



# Banco do Brasil and the Human Rights

## Rights



**Summary**

**1. INTRODUCTION.....1**

**2. POLICIES AND GUIDELINES.....3**

**3. PRACTICES AND PROCESSES.....5**

**Employees ..... 5**

**Customers ..... 7**

**Suppliers..... 8**

**Society ..... 9**

**Partners ..... 9**

**Credit and Investment Operations..... 10**

**4. OUR COMMITMENT TO THE FUTURE .....10**



## 1. INTRODUCTION

Our performance regarding the Human Rights is based on ethically responsible relationships established with our various stakeholders, both internally and externally.

This document is aligned to the United Nations Guiding Principles on Business and Human Rights, approved by the Human Rights Council of the United Nations in 2011, and reinforces the pacts and agreements voluntarily assumed over the years<sup>1</sup>.

Throughout our structure, from the most basic level of the staff to the most senior executives, we are committed to monitor and mitigate the impacts arising from our activities with respect to Human Rights, in accordance with the policies and commitments undertaken, for the purpose of mitigating the risks to which we are exposed with regard to this theme.

We are committed to dedicate efforts to cooperate with the subsidiaries, affiliates, and simple holding companies so that they can define their guidelines based on these instructions, taking into account the specific needs and legal and regulatory aspects to which they are subjected.

Our respect for Human Rights is adherent to the best practices of corporate governance and social responsibility. In order to keep this commitment perpetual and strengthen transparency with our stakeholders, we disclose this document that consolidates the guidelines and initiatives related to the theme.

## 2. POLICIES AND GUIDELINES

The Human Rights issues are addressed in our Code of Ethics, and in our general and specific policies, comprising the actions in businesses, processes, and relationships with the various stakeholders. These documents guide our behavior and their guidelines are incorporated into internal processes

The Code of Ethics of Banco do Brasil (BB) is a document that consolidates what the Bank expects from its employees and presents the commitments and guidelines in relation to its stakeholders (customers and users; senior management, employees and collaborators; suppliers; shareholders, investors and creditors; partners; competitors; government; communities and regulatory bodies). It also governs the duties and indicates the behaviors considered desirable in the work environment.

Among the themes related to Human Rights is the repudiation to criminal acts, such as harassment of any nature, crimes against sexual freedom, frauds and unlawful acts; recognition and respect for diversity; the commitment to the eradication of child and slavery-like labor; and abstention from conducts that characterize discrimination.

The Code of Ethics is applied to the Senior Management, employees in Brazil and abroad, collaborators (interns, trainees, managers and employees of contracted companies), and those who are working or providing services on behalf of BB or to BB.

---

<sup>1</sup> More about the pacts and agreements voluntarily assumed access our sustainability site:  
[https://www.bb.com.br/pbb/sustentabilidade/governanca-e-gestao/pactos-e-acordos-voluntarios#//](https://www.bb.com.br/pbb/sustentabilidade/governanca-e-gestao/pactos-e-acordos-voluntarios#/)



The Social, Environmental and Climate Responsibility Policy (PRSAC) guides our behavior in conducting business, activities and processes, as well as our relationship with stakeholders, and provides that our performance in matters of a social, environmental and climate change is guided by ethics; in the promotion of human rights and fundamental labor rights; in the universalization of social rights and citizenship; and in respecting and valuing diversity and equity in relationships.

On the other hand, the Specific Anti-Money Laundering, Counter-Terrorism Financing and Anti-Corruption Policy guides our behavior with regard to the prevention of corruption acts, money laundering, financing of terrorism or any other illegal acts.

With regard to customers, our Specific Policy on the Relationship with Customers and Users of Products and Services includes a model of fair relationship with customers and users; the provision of a decent, courteous and fair treatment respecting the interests and rights of consumers, including in relation to the customers considered to be vulnerable; and the guarantee of the confidentiality of banking information, except for the cases provided for by law.

