compared to the previous year, with a 99% share of transactions, with the point of sale being the channel most used by customers, with a year-on-year growth of 227%.

In addition, we facilitated the operations of our customers, since they can make purchases with their Debit Card, up to a maximum daily amount of VED 30 thousand.

96.24% of active pensioners at Banesco enjoy the convenience of mobilizing their accounts through points of sale and using digital media to make transfers, make inquiries and pay for services.

CLIENT AND BANK USER'S DEFENDER

El Defensor del Cliente y Usuario Bancario The Banesco Client and Bank User Defender is a figure appointed by the Institution to review, process and resolve complaints, as well as claims filed by clients and users derived from banking practices and actions, considered inappropriate or not resolved in a timely manner by the Client and Bank User Service Unit. The Defender is a formal instance of an objective and independent nature and with total autonomy as to the criteria and guidelines to be applied.

During 2022, the Banking Client and User's Defender attended to 1,364 cases. From this number, 286 requests were admitted, amounting to VED 222,384.19.

The cases that were not attended (1,078) were duly answered, explaining the reason for not admitting the request and forwarded to the Customer Service Unit, which follows up on them until they are closed.

The main requirements addressed were:

- Inconveniences with BanescOnline, Banesco Pagos
- Inconveniences with Mobile Payment/ Payments made
- Failed or Duplicate Purchase at Point of Sale with Banesco Maestro Card
- Validation BanescOnline Transfer not credited at the destination Bank
- Operation rejected due to inconclusive negotiation.
- Erroneous transfer



DIGITAL TRANSFORMATION

In 2022, initiatives were defined for the Digital Transformation Plan, among which are: artificial intelligence to support customer service processes (Dani Virtual Assistant), VideoBanking, training in digital transformation, international remittances; new products designed with a digital focus, such as the Green Account, permanent improvements in the Online Internet and Mobile Banking applications, new payment services. In this case, a Digital Maturity Measurement, Agility Chapter, was also carried out, which resulted in a improvements report to be addressed in 2023.





CLIENT AND USER'S REQUIREMENTS AND CLAIMS MANAGEMENT

We use the technological tool called *Sistema Integral de Requerimientos* (SIRWEB), to manage in a timely and efficient manner the claims, complaints and requirements that our customers make through the different customer service channels, such as: BanescOnline, Agency Network, Social Networks, Corporate Mailbox atclient@banesco.com, Call Center and Administrative Offices.

During 2022, 2,694 cases were reported through SIRWEB, of which 98% were associated with Debit Cards. Of the cases handled, 2,048 cases were ruled as appropriate.

The distribution of claims and requirements by financial instrument is as follows:

INFORMATION TECHNOLOGY AND OPERATIONS

We continued to be aligned in the delivery of solutions with strategic vision and business growth, ensuring the best customer experience and time to market compliance. We guaranteed operational continuity and stability of services with cost/efficiency balance and drive digital transformation.

PROCESSES

We focused on guaranteeing the productivity of the areas through optimization strategies that allow them to be more efficient, supporting their management through the creation of portals, using Google's suite, further automating their management and control, mitigating operational risks and closing audit findings.

In terms of quality, we reviewed monthly the compliance with service agreements of the products we offer, concluding the period with new robotized processes that contributed to improve the productivity of the areas, automating repetitive tasks, dedicating the personnel

that performed them to others that add more value.

DEVELOPMENT AND MAINTENANCE OF APPLICATIONS

Technological solutions were added with new functionalities that support the business strategies, aimed at improving and strengthening the experience of our customers, offering them different means of payment and/or collection through the channels: collection of Simple TV and Intercable in BanescOnline; Digitel Post Pago in the Multipagos Portal; Simple TV and Intercable through Mobile Banking; Seniat for the collection of special taxpaying customers through BanescOnline, Multipagos Portal; as well as Payment Buttons for customers such as municipalities, condominiums, governors' offices and private companies.

In order to support the commercial business, the certification of new POS models with Public Network Connection was carried out, allowing the range of devices to be offered in the sales process to be expanded.

DISTRIBUTION OF CLAIMS AND REQUIREMENTS BY FINANCIAL INSTRUMENT

	Credit C	ard (CC)	Debit C	ard (DC)	Saving	s Book	Che	ecks	Client	Service		
YEAR	No. of Claims	Amount of Claim	Total Claims	Total VED								
2022	34	4,203	2,640	388,838	13	2,721	0	0	7	1,943	2,694	397,705
2021	6	252	1,437	118,909	1	10	0	0	3	0	1,447	119,171





OUR **CLIENTS**

We enhanced the Foreign Currency account, enabling the issuance of bank references for Green and Custody Accounts, account statements and account cuts through the agency channel, as well as in BanescOnline, Moreover, we implemented the Retail exchange mechanism in BanescOnline, Mobile Banking and DC in POS, a very useful service for customers, requested by the regulatory agency as mandatory.

OPERATIONS INFRASTRUCTURE

We guaranteed the required availability of critical services and the optimal levels of the Bank's technological infrastructure, products and channels; we continuously carried out preventive and corrective actions through the improvement and system health plans, in order to maintain the required levels for operability and provide a reliable experience to our customers...

We optimized the private cloud capacities, the processing and storage capacities of the Bank's main services, as well as the data life cycle methodology, recovering and reusing space by cleaning historical and unused data, in addition to debugging and optimizing actions in the technological platforms.

The distributed storage platform was disincorporated, freeing up physical space and electric power; we replaced agency interconnection services, mitigating risks due to hardware and software obsolescence, optimizing service capacities and availability.

We made improvements and adjustments to the service platform, reducing response times, achieving greater speed and reliability.

SECURITY CERTIFICATES

Customer security is one of our top priorities, which is why we use the latest technologies to protect the confidentiality of your operations.

Information sent over the Internet travels protected by a 128-bit cryptographic mechanism, which converts your data into disguised characters that can only be decrypted when they reach the Bank.

When you log in to the service, data is transmitted to our servers using Transport Layer Security (TLS) technology, which protects or encrypts your information, making it impossible for any unauthorized person to read it.

Our Banesco.com and BanescOnline portals have the international security certification granted by the renowned company TrustedSite to sites with the highest levels of security against Internet attacks...









SPECIALIZED SEGMENTS

NATURAL PERSONS SEGMENT

Comprised of customers segmented into Premium, Private, Upgrade and Massive, it is characterized by offering a value offer according to their profiles and needs. In 2022, new strategies were promoted aimed at improving/ maintaining reciprocity in liabilities, attracting new customers and boosting the portfolio of products and services offered, including digital products such as mobile payment, products in foreign currency such as the Green Account, exchange mechanisms, international account, credit cards and loans.

Since 2021, a new CRM (Customer Relationship Management System) has been implemented, through which executives have access to customer contact, management, interest and status information, even from the ease of their mobile device.

However, after the automation and digitalization of processes as a result of the COVID-19 pandemic, as of 2022 we have the management of commercial actions through the VideoBanking team, a channel mainly oriented Abre paso a tus divisas con Cuenta Verde y ... Compra v vende desde la app o la web

to the attention of Natural Persons in Post-Sale processes, in, for example, the updating of files, attention to claims for erroneous debits in Debit Cards, etc. This new proposal strengthens the channel through the management, validation of interest, sale and linkage to Banesco products (mainly POS), significantly improving the experience we offer our customers, boosting com-

mercial relations with them.

LEGAL ENTITIES SEGMENT

It recorded a total of 5,112 loans granted in 2022, with the Commercial Portfolio (VED 1,15 billion) standing out by business line, representing 77% of the volume liquidated during the year.

In addition, more than 10,000 new accounts were opened for legal entities, which strengthens the ecosystem and facilitates transactions between clients, in addition to the savings in commissions.

COLLECTION AND PAYMENT SERVICES

Collection and Payment Services recorded 559.7 million transactions, driven by the increase in Mobile Payment, Online Collection, Direct Debit and Supplier Payment operations.

The affiliation of legal clients to the P2C Mobile Payment service was maintained, in order to protect collection and provide a digital channel for this service, both for natural clients (payer) and legal clients (collector).

As part of the digital transformation, the BanescoPagos Service (Payment Button) was extended, implementing the service for 47 legal clients, for a total of 414,908 transactions.

TOTAL LIQUIDATED CREDITS

BANK	2022	2021	Variation
Natural Persons + Legal Entities (SMEs)	1,064	284	274.65%
Specialized Banking Natural Persons	2,592	150	1,628.00%
Specialized Banking Leal Entities	4,048	771	425.03%
Total	7,704	1,205	539.34%





CLIENT'S EXPERIENCE

The Bank is already talking about hyper-personalization, aimed at segmenting customers by audience type, in order to offer new experiences focused on the individual and unique needs of each user, allowing us to establish positive emotional bonds that drive loyalty and long-term retention.

We are working to move almost all customer services and interactions into the digital realm, to satisfy immediate needs and deliver memorable experiences leveraging cutting-edge technology.

Based on building lasting relationships with customers, we promote Customer Experience as the priority dimension to execute customer service processes, products, systems and marketing with elements that differentiate us from the competition, and thus position ourselves as an entity focused on loyalty and customer-centric vision.

