



FirstRand

HUMAN RIGHTS FRAMEWORK

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**TABLE OF CONTENTS**

1 FOREWORD ..... 2

2 PURPOSE ..... 2

3 INTERNATIONAL HUMAN RIGHTS INSTRUMENTS ..... 3

4 HUMAN RIGHTS COMMITMENT ..... 3

5 SCOPE ..... 5

6 ROLES AND RESPONSIBILITIES ..... 5

7 FRAMEWORK REVIEW ..... 6

8 MONITORING PROGRESS ..... 6

9 REPORTING ..... 6

APPENDIX A – RELATED FRAMEWORKS, POLICIES AND PROCESSES ..... 8

## 1 FOREWORD

This framework provides a consolidated view of the group's human rights landscape, priorities and organisational artefacts which evidence the group's commitment to respecting and protecting human rights; and support or serve as the instruments for practical implementation of the specific human rights principles which have been adopted by the organisation in recognition of the opportunities and responsibilities afforded the organisation to integrate respect for human rights into business processes.

This framework governs the management of human rights within the group and is informed by the FirstRand environmental, social and governance (ESG) policy.

## 2 PURPOSE

The purpose of this framework is to:

- as stated above, demonstrate the group's commitment to human rights by providing a consolidated view of existing policies and frameworks which address the management of various human rights themes;
- provide an overview of the governance and management structures for the effective implementation of human rights principles applicable to the group; and
- enable the group to respond to and advance sustainable development principles while also demonstrating performance and progress in this regard.

This document is a governance framework, the purpose of which is to stipulate key human rights management principles and practices that are fundamental to the effective management of human rights across the FirstRand group and across its supply chain. Operational measures are in place to ensure that human rights matters across the group are managed appropriately, in accordance with high international standards of human rights.

The operational principles in respect of the management of human rights are set out in the various supporting FirstRand position statements, policies and minimum standards.<sup>1</sup> These focus specifically on what must be implemented, with the practical details around process being set out in various business operating standards and procedures.

The framework envisages measures for collaboration on supporting standards addressing human rights law and related matters across the group, even where accountability for such policies and standards does not rest with the Group Ethics Office.

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<sup>1</sup> See Appendix A.

### 3 INTERNATIONAL HUMAN RIGHTS INSTRUMENTS

FirstRand has a long history of demonstrating commitment to respecting the highest international standards of human rights. To that end, and in formulating the principles adopted as part of the FirstRand human rights framework, consideration has been given to the following voluntary standards, laws and codes amongst others:

- the United Nations Global Compact;
- the United Nations Principles for Responsible Banking;
- the United Nations Principles for Responsible Investment;
- the International Labour Organization Declaration on Fundamental Principles and Rights at Work;
- the International Bill of Human Rights;
- the United Nations Guiding Principles on Business and Human Rights; and
- local laws, regulations and other prevailing codes of best practice in respect of human rights matters.

### 4 HUMAN RIGHTS COMMITMENT

FirstRand builds trust by respecting the human rights of customers, employees, suppliers<sup>2</sup> and other stakeholders across the markets in which the group operates. The group's reputation relies on a culture of integrity and accountability that is reflected in the behaviours of employees and supplies across all business activities.

FirstRand's commitment to respecting human rights is integrated into existing business processes and practices including in ethics, governance, human capital, risk management and social investing activities.

This commitment includes seeking to avoid causing, contributing to or being complicit in adverse human rights outcomes, directly or indirectly. Where such adverse outcomes are identified, they are attended to and resolved promptly, whether it be in relation to employees, suppliers and customers, or the markets. FirstRand's employees and suppliers are similarly expected to respect the human rights of others.

FirstRand's commitment to human rights will, of necessity, include a risk-based approach which will inform prioritisation from an operational perspective. Measures to implement appropriate processes will be proportionate to the level of risk by or to the relevant stakeholders. Remedial measures will be pursued, as appropriate and within the organisation's sphere of influence.

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<sup>2</sup> For purposes of this framework, the term supplier/suppliers shall be understood to also refer to vendors and partners.

**Employees** – FirstRand commits to:

- value diversity and promoting inclusion while not tolerating discrimination and/or harassment;
- provide fair remuneration;
- not support child or forced labour;
- promote employee wellness;
- provide a safe and healthy workplace; and
- encourage a culture of continual learning and development.