Specifically in the relationship with suppliers, the Socioenvironmental Responsibility Policy establishes that the Bank works with the ones that, in their scope of influence, support and respect the protection of internationally recognized human rights, ensuring their non-participation in violation of these rights and commit themselves to adopt practices for the preservation and the fight against corruption, money-laundering, financing of terrorism, financial crimes and any type of illicit.

The Specific Credit, Investment in Equity and Relationship with Suppliers Policies address issues related to the respect to Human Rights such as the fight against sexual exploitation of minors; the non-exploitation of child labor or workers held in degrading conditions or similar to slave labor.

In addition to the Policies, we publish the Sustainable Credit Guidelines and the Socioenvironmental Guidelines – Restrictive List and Exclusion List, which are documents that consolidate business and administrative practices which we have adopted in order to mitigate the socioenvironmental risk and reduce the impacts of our financing and investments, strengthening relevant socioenvironmental issues and the themes considered strategic for sustainable development. Regarding Human Rights, these documents address: combating child labor and sexual exploitation; combating forced and/or slavery-like labor; race and gender discrimination; women's labour, people with disabilities and minority groups; protection of indigenous lands, valorization of local communities and traditional populations.

We established the Sustainable Credit Guidelines for 10 (ten) economic sectors: Agribusiness, Irrigated Agriculture, Civil Construction, Cement, Electric Power, Mining, Oil and Gas, Pulp and Paper, Steel and Transportation.

Human Rights is one of the 4 (four) strategic themes that permeate these Guidelines and the relevant socioenvironmental issues include the violation of Human Rights (slavery-like labor, child labor and degrading labor); poverty, hunger, discrimination and corruption; disrespect to the rights of indigenous peoples and traditional communities, minorities, consumers, decent work and basic education; food and water security.



The Socioenvironmental Guidelines - Restrictive List and Exclusion List, which aim to publicize the practices adopted by BB in the analysis and granting of credit for issues considered controversial due to their specific characteristics, in compliance with the principles of social and environmental responsibility contained in our general and specific policies. The exclusion list addresses issues that notably violate Human Rights, including sexual exploitation, forced/slavery labor, child labor and racial and gender discrimination.

These documents are in compliance with good international practices and strengthen the fulfillment with public commitments undertaken in line with the principles of socioenvironmental responsibility in BB's general and specific policies.

### **3. PRACTICES AND PROCESSES**

The Human Rights theme is covered in the socioenvironmental risk management, and the strategic units have defined roles and responsibilities, counting with the participation of the top management bodies and strategic committees

The socioenvironmental risk management process was improved in 2020, where we also highlight the revision of the socioenvironmental rating methodology, including social issues in its classification of potential risk by macro-sector and new inputs for its generation, as well as expanding its attribution to all our customers. In this way, we reinforce our commitment to make the socioenvironmental risk management process more comprehensive and efficient.

For the risk management and internal controls, we have adopted the Defense Lines Reference Model (MRLD) By this model, the management of the risks incurred by the Bank and the controls necessary for their mitigation are based on 3 (three) defense lines:

- First defense line: functions that manage and have ownership of the risks. Comprised of Specific Risk Managers, Risk Owners, and Risk-takers.
- Second defense line: Typical corporate functions for risk management, internal controls and compliance. Comprised of: Internal Controls and Risk Management Areas.
- Third defense line: Evaluate the effectiveness of full organization's risk management and control cycle. Comprised of Internal Audit.

Thus, based on this MRLD, each area of the Organization is responsible for the identification, assessment and mitigation of Human Rights-related issues.

Next, we present the various processes implemented by our different areas to address this topic in the Organization.

#### **Employees**

In our people management process, we emphasize our commitment to promoting equality and combating discrimination practices. We seek to include diversity focusing mainly on the attention to the disabled people, LGBTI, and the implementation of actions on behalf of gender and race equity.

The actions to promote diversity in the workforce are guaranteed by our general policies and the Code of Ethics. We have also matured the devices and actions on behalf of



gender equity, in the sense of awareness, accountability and organic construction of internal representation. The Bank's internal regulations highlight that there is no selection criteria that characterize discrimination and prejudice, such as: age, gender, race, working time at the bank, among others.