During the second half of 2022, we maintained the Net Promoter Score (NPS) measurements, in order to know the expectations of customers towards Banesco Banco Universal, C.A., and towards competitors. Listening to the voice of our customers provides us with a range of opportunities to act and close gaps associated with our products and services, based on continuous monitoring and understanding of the service offered. Additionally, we carry out



Employee Net Promoter Score (ENPS), under the the consideration that our employees are the main ambassadors of the Brand.

The information obtained allows us to establish strategies to strengthen the bond with the Organization, which will ultimately result in the strengthening of relationships with our customers.

As part of our Digital Transformation, we incorporated collections into our portals, which allowed our customers to self-manage. On the other hand, we expanded the range of benefits offered to our foreign currency product.

Making applied technology more human is a challenge for companies worldwide. At our Bank we strive to generate efficient processes that have a positive impact on our clients' experience.

MESSAGES

We guarantee that the messages we transmit to our client/end consumer are in the most understandable and close way, aligned with the realities of the offer or service, respecting the fulfillment of what we offer. We are also respectful of the existing regulatory framework in the country, from which we can cite the following as being of great importance for Banking:

- Law on Banking Sector Institutions, issued in Official Gazette No. 40.557, dated December 8, 2014.
- Resolution No. 339.08, dated December 18, 2008, whose standards regulate the Administrative Processes in relation to the issuance and the use of Credit, Debit, Prepaid Cards and other Financing or Electronic Payment Cards, whose articles 23, 24 and 25 (Chapter I, Obligations of Issuers) refer to cases of prize offers and promotions.
- Resolution No. 291.09 dated June 26, 2009, regarding Regulations on Advertising and Propaganda carried out by Banks, Savings and Loans and other Financial Institutions on Financial Products and Services.
- Resolution No. 063.15 dated June 12, 2015. Regulations related to the Protection of Financial Services Users.

As per provisions set forth in the Circular SIBDSB-CJ-OD-00240, date January 14, 2021, products and services, as well as their



OUR CLIENTS

modifications, will require prior authorization from the Superintendence of Banking Sector Institutions (SUDEBAN), which may make observations or suspend the products if necessary to protect bank users and customers.

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

The Central Bank of Venezuela (BCV) is the competent body to authorize and set commissions and fees.

RELATIONAL MARKETING

Through the personalization of our communications, we accompany our external and internal customers during their development in the Organization, offering them cross-selling of products and services.

Likewise, we analyze the figures from the various information management systems as a support in deepening our knowledge of our customers, from both a transactional and relational perspective, which has allowed us to design actions that facilitate interaction with them, in order to provide them with the best possible experience.

One of our most significant commitments lies in offering the necessary support to the Marketing team in the deployment of product and service campaigns, through relevant analyses derived from Outbound Marketing, which contribute to greater agility in the management of proposals tailored to the needs of our customers.

Within the framework of this strategy, and through the use of email marketing, during the year 2022 we reached 85% of our customers by sending millions of personalized emails, obtaining average open rates of 31.2%, which today exceed international standards for the business segment.

STAKEHOLDERS GROUP DIALOGUE

Natural Persons	20	22	2021		
Focus Groups / Interviews / Surveys	Amount	Participants	Amount	Participants	Segments
Client Experience Survey	12	58,400	12	53,250	Natural Persons
Brand Survey	1	800	1	800	Natural Persons
Satisfaction / Service Quality Survey	8	3,299	15	4,851	Natural Persons
Internal Client Service / Banesco employees	16	13,382	12	3,800	Banesco Employees
Qualitative Survey	3	55	0	0	Natural Persons
Legal Entities	2022		2021		
Focus Groups / Interviews / Surveys	Amount	Participants	Amount	Participants	Segments
Client Experience Survey	10	1,162	7	741	SMEs, Businesses, Large Enterprises and Corporate
Internal Client Service / Banesco employees	3	458	0	0	SMEs, Businesses, Large Enterprises and Corporate
Legal Entities: Qualitative Survey	2	23	1	24	Legal Entities



OUR **CLIENTS**





MARKETING

We multiplied our efforts to keep our customers informed about all new products and services, as well as about behaviors that promote safety and prevention.

We conducted around 214 campaigns to increase awareness of our products, support customer service management and promote our CSR initiatives.

The following are the campaigns carried out during the year 2022:

AWARDED TICKET CAMPAIGN

It seeks to strengthen the Banesco-Customer loyalty relationship and encourage the use of Banesco Points of Sale. By the end of the fiscal year, more than 17,055 prizes have been awarded to Cardholders who received free purchases and to more than 12,616 Stores, crediting their accounts with the same amounts of the winning Cardholders.

Likewise, in December, a group of winning Cardholders and store owners were invited to a celebration, and we had the opportunity to learn about their experiences with the Program in the form of testimonials, which will be shared through Banesco.com and Social Networks.

WE STAYED CLOSE TO OUR CLIENTS AND PROMOTED SECURITY CAMPAIGNS

We deployed informative campaigns through Social Networks, focused on keeping our clients always alert about the possible scams to which they may be exposed and the best way to prevent and protect their data and financial products.

How to avoid Money Laundering, Terrorist and Weapons of Mass Destruction Proliferation Financing.

Through monthly communications we reminded the importance of protecting the data from third parties, as well as to avoid requesting assistance from strangers or being subject to manipulation to divert funds of illicit origin.





WE

OUR CLIENTS

PENSIONERS CAMPAIGN

We continued to promote the use of Digital Banking with our pensioners, encouraging them to use our electronic channels to carry out their transactions without having to go to the Bank.

POS SALE AND REPAIR DAYS

We maintained the momentum of these events throughout the country, accompanying our commercial partner Nativa.

WE KEPT PROMOTING SERVICE PAYMENTS THROUGH BANESCONLINE. BANESCOMÓVIL AND MULTIPAGOS

We offer our clients the possibility to pay for their services easily and securely through our Digital Banking system...





GREEN ACCOUNT AND SALE OF FOREIGN CURRENCY

We continued to promote our Banesco Green Account, adding the advantages of buying and selling foreign currency through BanescOnline and BancaMóvil.

WE LAUNCHED OUR BANESCOPAGOS CAMPAIGN (BANESCO PAYMENTS)

In the second half of the year, we promoted the BanescoPagos Campaign, created to inform our customers that they can now make their administrative payments from different organizations or companies through our portal, accessing with their BanescOnline credentials and a special operations password. These campaigns were deployed on Facebook, Twitter, Instagram and Instagram.











OUR CLIENTS







PROMOTED OUR C2P MOBILE PAYMENT SERVICE

We showed our clients and business owners that they can now pay at affiliated businesses without the need to have a card or phone, with the generation of a dynamic key, through our businesses affiliated to PagoMóvil C2P.

BANESCOTOKEN

We reminded the benefits offered by the BanescoToken app, created to generate dynamic tokens for our clients, every time they need to make a withdrawal from their Banesco Green Account or to activate products and services that require validation with dynamic tokens.



BANESCO V IDEOBANKING

We continued to encourage the service of attention to requirements and requests through video call. The campaign was deployed through our digital media (social networks and website).

WE TRANSMITTED A MESSAGE FOR UNION AND FAMILY TIME

To end the year, starting December 1, we started our usual Christmas campaign focused on the invitation to continue achieving dreams together.





SOCIAL NETWORKS

Social networks have been an effective communication channel for our followers, as evidenced by the 36,181 cases, including queries and requirements, handled through our official accounts on Twitter, Facebook, Instagram, Youtube and Linkedin, in addition to having a blog.

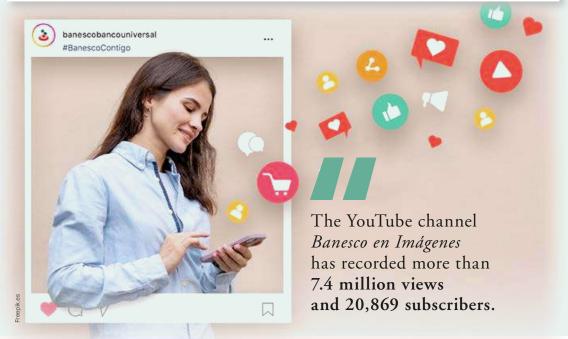
As for our presence in social networks, Twitter-through the @Banesco account-, remains our users' favorite network, with 764,111 followers as of December 2022. In addition to serving as a link for queries and requirements, it offers content of interest on personal finances, entrepreneurship, technology, events, history, sports, business, energy and news on products, services or promotions of the Bank.



We added 271,655 followers on Facebook, while on Instagram we reached 279,619 followers.

At the end of December 2022, the Banesco. com Blog reached 9,285,537 visits. In addition to corporate information on products and our Corporate Social Responsibility policy, the Institution has exclusive content prepared by renowned journalists.

SOCIAL NETWORKS		2022	2021	Variation
TWITTER	@Banesco	764,111	740,509	3.1%
TWITTER	@Baneskin	201,576	203,385	-0.88%
FACEBOOK	Banesco Banco Universal	271,655	267,261	1.64%
YOUTUBE	Views	7,431,950	6,975,452	6.54%
YOUTUBE	Subscriptions	20,869	18,678	11.73%
in LINKEDIN	Followers	144,550	114,672	26.05%
[INSTAGRAM	Followers	279,619	242,837	15.14%
BLOG BANESCO	Visits	9,285,537	9,000,546	3.16%





















OUR POLICY

In Banesco Banco Universal, C.A., we are responsible regarding our resource consumption and we strive to carry out various initiatives that allow us to do a better job while we carry out our operations and care for our environment at the same time. We understand the importance of environmental protection and preservation as a necessity for the benefit of this and future generations.