**Suppliers** – FirstRand commits to:

- communicate its expectations to suppliers at inception of the supplier relationship and on an ongoing basis while the relationship continues;
- support or direct suppliers to mitigate the risk of human rights violations and adverse outcomes, or terminate the supplier relationship, as appropriate;
- carry out due diligence assessments, including in respect of human rights, to test whether the group's expectations of suppliers are being met and to mitigate any harmful or potentially harmful impacts. Due diligence assessments shall be carried out using a risk-based approach. Sources of information may include site visits, media coverage analysis, country risk and other elements in isolation or in combination as determined at a particular point in time; and
- take all reports of impropriety seriously.

**Clients and customers (individuals, companies and projects financed)** – FirstRand commits to:

- identify and manage sensitive or excluded activities in financing and investment decisions which may raise concerns;
- consider relevant risks associated with a transaction and products and services through the relevant processes;
- engage with clients to arrive at practical solutions to manage potential sensitivities and risks;
- assess customer desirability and take appropriate measures where findings reveal an adverse human rights impact;
- take all reports of impropriety seriously; and
- otherwise evaluate financing activities as more fully set out in the *FirstRand position statement: activities related to human rights* document.

**Vulnerable groups** – FirstRand commits to respect and support the rights of vulnerable groups including:

- children;
- minority groups;

- indigenous people; and
- women;

in recognition of the fact that these groups may in certain circumstances merit additional or heightened consideration due to having been previously marginalised or otherwise rendered particularly vulnerable to human rights lapses.

## 5 SCOPE

FirstRand's human rights framework applies across the group's business activities. All business relationships with third parties associated with those activities are expected to support and respect the framework.

The level of application of this framework within an entity will be determined using a risk-based approach. The level of application decided must be agreed upon in consultation with the Group Ethics Office and approved by the appropriate governance structures for the respective entity. Each functional area (entity/segment/pillar) is responsible for applying the key principles and practices described in this document to its management of human rights and the associated risks across all business activities.

## 6 ROLES AND RESPONSIBILITIES

The board of directors is responsible for oversight of the effective management of human rights impact and risk and has delegated its authority in this regard to the social, ethics and transformation committee, which is a board subcommittee, and the sustainability and governance exco (one of five principal management committees of the FirstRand group) from a management oversight perspective and as further described in the FirstRand ESG policy.

The Group Ethics Office:

- is the custodian of this framework and is responsible for coordinating implementation of the human rights programme across the group; and
- provides strategic direction on human rights focus areas and risk identification. Achieving a positive human rights impact and appropriate risk management is the responsibility of all employees and the preferred approach is therefore one of having respect for human rights embedded in a range of operational policies and standards that provide detail on how this is to be managed and implemented at various levels of the organisation. Other applicable group frameworks, policies and processes are outlined in *Appendix A*.
- Framework implementation will remain the responsibility of management in each operating business or segment. As such, all business owners throughout the group will embed human rights management in business processes and systems and ensure that it is supported by appropriate training and awareness interventions.

## 7 FRAMEWORK REVIEW

The framework must be reviewed annually, at a minimum, to ensure that it continues to reflect current requirements and sound human rights practices.

Review of the framework will include review of impacts and consultation with groups impacted by FirstRand's activities. This will take place either in an individual capacity (e.g. individual employees, customers and suppliers), through representative organisations (e.g. trade unions, industry bodies or trade associations) or through a combination of these, as appropriate.

This framework will be reviewed by the FirstRand sustainability and governance executive committee and recommended to the FirstRand social, ethics and transformation committee for approval on behalf of the board.

## 8 MONITORING PROGRESS

Embedment of the principles set out in this framework will be monitored through tracking data of training and awareness interventions, as well as the reporting of incidents and matters that required resolution from an adverse human rights impact perspective. Other indicators of progress will also be developed to ensure that the group is able to understand the true impact of its interventions and to improve such interventions over time.

Internal reporting will be through the FirstRand sustainability and governance executive committee and the FirstRand social, ethics and transformation committee. External reports will be published on the FirstRand website.

## 9 REPORTING

Concerns relating to the group's activities and human rights impact may be reported using the FirstRand ethics line. Matters reported will be investigated and addressed, including appropriate action being taken where there have been violations.