Thus, BB has been implementing some initiatives of impact:

- Affirmative gender action in corporate programs of professional growth;
- Extension of the paternity leave of up to 15 days, upon formal request of the employee, totaling 20 days of absence; and the possibility of extension by 10 consecutive days for cases of premature birth;
- Granting of maternity leave and adoption leave of up to 180 days;
- Inclusion of the diversity theme in several training sessions of UniBB;
- Assessment and monitoring of occupants of management functions on race/ethnicity and gender approach;
- Recognition of same-sex partners, with the respective extension of the benefits granted;
- We regulate the use of the Social Name (name by which transvestites, transsexuals and transgenders are socially recognized) on the badge, business card, stamps and corporate email.

We were also the first major Brazilian bank to adhere to the Standards of Business Conduct, created by the UN. The Standards are part of the Free & Equal campaign, in line with the Diversity principles, which strengthens the Bank's commitment to Human Rights and helps demonstrate our support for the LGBTQIAPN+ community (lesbian, gay, bisexual, transgender, queer/questioning, intersex, asexual, and others).

We adjusted the working conditions for employees with disabilities since the regulation of the telework, introduced in the Consolidação das Leis do Trabalho (Consolidation of Labor Laws - CLT).

We also emphasize our Internal Ombudsman, a direct communication channel of the employees with the Company, specialized in receiving compliments, suggestions, and complaints about people management and socioenvironmental responsibility processes, in addition to receiving complaints relating to conflicts, ethical misconduct and violation of internal rules. The Internal Ombudsman forwards, every six months, an Executive Summary to the Audit Committee.

The contact with the Ombudsman's Office can be made anonymously or identified through various channels: e-mail, phone, letter or in person and the area preserves the secrecy and confidentiality in conducting the demands. Demanding women and transgenders may request the service to be provided exclusively by women whenever the complaint involves - indication of sexual harassment or gender discrimination.

In addition, we do not tolerate acts of disrespect and conduct that may characterize discrimination or its induction; coercion, persecution or constraint; disregard for functional duties; public disqualification, offense or threat. We respect the freedom of union association and seek to conciliate, in a transparent manner, the interests of the company



with the interests of employees and our representative entities, with negotiation as a permanent practice.

In addition to the legal requirements, the Bank adopts a permanent collective bargaining model, agreed with confederations, federations and unions, with periodic meetings to discuss issues such as occupational health, professional growth, equal opportunities, conflict prevention in the work environment, among others

The percentage of employees covered by collective bargaining agreements is 100%.

With regard to employee training, Human Rights are the guiding principles for the development of educational solutions at UniBB and, recurrently appear transversely among the courses we offer to employees. Trainings directly related to the theme address various perspectives, such as accessibility, diversity, gender equity and people with disabilities, in the contexts of customer relationships, relationships with co-workers, sustainability and corporate education.

### **Customers**

BB respects and values diversity and equity in its relationships, as well as seek through its actions, to favor inclusion and financial education, the generation of employment and income, and the continuous improvement of the customers' living conditions.

In 2019, the process of adapting facilities (main floor) was completed and 558 facilities were benefited with the acquisition of new furniture to serve obese people, people with visual impairments and people with physical disabilities. The acquisition benefited facilities in all regions of Brazil, located in 22 states and the Federal District. In 2020, we signed a new agreement with the MPF (Brazilian public prosecutors) to seek full accessibility.

We offer, when requested by customers with visual impairment, monitoring of the transactions of their checking account via bank statement prepared in Braille or with enlarged characters.

In addition, we have BB Accessibility Credit, a line designed to finance assistive technology goods and services, in order to promote social inclusion and to allow equal opportunities for disabled people.

Our External Ombudsman is responsible for addressing demands of customers and users not resolved by primary service channels of the Organization, in addition to those processed by regulatory bodies, consumer protection entities, among others intervening parties. It acts on behalf of all our facilities, the Postal Bank units and other correspondent banks in the country, subsidiaries, affiliates, managed companies and those that have entered into an agreement for a single component of Ombudsman.