OUR MANAGEMENT

At Banesco Banco Universal, C.A., we continue working to reduce the environmental impact of our activities through efficient energy consumption, the reduction of paper use, the promotion of recycling, as well as the correct treatment of waste and its reuse.

During this period, we continued with our recycling campaign and have incorporated concepts of environmental care in the corporate culture, to motivate, train and engage employees and other stakeholders in this matter. The

recycling program reached 27,940 kilograms of paper and 16,447.38 kilograms of electrical and electronic waste.

ELECTRONIC DOCUMENT MANAGEMENT

Given the nature of our operations, paper is one of the most used resources in the Organization, so we continue to make efforts to reduce its use through file digitalization initiatives and the appropriate use of printers and multifunctional equipment.

The main purpose of the Credit Digitalization Center (CDICRE) is to digitalize files, avoiding the duplication of unnecessary copies and speeding up the Organization's work flows. Its incorporation into the Bank's main areas contributes to lower paper consumption, space optimization and organization in terms of file custody.

In 2022, more than 710 thousand pages of commercial loans and more than 118 thousand pages of credit cards were digitalized.

ELECTRONIC DOCUMENT MANAGEMENT

	No. of Operations			No. of Pages			
AREA	2022	2021	Variation	2022	2021	Variation	
Commercial Credits	12,852	5,449	136%	710,782	142,515	399%	
CC (Application/Services)	19,439	5,125	279%	118,182	30,746	284%	







RECYCLING PROGRAM

During 2022, we kept our recycling program, which gave satisfactory results with 27,940 kg. of recycled paper and cardboard, accounting for VED. 945.00. These resources have been destined to the support of projects led by our Social Partners.

Paper is the most relevant resource for our operation, so we have made great efforts to incorporate cutting-edge and more efficient equipment and technology.

Our activities do not emit substances that destroy the ozone layer, nor do they emit nitrogen or sulfur oxides.

TOTAL PRINTS

2022	8,725,254
2021	5,927,410
Variation	47.20%

PAPER USAGE

PAPER SAVED	2022	2021	Var.
Commercial Credits	12,852	5,449	136%
CC (Applications / Services)	19,439	5,125	279%





ENERGY CONSUMPTION

The main source of energy used in our organization is produced by hydroelectric plants, distributed through the national electricity grid.

Along with the national power grid, we have, six (6) diesel generators at our main headquarters, Ciudad Banesco, and two (2) diesel generators at our headquarters in El Rosal and other administrative offices, in case of emergencies. They back up between 80% and 100% of the service. These generators are activated in the event of a power failure in the commercial During 2021, we generated 4.9 thousand GJ.

On the other hand, we reached a per capita consumption of 41.80 Gigajjoule for a headcount of 3,199 employees.

In 2022, we reinforced the awareness campaign for the responsible use of multifunctional printing equipment with a special paper-saving program.







WATER CONSUMPTION

Our water consumption during this period was 223,230.00 m³. Under this same concept and with a payroll of 3,199 employees for this year, we have a consumption of 69.80 m³ per person.

The water used in all our headquarters and agencies was withdrawn using the water network fed by the different reservoirs in the country.

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

All our attention centers, branches and administrative headquarters discharge their sewage waste into the national public sewer system.

ENVIRONMENTAL INDICATORS

	То	tal Consumpti	on	Consumption per Person			
Consumos	2022	2021	Variation	2022	2021	Variation	
Water (m³) 1	223,230.00	147,288.00	51.56%	69.80	48.40	44.21%	
Electricity Gigajoule (National Electric System) ¹	133,830.00	133,000.00	0.62%	41.80	43.70	-4.34%	
Electricity Gigajoule / Independent generation ²	4,937.40	3,378.60	46.13%	3.00	2.30	30.43%	
Paper (Kg) 1	6,419	6,329	1.42%	2.01	2.08	-3.48%	
Paper (Kg) / Clients ⁴	30,106	19,751	52.42%	0.01	0.01	0.00%	

	Total Consumption			Consumption per Person			
Waste	2022	2021	Variation	2022	2021	Variation	
Recycled paper (Kg) 1	27,940	54,410	-48.65%	8.73	18.00	-51.50%	
Electrical and Electronic Waste (Kg) ¹	16,447.38	110,129.80	-85.07%	5.14	36.16	-85.78%	

	То	tal Consumpti	on	Consumption per Person			
Greenhouse gas emissions	2022	2021	Variation	2022	2021	Variation	
CO ₂ emissions from diesel generators (Ciudad Banesco only)	1,336,455.00	916,183.13	45.87%	815.90	623.30	30.90%	
CO ₂ emissions from employees' vehicles ²	687,676.93	230,101.97	198.85%	419.80	156.50	168.24%	
Total Co2 emissions Co2 2	2,024,131.93	1,146,285.10	76.58%	1,235.73	779.79	58.47%	

- 1. National totals. Based on 3,199 employees in 2022 and 3,045 employees in 2021. Electricity and water consumption figures at the national level in 2022 correspond to the consumption declared on paid invoices.
- 2. Ciudad Banesco and Torres de El Rosal 1,638 employees in 2022 and 1,470 employees in 2021.
- 3. Self-generation in Ciudad Banesco and El Rosal. Based on 1,638 employees in 2022 and 1,470 employees in 2021.
- 4. 3,757,251 clients in 2022 and 3,944,586 clients in 2021.
- 5. Quantity in kg (exact total weight of reams of paper for the years 2021 and 2022) is included.





OUR
ENVIRONMENTAL
COMMITMENT

OTHER INITIATIVES

- We conduct feasibility studies in the granting of loans to the builder, in order to guarantee not only the success of the project, but also the least possible environmental impact in the area where the work will be developed. We make sure that the financed projects have the habitability certificates before starting the sales process.
- In order to facilitate transportation and contribute to their safety, transportation services are provided to employees from Ciudad Banesco to the Plaza Venezuela Station of the Caracas Metro System in the morning, for their arrival at the headquarters, as well as in the afternoon. Whenever there are events outside of the headquarters, transportation units are hired to transport employees. The Organization assumes the cost of the service.
- The employees medical service located in Ciudad Banesco does not generate biological sanitary waste as it only provides primary care and uses disposable material. Emergencies are referred to health centers near the main office.

During 2022, we received no fines or demands for failure to comply with the local or national environmental norms.

DONATION OF FURNITURE AND DISINCORPORATED COMPUTER EQUIPMENTS

As a part of our recycling and reusing policy for our assets, we donate the furniture and computer equipment that is no longer in use in our headquarters and branches to organizations, preferably of social nature, so they can be used again.



DONATION OF FURNITURE AND DISINCORPORATED COMPUTER EQUIPMENT

Donation of disincorporated computer equipment	2022	2021	Variation
Amount of Donated Equipment	227	446	-49.10%
Total Kg.	626	1,379	-54.60%

Donation of disincorporated furniture	2022	2021	Variación
Amount of Donated Furniture	593	577	2.77%
Total Kg.	8,873	11,934	-25.65%



CORPORATE VOLUNTEERING

In 2022, the corporate recycling program for employees was strengthened at the Ciudad Banesco headquarters, with regard to paper and cardboard, in the common areas of the Institution. Furthermore, the talk "Del lenguaje de la gente, al lenguaje del ambiente" (From the language of the people to the language of the environment) was presented to promote recycling culture, with the participation of Corporate Volunteers.











OUR POLICY

At Banesco Banco Universal, C.A., we seek to build a medium and long-term relationship with our strategic suppliers, based on a relationship of trust that guarantees and satisfies the needs of the business and the growth and productivity of the entire value chain.

Given that we understand their impact on society, we engage with responsible suppliers who respect our ethical, social and sustainability-oriented standards, just as we do.

OUR MANAGEMENT

During 2022, we applied this contracting policy to 952 local suppliers (95.10%) and 49 non-local suppliers (4.90%), with whom we maintained a

relationship and transacted a purchase volume of VED 1.5 trillion representing 78.07% of local suppliers, i.e. companies operating in the same geographical area where the purchase, service and invoicing is made; while 21.93% corresponds to non-local suppliers.

Of this number and as part of our commitment to the United Nations Global Compact, 137 service contracts were signed with suppliers, of which 54 included Clause 20 (J), related to the Ten Principles of the Global Compact, based on the Universal Declarations and Conventions applied in the areas of Human Rights, Environment, Labor Standards and Anti-Corruption. Our suppliers are aware of the Code of Ethics and this clause. The rest of the contracts signed are under the supplier's

OUR POLICY IN HIRING SUPPLIERS

We carry out an exhaustive review process for all those suppliers interested in providing services to the Organization. We have a Supplier Contracting Policy, whereby all suppliers interested in providing services must go through a review process in the Legal, Technical-Commercial and Financial aspects, and must provide documentation to support their legality and financial transparency.

In addition, criteria such as price and quality of service, human rights and sustainability are included.