- FirstRand ethics line email address: [report@firstrandethicsoffice.com](mailto:report@firstrandethicsoffice.com)
- FirstRand ethics line website: [www.firstrandethicsoffice.com](http://www.firstrandethicsoffice.com)
- FirstRand ethics line toll-free numbers:
  - South Africa: 0800 00 33 12
  - United Kingdom: 0808 238 75 00 (including Aldermore)
  - Botswana: 0800 600 644 (Botswana Telecoms users); 1144 (Orange users); 71119711 (Mascom users); +27 11 929 3332 (call back)
  - Ghana: 544 315 491 (local); +27 31 571 5077(RSA underpinning number); +27 11 929 3332 (call back)
  - India: 000800 100 79 00
  - Kenya: 0800 722 626 (Safaricom)

- Lesotho: 80022055 (Econet); +226 31 571 5077 (international call rates);  
+27 11 929 3332 (call back)
- Mauritius: 8020270001 (Mauritius Telecoms and Orange users)
- Mozambique: 800 112 233 (TDM); +800 333 312 (Vodacom);  
+27 11 929 3332 (call back)
- Tanzania: 0800 780 026 (Airtel); +27 11 929 3332 (call back)
- Zambia: +260 971 231 250 (Airtel users); 5080 (all networks);  
+27 11 929 3332 (call back)
- Namibia: 0800 003 312 (Namibia Telecoms landline); 91847 (MTC);  
+27 11 929 3334 (call back)
- Nigeria: 8099937319 (9Mobile); +27 708 060 1872 (local call rates)
- Eswatini: 8007006 (SPTC); +27 11 929 3332 (call back)

**APPENDIX A – RELATED FRAMEWORKS, POLICIES AND PROCESSES**

The following codes, policies, frameworks, standards and processes support and are used to manage human rights and operationalise FirstRand’s commitments, as articulated in this framework:

<p>1. FirstRand philosophy and promises – the philosophy guides how the group’s people need to behave to deliver the best outcomes for all stakeholders, including customers, society, shareholders and each other. The philosophy is currently captured in the following set of promises:</p> <ul style="list-style-type: none"> <li>• be deeply invested;</li> <li>• value our differences;</li> <li>• build trust, not territory;</li> <li>• have courage;</li> <li>• always do the right thing; and</li> <li>• stay curious.</li> </ul>
<p>2. FirstRand code of ethics – provides practical guidance on how to behave ethically and challenge unethical behaviour. It further creates a common understanding of how the group expects its people to behave, while also putting forth ethical behaviour expectations for suppliers.</p>
<p>3. FirstRand ESG policy – provides for the group’s commitment to ESG themes applicable to financial institutions and which have been prioritised as current focus areas for the group.</p>
<p>4. FirstRand health and safety framework and policy – sets out the key principles to be applied with respect to the effective management of health and safety risk across FirstRand.</p>
<p>5. FirstRand ethics line policy – provides for reporting mechanism, processes and standards that apply from the time that suspected wrongdoing is reported until such time as an investigation into the matter has been concluded.</p>
<p>6. Human capital manual – provides for various human capital details including working conditions (including hours of work), occupational health and safety matters, employment equity, employee benefits, study assistance (including for children of staff), leave, learning and development, and employee well-being.</p>
<p>7. FirstRand supplier code of conduct – sets out FirstRand’s expectations of the conduct standards that suppliers must subscribe to, as well as the commitment to good governance, ethical conduct and sustainability that they must demonstrate. The expectations of suppliers cover three areas: supplier conduct towards employees, the environment, and approach to bribery and corruption risk. The code</p>

<p>further sets out disclosure and reporting requirements which suppliers must fulfil prior to and during engagements with FirstRand.</p>
<p>8. FirstRand position statement: activities related to human rights (salient provisions incorporated by reference in the FirstRand consolidated position statements document) – relates to the identification and management of sensitive or excluded activities in financing and investment decisions. It includes a prohibition on financing activities that involve forced labour and child labour and makes provision for cases involving resettlement and indigenous people.</p>
<p>9. Data privacy and protection framework – defines FirstRand’s strategic approach in relation to privacy and sets out the basis for the attainment of data privacy and protection throughout the FirstRand group. The framework sets out the roles and responsibilities that are required to implement, sustain and monitor privacy compliance, and mitigate the risks related to the processing of personal information.</p>
<p>10. FirstRand anti-bribery and corruption (ABC) framework – the foundation for the various policies, standards and operating procedures that form part of the group’s ABC programme of controls for the combating of bribery and corruption.</p>
<p>11. Environmental and social risk assessment process – process for the integration of social and environmental management principles into credit decision-making processes.</p>
<p>12. Employment equity policy – serves as the foundation for the implementation of employment equity within the FirstRand group, promoting diversity, inclusion and transformation.</p>