We put at the disposal of the population a phone number for exclusive service to hearing or speech impaired people. The system consists of a TD (telephone for the deaf) equipment connected to computers in the customer service positions that, upon receiving calls from another TD device, establishes communication through text messages, since these equipment pieces have an alphanumeric keyboard. Through this service, the



hearing impaired have access to the services of SAC - Customer Service (information, questions, suspension, and cancellation of cards and other products and services) and Ombudsman.

Twice a year, the External Ombudsman prepared a consolidated Activities Report which is forwarded to the Internal Audit, the Audit Committee and the Board of Directors of Banco do Brasil.

## **Suppliers**

In the relationship with suppliers, we apply the principles set out in the Specific Supplier Relationship Policy and the Code of Ethics.

We adopt selection, contracting and evaluation criteria – impartial and transparent – that ensure plurality and competition among suppliers. The Code of Ethics also provides a specific section on the relationship with this public, which expresses compliance with labor, social security and tax legislation – including the non-use of child or slave-like labor.

In order to meet the requirements of socioenvironmental responsibility, we use contractual clauses and statements expressing compliance with labor, social security and tax legislation and that are followed up during the term of the contracts. We check compliance with these obligations prior to suppliers' payments and analyze evidence/complaints on possible violations and non-conformities.

All contracts with our suppliers are evaluated from the perspective of Human Rights. All contracts contain clauses and contractual obligations related to Human Rights in which the supplier declares and undertakes to, among others:

- a) Not to use, directly or indirectly, through its suppliers of products and services, illegal work or child exploitation, degrading and/or labor analogous to slavery.
- b) Not to employ, directly or indirectly, through its suppliers of products and services, persons under 18 years of age in night shift, unhealthy or dangerous labor;
- c) Not to employ, directly or indirectly, through its suppliers of products and services, children under 16 years of age, except as an apprentice and with a guarantee of school attendance;
- d) Non-adoption of negative and restrictive discrimination practices for accessing and maintaining employment; and
- e) Failure to use corrupt and/or unethical practices aimed at obtaining or giving undue advantage, directly or indirectly; among others.

We demand in the contract that 100% of the employees of contracted security companies have a training course in surveillance with material approved by the Federal Police Department, which includes aspects of human rights and relations.

In the last three years, in relation to child and slave labor, no significant risks were identified or complaints or complaints received at the Ombudsman's Office. In 2022, there were 21 breaches of labor legislation in contracts with 4,661 suppliers, out of a total of





15,680 contracts in force, which represents a non-compliance rate of 0.13%. Mitigation or remediation measures were adopted in 100% of cases: 84.09% fined, 3.7% warning, 11.77% temporary suspension and termination, and 0,44% termination. In addition, Article 9 of the Bids and Contracts Regulation of Banco do Brasil – RLBB sets out conditions to be followed by contractors in order to mitigate human rights risks. (www.bb.com.br/rlbb )

### **Society**

Through Banco do Brasil Foundation (Fundação Banco do Brasil), we seek to contribute to the improvement of people's quality of life in state of greater vulnerability and promoting sustainability through sustainable development and by the reapplication of social technologies throughout Brazil. Monitoring and evaluating the effectiveness of programs and projects are considered essential management tools. The results are used to guide the work developed and to improve the actions carried out, in addition to providing support for decision-making and understanding of the success factors of the projects.

At BB, we adopt the premise of structuring sustainable financial solutions that enable the rational use of natural resources and the implementation of more efficient projects, incorporating social and environmental variables in the project evaluation process. In this way, we contribute so that society can quickly and easily access new technologies, innovative production models and generate growth and development for the country.