Every supplier who is interested in providing a service to the Institution must submit the following documents:

 Legal Information (Copy of RIF (Taxpayer Identification Number), copies of the Directores IDs and Passports, Articles of Incorporation, Shareholders' Certifications, Sworn Statements requested by Banesco (Conflicts of Interest, Compliance with the Code of Ethics, Illicit Funds, and the Shareholder Distribution of Suppliers and Compliance, Solvency and Legal Obligations).

- Financial Documentation (Balance Sheet, Profit and Loss Statement, Trial Balance in the cases where the company's accounting close is over six months old, all of them expressed in historical values and their income tax return).
- 3. Technical-commercial documents (Commercial references).



OUR **SUPPLIERS** model, financial confidentiality agreements or signed agreements that do not include the clause identified above.

RULES FOR PROCUREMENT PROCESS

- 1. The procurement and contracting processes for the acquisition of goods, materials, works and services must be carried out at the most appropriate total cost, taking into consideration price, quality, timeliness of delivery and service after acquisition, guaranteeing at all times fairness and transparency in the selection of the supplier.
- 2. The VP of Procurement and Administration must ensure compliance with the established rules, processes and regulations, in accordance with the autonomies and instances to approve the different phases of the procurement process.
- 3. For the purchase of goods and services it is necessary to carry out selection processes with a minimum of 3 suppliers, with the exceptions that may occur due to the country's economic environment.
- 4. The procurement process is centralized, and the requesting areas are responsible

- for providing the specifications of the purchases and/or contracts and, when required, the technical evaluation matrix must be consolidated under their area of specialization.
- 5. The documentation of qualified suppliers registered in the Bank's database will expire annually, after which time they must be re-evaluated to participate in the provision of goods and services in general. For those requirements that are valid for a certain period of time, the Bank reserves the right to request the updating of the documents.

DISTRIBUTION OF SUPPLIERS BY NUMBER AND BY AMOUNT PAID

	No. of S	uppliers	% of total Suppliers Am		Amou	Amount Paid		e Amount iced
ТҮРЕ	2022	2021	2022	2021	2022	2021	2022	2021
Local Suppliers	952	932	95.10%	96.88%	1,178,765,780.89	423,101,747.26	78.07%	94.58%
Non-local Suppliers	49	30	4.90%	3.12%	331,043,469.29	24,224,770.16	21.93%	5.42%
Total	1.001	962	100%	100%	1,509,809,250.18	447,326,517.42	100%	100%

SUPPLIERS AND MOST SIGNIFICANT **ITEMS BY REGION**

We maintain an inventory of our main suppliers of goods and services by geography, which represents 62.18% of the total amount paid.

DISTRIBUTION OF SUPPLIERS BY NUMBER AND BY AMOUNT PAID

	No. of Suppliers		Amount Paid		% Over	the Amount I	nvoiced
REGION	2022	2021	2022	2021	Variation	2022	2021
Capital Region	451	445	900,980,606.09	354,626,182.83	1.35%	100.00%	100.00%
South-Eastern Region	43	48	13,287,103.33	5,280,102.47	-10.42%	100.00%	100.00%
Los Llanos-Center Region	80	88	10,265,238.12	2,886,821.52	-9.09%	100.00%	100.00%
North-Western Region	36	40	14,503,152.95	5,815,475.67	-10.00%	100.00%	100.00%









OUR POLICY

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

OUR MANAGEMENT

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

Furthermore, risk analysis studies are conducted and submitted to the bank's depositors and investors on any new financial instrument or product. Although this does not prevent the occurrence of eventual inconveniences, it allows the Bank to constantly adjust its risk mitigation mechanisms.

The Bank's Legal Team constantly analyzes the regulations in force, including any new guidelines that may impact the way our products and services work, as well as any modifications to existing regulations, adapting our conduct to the new requirements.

TAXES

Our tax policy is in line with our organizational values. We therefore, respect, adhere and comply strictly and faithfully with the tax laws in force. We do so in an efficient and timely manner, based on the information reflected in our financial statements.

The Executive Management of Taxes and Compliance with Tax Obligations, attached to the Executive Direction of Treasury and Finances, is the area in charge of establishing the necessary controls and guaranteeing faithful and timely compliance with tax obligations, through the execution of the legal provisions of the tax regulations and the approved Guidelines, which have been published.

We plan all the required and mandatory activities for the compliance of our tax obligations in a timely manner, with the national, state and municipality's bodies. The accrual and payment of such obligations are reflected in the bank's financial statements in accordance with local accounting standards.

On the other hand, tax regulations are analyzed to ensure that the Organization's decisions comply with their contents and are in accordance with the general principles of Tax Law.



OUR
COMMITMENT
TO
AUTHORITIES

Regarding the Tax Transparency regime, specifically in the area of Transfer Pricing, the Organization complies with the principle of free competition or principle of independence, informing the tax administration of our economic operations with related parties, as established by the regulatory framework, in which it is evident that we comply with our tax burden, without transferring our assets to low tax jurisdictions.

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

We rely on internal communication channels to raise awareness among the different areas of the business regarding the importance of complying with tax obligations and the risks to which the Organization may be exposed.

In addition, Banesco Citizens are provided with specialized training courses on tax matters, so that they have the necessary technical tools for the compliance of their duties.

We identify risks in advance and notify, if necessary, the Executive Direction of Treasury and Finances, in order to make assertive decisions to mitigate or eliminate them.

TAXES DUE TO OWN OPERATIONS

| IN VED

TAXES	2022	2021	Variation %
Income before taxes	566,895,671.34	101,526,926.03	458.37%
Income tax (1)	33,121,513.00	5,068,822.00	553.44%
Tax on Economic Activities	29,916,524.83	8,926,120.02	235.16%
Value Added Tax*	107,282,254.00	29,205,388.00	267.34%
Tax on Business Advertising	248,138.02	163,420.54	51.84%
Urban Property Tax	66,451.87	69,096.81	-3.83%
Tax on Large Financial Transactions (IGTF)	26,077,948.07	7,988,420.00	226.45%
Tax on Large Assets	4,808,590.00	2,871,618.00	67.45%
Other Taxes**	778,449.00	78,629.66	890.02%
Sub Total	202,299,868.79	54,371,515.03	272.07%
Income after taxes	364,595,802.55	47,155,411.00	673.18%

^{*} Including the total of the fiscal credit for national purchases and the payment of the VAT as responsible party (import of services).

Likewise, there is constant communication between the various areas that make up the Organization, so that, if there is a tax risk, it can be addressed in a timely manner.

For the internal control of risks, the Executive Management of Taxes and Compliance with Tax Obligations maintains a Schedule of activities, in which the mandatory deadlines and the actual dates of payment and declaration of each of the tax obligations are displayed. This allows the Managers of the area to supervise the due compliance, and to corroborate the information with digitalized supporting documents. Additionally, regarding the approval of the payment of the different taxes, the

Executive Management has Tax Autonomy, as duly authorized by the Risk Committee and the Board of Directors.

To ensure compliance with the activities carried out by the Executive Management for Taxes and Compliance with Tax Obligations, the Organization has an Internal Audit Vice-Presidency, which verifies that tax obligations are complied with, pursuant to Venezuelan Legislation. In addition, there is an Executive Vice-Presidency of Operations and Business Processes, which guarantees the existence of guidelines, and their efficiency and compliance with the best business practices.



^{**} Other taxes: payments are registered for administrative fees.

OUR
COMMITMENT
TO
AUTHORITIES

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

With regard to the management of tax-related concerns, there is a digital tool called @rqasi. All tax-related queries from any business area of the Organization are received through it. The Executive Management of Taxes and Compliance with Tax Obligations is in charge of providing a timely response to the queries made through it and of following up on the solution of the matters that gave rise to the concerns, ensuring at all times that Banesco Banco Universal, C.A. complies with its tax obligations.

In addition, it is important to point out that the Organization plays an active role in the Venezuelan Banking Association, specifically in the Tax Committee, where any new developments in the tax area are discussed, such as, for example, the impact of new taxes and positions that may be adopted on a given topic, thus seeking consensus in the guild. This way, opinions are contrasted and risks are mitigated, which guarantees the continuity of the business and our compliance with tax obligations.

LEGAL CONTRIBUTION

| IN VED

	2022	2021	Variation %			
Contribution to the Science, Technology and Innovation Act						
Contribution to the National Science, Technology, and Innovation Fund (FONACIT) ¹	2,552,274.00	177,778.00	1,335.65%			
Workers'	Гоор Аст					
Workers' Food Act	187,379.18	664.18%				
Contribution to FOGADE, SUDEBAN, to the National Anti-Drug Office (ONA), Social Contribution to Communes and Sport Act						
FOGADE	12,922,414.50	2,993,565.10	331.67%			
SUDEBAN	9,952,320.63	3,161,730.27	214.77%			
LOSEP Contribution (ONA-FONA)	4,412,332.35	585,172.18	654.02%			
Social Contribution to Communes ²	2,315,204.85	2,546,793.34	-9.09%			
Sport Act Contribution	3,691,133.00	475,826.00	675.73%			

- The funds corresponding to these contributions are transferred to the Science, Technology and Innovation National Fund (FONACIT), which decides on the projects
 to be financed based on the guidelines and priorities defined in the National Economic and Social Development Plan, as well as the ethical implications and the
 potential cultural, social, environmental and economic impact of the projects.
- 2. This contribution is administered by the Autonomous Service of the National Fund of the Communal Councils (SAFONACC), whose main activity is the administration of the resources allocated to the Communal Councils, financing community, social and productive projects of the People's Power in their financial components.

TAXES COLLECTED

Through the corporate website and our Agency Network, we offer our clients the possibility of making the payment of taxes to SENIAT, the tax collecting entity in a fast and effective manner. In 2022, this collection reached the amount of VED 2.96 billion.

Likewise, we have established alliances with the 5 Mayor Offices of the Capital Region and other cities in the country, as well as governmental agencies that belong to the central administration so that our clients can pay their municipal taxes through our electronic channels. In this regard, in 2022 an amount of VED 1.05 billion were collected.



OUR
COMMITMENT
TO
AUTHORITIES

TAXES WITHHELD AND PAID ON BEHALF OF EMPLOYEES

Parafiscal Taxes and Other	2022	2021	Variation %
Housing and Habitat Act ¹	269,487.83	41,868.88	543.65%
Compulsory Social Security ²	416,618.31	53,696.45	675.88%
Employment Act ³	83,183.34	10,935.33	660.68%
INCES ⁴	85,237.52	12,303.08	592.81%
Income Tax ⁵	1,034,206.50	895,357.31	15.51%
Total (VED)	1,888,733.50	1,014,161.05	86.24%

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

TAXES WITHHELD AND COLLECTED

IN VED

IN VED

Parafiscal Taxes and Other	2022	2021	Variation %
Tax on Large Financial Transactions (IGTF)	1,055,518,362.33	272,656,035.49	287.12%
Income tax withholding on Incidental Income	368,018.05	28,605.10	1,186.55%
Revenue Stamps	5,994,111.70	4,320,367.02	38.74%
Total	1,061,880,492.08	277,005,007.61	283.34%

TAXES WITHHELD AND PAID ON BEHALF OF SUPPLIERS AND CLIENTS

IN VED

Parafiscal Taxes and Other	2022	2021	Variation %
VAT Withholdings from Suppliers	76,719,158.04	20,863,313.19	267.72%
Income Tax Withholdings	21,074,340.49	7,172,961.34	193.80%
Banking Transactions Withholdings	77,935,266.53	18,454,872.43	322.30%
Tax on Economic Activities Withholding	204,193.94	55,755.90	266.23%
Total	175,932,959.00	46,546,902.86	277.97%

FINES OR NONCOMPLIANCE

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

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

All our disputes and contingencies, as well as every contractual and tax commitment are shown in the Bank's audited Financial Statements, on a semiannual basis, pursuant to the requirements of the Supervising Body. the Bank does not foresee any impact on the financial statements as a whole regarding them.

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

Banesco Banco Universal, C.A. is a private banking institution and has not received any financial assistance from the public sector during the period under review, nor has it provided financing to political parties, labor unions and related associations.





PRINCIPLES TO DEFINE THE REPORT'S CONTENT

This Responsibility and Sustainability Report of Banesco Banco Universal, C.A. presents the Organization's economic, social and environmental performance to our stakeholders and the general population. It also includes our main actions and the way in which we integrated sustainability strategies with our financial activity, managing to create long-term value, thus contributing to the economic and social growth of the country and the environmental preservation of the Country.

The information presented in this edition corresponds to the tax year starting on January 1st 2022 and ending on December 31st 2022 for our activities in Venezuela.

As well as in previous reports, this edition highlights the relevant aspects of the year and the degree of compliance with our commitments and the objectives established during the previous year, as well as those foreseen for the following year.

This report can be consulted digitally on our website (https://acortar.link/jOgg2X). The Responsibility and Sustainability Report is issued in an annual fashion.

This is the 19th report we have published, and the 17th report that the GRI revised. It maintains the same scope as our last report, which corresponded to the year 2021. This report has been drafted in accordance with the GRI Standards, and it reflects the way in which the strategies and initiatives of the Organization contribute to the United Nations Sustainable Development Goals (SDGs).

Furthermore, we used the guidelines of the Financial Services Sector Supplement issued by the Global Reporting Initiative (GRI), as a United Nations Global Compact Signatory Organization. This report also corresponds to the Communication of Progress (CoP) for the reported period. This time, this report will be a complement to be presented as compliance with the ten principles of the Global Compact.

It is presented in the same format as in previous years, organized in two large blocks representing the Internal and External Dimensions of our Social Responsibility, with specific chapters for each stakeholder.

Due to our commitment to our stakeholders and the transparency of our operations, we report both our positive and negative impact in economic, social, and environmental terms, in a public manner. Therefore, we adapt to the most recent updates of the GRI Standards, which define a common language for the rendering of accounts of highly-committed organizations.





DRAFTING
PROCESS OF
THIS REPORT

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

This report covers only the operation of Banesco Banco Universal, C.A. in Venezuela. The materiality of the information is displayed in the indicators which reflect the significant impacts of the Organization in the economic, social and environmental spheres.

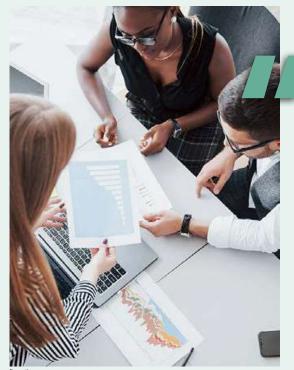
The data presented is detailed for the years 2021 and 2022, along with their respective variation rates, which allows to make a comparison of our performance in these two periods. Likewise, regarding the cases where the information was restructured for presentation and comparability purposes, a reference is made.

Quantitative contents are generally reported together with the variables that give rise to their calculation, which facilitates the understanding of how they are obtained.

For the drafting of this report, we involved all business areas in the data collection process and we raised awareness on the importance of the timely submission of information. For the purposes of data collection, we have relied on the different information management systems or internal mechanisms that the organization has. In general terms, they correspond to information published and reported to the regulatory bodies, i.e., it is perfectly verifiable.

Another premise is clarity. Hence the fact that this Report shows the most relevant elements, in a readable manner in terms of the simplicity of vocabulary, as well as the figures and graphics portrayed herein, which show our management, and the number of pages it contains.

To ensure the reliability of the information presented and the procedures followed in the preparation of the Report, all internal sources for each aspect reported are documented and submitted to the Vice-Presidency of Internal Auditing for their verification prior to being published.



It is noteworthy that the contents here submitted not only cover those considered as material according to the analysis carried out following not only the parameters established in the GRI Standards, but those that the Senior Management decided to reveal, even though they might not be material topics, but the Senior Management considers them relevant for the Bank's performance.

During the preparation of this report, there were no significant changes in the size, structure, and ownership of the organization, or in the supply chain. There were no changes in the expression of the information, with regards to previous years.

This report has been prepared in accordance with the GRI Standards. We followed the Context Index – Advanced service, as well as the "Community GRI", program to reflect our relationship and commitment to the GRI.

No contemplamos una verificación externa. La Gerencia Ejecutiva de Planificación y Difusión Institucional valida y ejecuta el proceso de materialidad y gestiona la recopilación de información. Luego, el Informe es revisado y auditado por parte de la Gerencia de Auditoría Forense adscrita a la Vicepresidencia de Auditoría Interna de Banesco Banco Universal, C.A.



OUR COMMITMENTS

AREA	Main Lines of Action during 2022	Commitments 2023
CORPORATE GOVERNANCE	 To keep the review of the degree of compliance with the Single Functioning Guidelines of the governing bodies, as well with the corporate guidelines in force To promote the strategic analysis in the presentations to be considered by all levels of government To assist all levels of government in order to know the time management of employees and to identify the elements to improve in their performance 	 To create indicators to assess if the strategic planning of the Bank is done in accordance with all levels of government To implement the commitment board to perform an integral follow up of the agreements with the levels of government To reinforce the communicational plan to strengthen the strategic content of presentations
SHAREHOLDERS	 To continue joining efforts for the strengthening of the bank's assets, by increasing the bank's capital stock and by undertaking new actiosn regarding asset strengthening 	 To simplify the nominal value of the Bank's shares To reinforce the bank's assets by increasing the banks' capital stock





Area	Main Lines of Action during 2022	Commitments 2023
HUMAN CAPITAL	 To foster behaviors and actions in our Corporate Culture, which are aimed at offering our internal and external clients memorable experiences, and to continue fostering digital transformation, productivity, and high performance as a strategic practice and for the management of the bank To strengthen the development of leaders and successors through experience-based learning and aware and inspiring leadership To improve our benefit schemes (monetary and non-monetary), aimed at improving the quality of life of Banesco Citizens, thus improving their experience and our employment brand To promote the fulfillment of the corporate norms and values established in our Code of Ethics as a prevention and management mechanism, as well as the rules governing the PLC/FT/FPADM To Foster the learning of new skills to help our employees face all transformation challenges and to ensure the operational continuity 	To keep our commitments regarding our Code of Ethics, Values, and Corporate Culture, aimed at offering our internal and external clients memorable experiences