We also recognize that every person has the right to leisure and culture, and, to in this sens, we promote actions for the society. We have 4 (four) Cultural Centers of Banco do Brasil (CCBB) - in the cities of Brasília (DF), Belo Horizonte (MG), Rio de Janeiro (RJ) and São Paulo (SP) – with a varied schedule of projects, in addition to a structured Educational Program. With this investment, we offer equipment of culture available to the population, with free or low-cost access, contributing to the development of the society.

Regarding immigrants, in 2020, the Banco do Brasil Foundation structured a tool aimed at receiving donations for “Operation Welcome”, a humanitarian task force coordinated by the Federal Government with the support of agencies of the United Nations and civil society, which provides emergency assistance to Venezuelan immigrants. We also publicized support for the cause, volunteer actions and training and specialized business service at some BB units for immigrants.

### **Partners**

In the relationship with partners we consider socioenvironmental impacts in the realization of partnerships, agreements, protocols of intentions and technical-financial cooperation with external, private or public entities.

We also establish partnerships that ensure the same values of integrity, ethics, idoneity and respect for the community and the environment.

We instruct the Banco do Brasil's joint ventures to define their directives based on BB's ethical principles, so that their representatives can base their behavior on these principles.



The Specific Equity Policy addresses issues related to respect for human rights such as no sexual exploitation of minors; no exploitation of child labor or workers held in degrading conditions or analogous to slave labor.

### **Credit and Investment Operations**

In the formalization of credit operations, we based ourselves on our policies, guidelines and voluntary commitments undertaken. All loan operations are subject to the determinations included in the Specific Credit Policy and are the object of assessment of the potential Human Right issues. The proposals in which are verified practices in disagreement with this Policy are denied on presentation and do not follow to the other steps of credit analysis.

All our credit instruments have extraordinary/anticipated maturity clause in cases of non-compliance with the laws and rules relating to Human Rights. The following issues are addressed: discrimination of race or gender; child labor and slavery-like labor; human trafficking; acts characterizing bullying, sexual harassment or criminal advantage of prostitution; respect to traditional people and communities, including indigenous, quilombolas, rubber tappers, riverside, among others.

We check the list of employers who submit workers to slavery-like conditions of the Ministry of Labor and Employment and recorded note in the register of customers included in the list, preventing them from operating loans/financing. If the customer already has operations with the Bank and is included in the list, we have the prerogative to terminate operations in advance.

In addition, as a signatory to the Ecuador Principles, we evaluate large-sized projects of candidates to financing according to a socioenvironmental risk matrix and categorized based on potential socioenvironmental risks and impacts. For situations considered to be of high risk, we may request additional documents with a due diligence specific on Human Rights and social/environmental assessment.

In 2022, we have plans to mitigate risks related to Human Rights in the 12 Affiliated Entities to BB, for which improvement guidelines were issued to mitigate weaknesses related to the topic. We also include in this scope the 5 investment projects that fall under the Equator Principles.

## **4. OUR COMMITMENT TO THE FUTURE**

Civil society is increasingly attentive to the standards and the performance of the companies with regard to human rights, in view of the disclosure of several cases of violations and disrespect to those standards that have occurred in recent decades.

In this scenario, it is essential that organizations respect human rights and provide a universally recognized approach, with the socioenvironmental impacts of the companies focused on people.

We, in Banco do Brasil, seek, in a constructive and transparente way, to address the challenges of conciliate corporate competitiveness with the construction of a more sustainable and socially fair world, and, for this reason, the Human Rights theme has great relevance in our Organization.



In order to advance in this context and attentive to the international scenario and the needs of our country, as well as the directions of the financial sector, we used the Sustainable Development Goals (SDG) launched in 2015 by the United Nations (UN) as basis to reaffirm the challenges and actions of our Sustainability Plan - Agenda 30 BB. Among the themes identified as critical to our sustainability management is the Human Rights

With our Agenda 30 BB, we work on connecting our business strategies with global priorities. We seek innovative solutions to the challenges while maintaining a sustainable performance model, which combines financial performance with socioenvironmental responsibility, aligned with our history. Therefore, we hope to continue generating long-term value for both shareholders and for society and gradually building a more just and human world for generations to come.