Area	Main Lines of Action during 2022	Commitments 2023
VOLUNTEERING	 To keep our social work along with the Bank's Responsibility and Corporate Sustainability area, focused on collaborating for the benefit of our communities and social partners To establish new indicators for measuring the work performed by our volunteers. To create an Action Plan for our volunteers To promote the participation of our employees and leaders 	 To focus our strategy in the strengthening and consolidation of the Volunteering program, through specialized technical advisory. This will allow us to establish goals that are in line with the corporate culture, especially the Bank's Responsibility and Corporate Sustainability strategies, through a work plan executed in three main blocks: The assessment of the Banesco Volunteering Program Strengthening the volunteering management Relaunching of the Training Program for Volunteers
SOCIAL PARTNERS AND COMMUNITY	 To raise more awareness regarding the Sustainable Development Goals To extend the Participatory Budgeting to other lines of action To continue our training for social partners and allies To update the materiality assessment for 2022 and apply the new Global Reporting Initiative standards in this period's report 	 To strengthen the collaboration and relations with our Partners and Social Partners To create a Participatory Budget for social organizations and entrepreneurs To publish new books in our Banesco Digital Library To foster recycling and ecologic awareness with our employees and increase the gathering of materials To develop initiatives that will help raise awareness and fulfill the Sustainable Development Goals To Strengthen the Small Business Owners Training Program with academic and university partnerships



Area	Main Lines of Action during 2022	Commitments 2023
CLIENTS	 To design new products and services oriented to meeting the needs of our clients as much as possible To conceptualize initiatives, features, products, and services through a large-scale project that is based on empathy, collects information regarding the needs of our clients, and generates continuous feedback regarding our prototypes To identify and mitigate risks from the starting phases, achieving the synchronization of the relevant areas in a collaborative system, so as to generate constant and quality deliverables in a timely manner To foster and manage the strengthening of our products and services through seminars, selling lessons, information snippets, among others, thus increasing our collaborators' knowledge and furthering the sales of new features To promote digital transformation and customer experience by designing processes, products, and services within the framework of the new digital era 	 From our Product Verticals for 2023, our strategic plan includes the following actions: To develop initiatives for the Supply Chain Financing, Open Banking services for online collections with easy reconciliation and simplification of our services of collection and payments for our Specialized Baking Clients. To offer multiple differentiated products for high-value client niches To increase our digital transformation in the self-management of our clients' financing and non-financing operations, with onboarding and massive sign-in processes that will allow us to handle a high volume of transactions that will lead us to the convergence of our digital channels To capitalize, through active listening and constant interaction with our clients and sales teams, our continuous improvements within the management of the products' life cycles





Area	Main Lines of Action during 2022	Commitments 2023
ENVIRONMENTAL	 To continue carrying out actions aimed at raising awareness among our employees in relation to the optimal use of resources in the different areas and operations we carry out so that we can have a lower environmental impact To continue with our promise to be a green bank, decreasing the use of paper and using technology as an innovative alternative 	 To standardize the use of multi voltage LED lights in our offices and branches at a national level To replace our A/C units for models that use ecologic refrigerants
SUPPLIERS	 To continue our strategic alliances with key suppliers To manage our processes in a transparent and efficient manner when tendering and/or contracting services 	 To continue our strategic alliances with the Organization's key suppliers To manage our processes in a transparent and efficient manner when tendering and/or contracting services To continue establishing contractual relationships with providers, complying with the United Nations Global Compact, including a Clause related to the Ten Principles of the Global Compact, based on the Universal Declarations and Conventions regarding Human Rights, the Environment, Labor Standards, and against corruption in those contracts









Building Alliances

Together, we are able to fulfill our common goals in our closing Social Balance for 2022

Banesco once again transparently reports to its stakeholders with the publication of the Social Balance at the end of 2022. We are pleased to be the first Venezuelan institution to create Responsibility and Sustainability Reports pursuant to GRI Standards



Microentrepreneurs Training Program Bs. 220,463.33



Fe y Alegría Bs. 177,577.74



Simón Bolívar Music Foundation Bs. 24,911.21



Association of Venezuelan Catholic Education (AVEC) Bs. 27,347.52



Bs. 135,950.00



Universities and Other Institutions Bs. 1,470,365.10



Other Education Institutes and Organizations Bs. 45,078.32



Scholarships Bs. 38,485.76



Venezuelan Foundation against Child Paralysis Bs. 137,224.00



Other Health and Medical Care Organizations Bs. 358.366.73



FUNDANA Bs. 391,274.11



Civil Association Don Bosco Houses Network Bs. 298.563.23



Salesian Ladies Civil Association Bs. 39.433.25



Attendance to the childhood and people with special necessities

Bs. 137,742.81



Juan Carlos Escotet Rodríguez José Grasso Vecchio Miguel Ángel Marcano Cartea Marco Tulio Ortega Vargas Emilio Durán Ceballos Carlos Alberto Escotet Alviárez Carlos Eduardo Escotet Alviárez



Toys donation to the communities Bs. 0.00



Publishing Projects Bs. 379,895.34



Contributions Bs. 603,335.65



Solidarity Campaign for Natural Disasters Bs. 40,482.52



Events for the Community Bs. 227,793.72



Investment in Works in Colinas de Bello Monte Bs. 0.00



Mayoralties, regional Governments and other State Organizations Bs. 0.00



Non-Contractual Social Benefits for Banesco Employees Bs. 30,308,066.20



Corporate Volunteering Contribution Bs. 7,027.63



Application Article 96 LOCTICSEP Bs. 0.00



Community Participative Budget Bs. 127,395.03

ACCUMULATED 1998 - DECEMBER 2022

TOTAL SOCIAL INVESTMENT Bs. 35,196,779.20 TOTAL GENERAL SOCIAL INVESTMENT PLUS COMMITMENTS MADE Bs. 35,196,779,20 Figures expressed in Bs.



Compromiso

Banesco

Statement of Use: "Banesco Banco Universal, C.A. has drafted this report in accordance with the GRI Standard for a period starting on January 1st 2022 and ending on December 31st 2022."

GRI 1 USED: GRI 1: FOUNDATIONS 2021 APPLICABLE GRI SECTOR STANDARDS: N/A

For Content Index - Advanced Service, GRI Services reviewed that the contents index is presented in a clear manner that is consistent with the standards, and that the references for all the statements are included correctly and aligned with the sections included in the corpus of the report.







COMMUNITY MEMBER

GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GENERAL DISCLOSURES							
	GRI 2-1	Organizational details	5 - 8		V		
	GRI 2-2	Entities included in the organization's sustainability reporting	100 - 101		V		
	GRI 2-3	Reporting period, frequency and contact point	100 - 101		√		
	GRI 2-4	Restatements of information	100 - 101		V		
	GRI 2-5	External assurance	100 - 101 123 - 127		√		
	GRI 2-6	Activities, value chain and other business relationships	5; 78 - 89		√		
GRI 2: General Disclosures	GRI 2-7	Employees	40 - 65		√	Principles 1, 6	10.3
2021	GRI 2-8	Workers who are not employees	42 - 43		V		
	GRI 2-9	Governance structure and composition	27 - 37		V		5.5
	GRI 2-10	Nomination and selection of the highest governance body	29 - 30		V		5.5
	GRI 2-11	Chair of the highest governance body	29 - 30		√		5.5
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	29 - 30		V		5.5
	GRI 2-13	Delegation of responsibility for managing impacts	27 - 37		V		5.5
	GRI 2-14	Role of the highest governance body in sustainability reporting	29		V		5.5





GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GENERAL DISCLOSURES							
	GRI 2-15	Conflicts of interest	27 - 37		√		
	GRI 2-16	Communication of critical concerns	29 - 33; 41		√		
	GRI 2-17	Collective knowledge of the highest governance body	20 - 30; 49		√		
	GRI 2-18	Evaluation of the performance of the highest governance body	29; 33; 47		√		
	GRI 2-19	Remuneration policies	33; 47		√		
	GRI 2-20	Process to determine remuneration	33; 47		√		
	GRI 2-21	Annual total compensation ratio	47		√		
	GRI 2-22	Statement on sustainable development strategy	3 - 4		√	Principle 1	
GRI 2: General Disclosures 2021	GRI 2-23	Policy commitments	27; 35; 36; 38; 40; 67; 76; 78; 90; 94; 96; 102		√	Principles 1, 10	
	GRI 2-24	Embedding policy commitments	27; 35; 36; 38; 40; 67; 76; 78; 90; 94; 96; 102		V		
	GRI 2-25	Processes to remediate negative impacts	9 - 19; 40 - 41; 80 - 81		V		
	GRI 2-26	Mechanisms for seeking advice and raising concerns	29 - 33; 38; 40 - 41; 80 - 81		√		
	GRI 2-27	Compliance with laws and regulations	93; 99		√	Principle 10	
	GRI 2-28	Membership associations	34		√		
	GRI 2-29	Approach to stakeholder engagement	22 - 25; 38 - 39		√		
	GRI 2-30	Collective bargaining agreements	60		√	Principles 1, 3	8.8
MATERIAL TOPICS							
GRI 3:	3-1	Process to determine material topics	22 - 25		V		
Material Topics 2021	3-2	List of material topics	22- 25		√		





Internal GRI Standard / Global Contents Audit SDG Page Omission **Other Contents** Compact Verification **GRI 3:** 3-3 Management of material topics 9 - 22 $\sqrt{}$ **Material Topics 2021** 8.1, 201-1 Direct economic value generated and distributed 19 - 22 $\sqrt{}$ 8.2, 9.4 Financial implications and other risks and opportunities due GRI 201: 201-2 90 - 93 $\sqrt{}$ to climate change **Economic Performance** 2016 201-3 Defined benefit plan obligations and other retirement plans 63 - 65 Principle 1 201-4 99 Financial assistance received from government 5.4, 203-1 Infrastructure investments and services supported 68 - 72 $\sqrt{}$ 9.4, 11.2 GRI 203: Indirect Economic 3.8, Impacts 2016 8.2, 203-2 Significant indirect economic impacts 67 - 74 8.3, 8.5 Approach to tax 96 - 98 207-1 207-2 Tax governance, control, and risk management 96 - 98 GRI 207: Tax 2019 Stakeholder engagement and management of concerns 207-3 96 - 98 related to tax 96 - 98 $\sqrt{}$ 207-4 Country-by-country reporting





	BANKING SECURITY						
GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GRI 3: Material Topics 2021	3-3	Management of material topics	22 - 25; 61 - 62		V	Principle 10	
	205-1	Operations assessed for risks related to corruption	30 - 32; 56 - 59		√	Principle 10	16.5
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	32; 37; 56 - 57;		√	Principles 1, 10	16.5
	205-3	Confirmed incidents of corruption and actions taken	37; 56 - 57		√	Principle 10	16.5
	INNOVATION, FINANCIAL PRODUCTS AND SERVICES						
GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GRI 3: Material Topics 2021	3-3	Management of material topics	80 - 82; 84 - 86		√		
GRI 416:	416-1	Assessment of the health and safety impacts of product and service categories	80 - 82; 84 - 86		V	Principle 1	
Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	80 - 81		√	Principle 1	16,3
	417-1	Requirements for product and service information and labeling	78 - 80; 84 - 86		V		
GRI 417: Marketing and Labeling 2016	417-2	Incidents of non-compliance concerning product and service information and labeling	78 - 80; 84 - 85		√		16.3
	417-3	Incidents of non-compliance concerning marketing communications	78 - 80; 84 - 85		√	Principle 10	16.3
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	78 - 81		√	Principle 10	16.3, 16.10





Internal GRI Standard / Global Contents Page Omission Audit SDG **Other Contents** Compact Verification **GRI 3:** 5 - 6; $\sqrt{}$ 3-3 Management of material topics **Material Topics 2021** 41 - 43 Ratios of standard entry level wage by gender compared to 8.5, 202-1 45 - 47; 62 √ **GRI 202:** local minimum wage 5.1 **Market Presence** Proportion of senior management hired from the local 2016 43 202-2 8.5 community 5.1, 8.5, 401-1 New employee hires and employee turnover 41 - 46 Principles 1, 6 8.6, 10.3 GRI 401: 3.2, Benefits provided to full-time employees that are not 43 - 45: Principles **Employment 2016** 401-2 5.4, provided to temporary or part-time employees 49 -50 1, 3, 6 8.5 5.1, 401-3 Parental leave 55 $\sqrt{}$ 5.4, 8.5 GRI 402: Labor/Management 402-1 Minimum notice periods regarding operational changes 60 - 61 Principle 3 8,8 **Relations 2016** Workers representation in formal joint management-worker 403-1 55 - 56 √ Principles 1, 3 8.8 health and safety committees Types of injury and rates of injury, occupational diseases, 3.3, 403-2 lost days, and absenteeism, and number of work-related 52 - 55 3.9, fatalities 8.8 **GRI 403:** Occupational **Health and Safety** Workers with high incidence or high risk of diseases related 3.9 403-3 52 - 55 $\sqrt{}$ 2018 to their occupation 10 8.8 Health and safety topics covered in formal agreements with 403-4 52 - 55 Principle 3 trade unions 403-5 57 - 59 √ Worker training on occupational health and safety





Internal GRI Standard / Global SDG Contents Page Omission Audit **Other Contents** Compact Verification 403-6 Promotion of worker health 52 - 60 √ Principle 1 Prevention and mitigation of occupational health and safety 403-7 52 - 60 √ impacts directly linked by business relationships GRI 403: Occupational Health Workers covered by an occupational health and safety and Safety 2018 403-8 55 √ management system 403-9 Work-related injuries 52 - 55 Principles 1, 6 403-10 52 - 55 Work-related ill health 4.3 4.4 4.5 404-1 Average hours of training per year per employee 49 - 51 √ Principle 6 5.1 8.2 8.5 GRI 404: 10.3 Training and Education 2016 Programs for upgrading employee skills and transition 8.2 404-2 49 - 51 Principle 6 assistance programs 8.5 5.1 45 - 46; Percentage of employees receiving regular performance 404-3 $\sqrt{}$ Principle 6 8.5 and career development reviews 49 - 51 10.3 5.1, 405-1 Diversity of governance bodies and employees 41 √ Principles 1, 6 5.5, GRI 405: 8.5 Diversity and Equal 5.1, Opportunity 2016 405-2 62 $\sqrt{}$ Ratio of basic salary and remuneration of women to men Principles 1, 6 8.5, 10.3





Internal GRI Standard / Global SDG Contents Page Omission Audit **Other Contents** Compact Verification GRI 3: 3-3 Management of material topics 67 - 75 **Material Topics 2021** Operations with local community engagement, impact 413-1 67 - 75 √ Principle 1 assessments, and development programs GRI 413: **Local Communities** 2016 Operations with significant actual and potential negative 413-2 67 - 75 √ Principle 1 impacts on local communities Internal GRI Standard / Global Contents Omission Page Audit **Other Contents** Compact Verification GRI 3: 3-3 Management of material topics 90 - 93 √ Principle 7,8, 9 **Material Topics 2021** 7.2 7.3 302-1 Energy consumption within the organization 91 - 92 √ Principle 7 y 8 8.4 12.2 7.2 7.3 302-2 Energy consumption outside of the organization 91 - 92 $\sqrt{}$ Principle 8 8.4 12.2 GRI 302: 7.3 Energy 2016 302-3 Energy intensity 91 - 92 √ Principle 8, 9 8.4 12.2 7.3 302-4 Reduction of energy consumption 91 - 92 √ Principle 8, 9 8.4 12.2 7.3 Reductions in energy requirements of products and 302-5 91 - 92 √ Principle 8, 9 8.4 services 12.2





Internal GRI Standard / Global Omission Audit Contents Page **Other Contents** Compact Verification 303-1 91 - 92 Principle 8 Interactions with water as a shared resource 303-2 Management of water discharge-related impacts 91 - 92 √ Principle 8 GRI 303: **Water and Effluents** 303-3 Water withdrawal 91 - 92 √ Principle 8 12,2 2018 $\sqrt{}$ 303-4 Water discharge 91 - 92 Principle 8 √ 303-5 91 - 92 Principle 8 Water consumption 306-1 Waste generation and significant waste-related impacts 90 - 93 Principle 7, 8 12,4 3.9 306-2 Management of significant waste-related impacts 91 - 92 √ Principle 7, 8 12.4 12.5 GRI 306: Waste 2020 306-3 Waste generated 91 - 92 √ Principle 7 12,4 306-4 Waste diverted from disposal 91 - 92 Principle 7 12,4 306-5 Waste directed to disposal 91 - 92 Principle 8,9





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FINANCIAL SERVICES SECTOR SUPPLEMENT • GRI G 4

NON-MATERIAL TOPICS							
Aspect	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
	FS1	Policies with specific environmental and social components applied to business lines	90 - 93		√		
	FS2	Procedures for assessing and screening environmental and social risks in business lines	90 - 93		√		
	FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	35; 96		V		
	FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	77		√		
Product Portfolio	FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	38 - 39; 70; 94		√		
	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/ large) and by sector	83		√		
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	78 - 80		V	Principles 1	
	FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	79		V	Principles 7, 8	
Audit	FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	32		V		





FINANCIAL SERVICES SECTOR SUPPLEMENT • GRI G 4

NON-MATERIAL TOPICS							
GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
	FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	94 - 95		V	Principles 7, 8	
Active Ownership	FS11	Percentage of assets subject to positive and negative environmental or social screening	94 -95		V	Principles 7, 8	
	FS12	Voting polic(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	35		V		
O	FS13	Access points in low-populated or economically disadvantaged areas by type	67 - 75; 78 - 79		V	Principle 1	
Community	FS14	Initiatives to improve access to financial services for disadvantaged people	78 - 79		V	Principle 1	
Product and Service	FS15	Policies for the fair design and sale of financial products and services	84 - 86		√		
Labelling	Initiatives to enhance financial literacy by type of	71; 74 - 75		V			





OTHER NON-MATERIAL TOPICS FOR THE ORGANIZATION THAT WE REPORT FOR GREATER TRANSPARENCY

GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	96 - 99		V		16,3
	301-1	Materials used by weight or volume	91 - 93		√	Principles 8, 9	12,2
GRI 301: Materials 2016	301-2	Recycled input materials used	91 - 93		V	Principles 8, 9	12.2 8.4 12.5
GRI 304: Biodiversity 2016	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		Principle 8				
	305-1	Direct (Scope 1) GHG emissions	92		√	Principles 7, 8	
	305-2	Energy indirect (Scope 2) GHG emissions	92		√	Principles 7, 8	
GRI 305: Emissions 2016	305-3	Other indirect (Scope 3) GHG emissions	92		√	Principles 7, 8	
	305-4	GHG emissions intensity	92		√	Principles 7, 8	
	305-5	Reduction of GHG emissions	92		√	Principles 7, 8	
GRI 308: Supplier Environmental	308-1	New suppliers that were screened using environmental criteria	94 - 95		√	Principle 7	
Assessment 2016	308-2	Negative environmental impacts in the supply chain and actions taken	94 - 95		V	Principle 8	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	62		√	Principles 1, 2, 6	8,8
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	61		V	Principles 1, 2, 3	8,8



OTHER NON-MATERIAL TOPICS FOR THE ORGANIZATION THAT WE REPORT FOR GREATER TRANSPARENCY

GRI Standard / Other Contents	Contents		Page	Omission	Internal Audit Verification	Global Compact	SDG
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	62; 94		√	Principles 1, 2, 5	8.7 16.2
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor. 62		Principles 1, 2, 3, 4, 5, 6, 7, 8, 9, 10	8,7		
GRI 410: Security Practices 2016	Security personnel trained in human rights policies or procedures 48 V Principles 1		Principles 1, 2	16,1			
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	62		√	Principles 1, 2	
GRI 414:	414-1	New suppliers that were screened using social criteria	94 - 95		V	Principles 1, 2	5.2 8.8 16.1
Supplier Social Assessment 2016	414-2	Negative social impacts in the supply chain and actions taken	94 -95		V	Principles 1, 2	5.2 8.8 16.1
GRI 415: Public Policy 2016	415-1	Political contributions	99		√		16,5





AUDITORS' REPORT



LIMITED ASSURANCE REPORT ON THE SOCIAL RESPONSIBILITY INDICATORS INCLUDED IN THE "RESPONSIBILITY AND CORPORATE SUSTAINABILITY REPORT 2022"

FOR THE YEAR ENDED ON DECEMBER 31ST 2022

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I. INTRODUCTION

We have been requested to prepare the limited assurance report on the Social Responsibility Indicators presented in Annex I "GRI Content Index" included in the "Responsibility and Corporate Sustainability Report 2022", corresponding to the year ended on December 31, 2022, and drafted in accordance with the contents proposed by the GRI Standards and the Financial Services Sector Supplement.

Responsibility of the Bank's Management

The Bank's Management is responsible for the drafting, contents and presentation of the "Responsibility and Corporate Sustainability Report 2022" pursuant to the "in accordance" option of the GRI Standards and the Financial Services Sector Supplement, including:

- The information and statements included in the report
- The determination of the Bank's goals regarding the sustainability of results and reporting, including the identification of stakeholders and key topics
- The design, implementation and maintenance of appropriate internal controls so that the report does not include significant distortions due to errors or irregularities
- The maintenance proper records that support the reporting process is their responsibility

Responsibility of the Auditors

Our responsibility is to issue a limited assurance report on the Social Responsibility Indicators presented in Annex I "GRI Contents Index" included in the "Responsibility and Corporate Sustainability Report 2022", based on the procedures we have performed and the evidence we have gathered.

A limited assurance report request has a substantially smaller scope than a reasonable assurance or an audit report request, and therefore, it does not allow us to ascertain that we are aware of all significant matters that could be identified

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we are aware of all significant matters that could be identified in an audit or in a reasonable assurance report request. Subsequently, we do not express an audit opinion or a reasonable assurance conclusion on the Social Responsibility Indicators presented in Annex I "GRI Contents Index" included in the "Responsibility and Corporate Sustainability Report 2022"

II. PROCEEDINGS

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

- We interviewed the Board of Directors, as well as to the different units of BANESCO BANCO UNIVERSAL, C.A., that took part in the drafting of the "Responsibility and Corporate Sustainability Report 2022", and in the analytical procedures and sampling reviews for the compliance with the GRI Standards.
- We met with the members of the staff of BANESCO BANCO UNI-VERSAL C.A. who were involved in the process of data collection for the information included in the "Responsibility and Corporate Sustainability Report 2022" and in the drafting of the indicators under review. These meetings were held in order to know the principles, systems and management approaches they took, as well as to obtain the necessary supporting documentation for their verification, in order to assess their compliance with the GRI Standards.
- We reviewed the actions carried out throughout the year regarding the
 identification and consideration of the stakeholders, as well as the coverage, relevance and integrity of the data included in the "Responsibility
 and Corporate Sustainability Report 2022" based on the stakeholders'
 requirements through the analysis of internal information and third-party reports that were available.
- We verified that the contents of the "Responsibility and Corporate Sustainability Report 2022" do not contradict any relevant information provided by BANESCO BANCO UNIVERSAL, C.A.

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- We analyzed the sustainability indicators reported by the Bank and presented on Annex I of the "Responsibility and Corporate Sustainability Report 2022" and we confirmed that they corresponded to the ones suggested by Global Reporting Initiative (GRI), thus ensuring the relevance of the information presented therein, in relation to the Bank's situation.
- We analyzed the coverage, relevance, and integrity of the information included in the "Responsibility and Corporate Sustainability Report 2022"
- We reviewed the calculation of the quantitative, and qualitative data included in the "Responsibility and Corporate Sustainability Report 2022", regarding the year that ended on December 31st 2022 using verification tests based on sample selection. Furthermore, we ensured that they were compiled appropriately from the data provided by the Bank's information sources.
- Throughout the fiscal year, we performed a review of the actions carried out by the parties involved regarding identification, data collection, and relations made, through an analysis of the internal information provided.
- We verified that the sustainability indicators given by the Bank and presented on Annex I of the "Responsibility and Corporate Sustainability Report 2022" complied with the Global Reporting Initiative (GRI) standards and the Financial Services Sector Supplement

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III. CONCLUSION

We believe that the evidence we gathered is sufficient and appropriate carry out, with a reasonable basis, our limited assurance conclusion. Non-financial information is subject to inherent limitations different from financial information, given its nature and the methods used to determine, calculate, sample or estimate values. Relevance, materiality and accuracy of data are subject to qualitative interpretations. We have not carried out any work outside the scope agreed upon and, therefore, our conclusion is limited only to the previously identified and reviewed sustainability information.

Based on the work described in this report, nothing seemed to indicate to us that the Social Responsibility Indicators presented in Annex I "GRI Contents Index" included in the "Responsibility and Corporate Sustainability Report 2022", corresponding to the year ended on December 31st, 2022, contains errors or has not been drafted, in all their significant aspects, in accordance with the GRI Standards and the Financial Services Sector Supplement.

Sincerely,



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PLEASE, LET US KNOW YOUR OPINION ABOUT THIS REPORT BY SENDING THIS INFORMATION TO: GAGUIRRE@BANESCO.COM. THANK YOU VERY MUCH!

SURVEY

Name:		I Address:		
Email: Shareholder ☐ Employee of Banesco Banco Universal	Phone:	Cupality D Contractor		
☐ Representative of the authorities ☐ Other (please specify):	Client	☐ Supplier ☐ Contractor		
What is your general impression of this report?		4. What do you think about the clarity of the presentation of the information?		
☐ Excellent ☐ Good ☐ Regular ☐ Negative		☐ Excellent ☐ Good ☐ Regular ☐ Negative		
2. What is your opinion on the organization of the chapters in this rep	port?	If you wish to, propose the modifications that you deem necessary:		
☐ Excellent ☐ Good ☐ Regular ☐ Negative				
If you wish to, propose the modifications that you deem necessary:		5. What do you think about the clarity of the presentation of charts and graphics		
in you wish to, propose the mounications that you deem necessary.		☐ Excellent ☐ Good ☐ Regular ☐ Negative		
		If you wish to, propose the modifications that you deem necessary:		
3. What is your opinion about each of the chapters? ☐ Excellent ☐ Good ☐ Regular ☐ Negative		6. What is your opinion regarding the Corporate social Responsibility activities carried out by Banesco?		
Mission, Vision y Values	R 🗆 N	☐ Excellent ☐ Good ☐ Regular ☐ Negative		
Main Impacts, Risks, and Opportunities	R 🔲 N	If you wish to, please explain:		
Corporate Governance	R 🔲 N			
Our Shareholders	R 🔲 N			
Our Human Capital	R 🔲 N	7. Do you think that you are benefited by the fact that Banesco publishes Responsibility and Corporate Sustainability Report? In what way?		
Our Social Partners and		nesponsibility and corporate sustainability neport? In what way?		
Social Action in the Community	R 🔲 N			
Banesco Corporate Volunteering	_	8. What is your opinion regarding the international certifications that these		
Our Clients	R 🔲 N	reports have obtained?		
Our Environmental Commitment E G G F	R 🔲 N	☐ Very imortant ☐ Important ☐ Indifferent		
Our Suppliers	R 🔲 N	9. Do you consider that Banesco is sufficiently accountable to its		
Our Commitment to Authorities	R 🗆 N	stakeholders? Please Explain:		
If you wish to, propose the modifications that you deem necessary:				
		10. Do you consider that it is necessary that these reports be published in paper or would it be sufficient to post a digital version on the internet?		



