



Areti Bank International Inc.

Human Rights Statement

Last Updated: December 01, 2022

1. Introduction

Areti Bank is an International Financial Entity providing a range of products and services to personal, commercial, corporate, and institutional customers. We are a Puerto Rico bank with our headquarters in San Juan supporting our customers to access international banking systems in LATAM, Europe, Asia and the U.S.

Our Mission is to generate a positive impact to people and the environment through our products and services, providing financial products and services which generate a positive contribution to sustainable development. This lies at the core of our activity as we strive to create long term, deeper relationships with our customers.

At Areti Bank, we understand that businesses have an important role to play in promoting respect for human rights. We seek to promote and respect human rights through the continued implementation of policies and practices covering our colleagues, customers, and suppliers.

Respect for human rights is at the heart of our organization with a clear commitment to people; to value, support, empower them and ultimately enable them to prosper. We believe on being an open and inclusive bank that supports respect for human rights whilst also seeking to identify and mitigate any negative impacts that our activities may have on people and the environment.

2. Our Approach

At Areti Bank, we understand that respecting human rights is the right thing to do. We do not tolerate or condone abuse of human rights within our business, supply chain or within our sphere of influence.

Recognizing the importance of human rights, we seek to operate in accordance with the Universal Declaration of Human Rights. Our approach to respecting human rights is also informed by a range of international standards and principles including the UN Guiding Principles on Business and Human Rights (UNGPs), The Equator Principles; International Labour Organisation's Declaration of Fundamental Principles and Rights at Work; the OECD Guidelines for Multinational Enterprises; and the United Nations Global Compact. Through our efforts to respect human rights, we aim to support the UN Sustainable Development Goals (SDG), a global agenda to end poverty, protect the planet and ensure prosperity for all.

Through our policies and corporate governance our approach to respect human rights is aligned to our mission and core values and set up our commitment to:

- comply with international human rights legislation and standards.
- respect employment legislation and policies that create a safe, inclusive, respectful workplace.
- align our individuals, commercial customers and suppliers behavior with our own standards on respect for the human rights.

3. Scope

This statement has been adopted by the Board of Directors of Areti Bank International Inc. and applies to every director, officer, employee, customers and suppliers of Areti Bank and its subsidiaries.

4. Our Culture



Our culture is underpinned by our **Code of Conduct** which supports our colleagues to achieve the best outcomes for our customers by adhering to ethical standards. The Code includes a “Yes Questionary” decision-making framework which helps our colleagues to use good judgement and act with integrity, openness, and fairness, when dealing with our customers, pursuing business opportunities and when awarding business.

5. Respecting Human Rights.

As defined by the United Nations¹, human rights are inherent to all human beings and include the right to life, health and well-being, privacy, fair wages, and decent working conditions; freedom from discrimination, slavery and torture; and freedom of association.

We have implemented a range of policies that outline our duties as a responsible employer. These policies promote human rights directly or indirectly covering a range of issues. Our commitment to fair, ethical and responsible business practices, as we engage with our employees, clients, vendors and communities around the world, is embodied in our values and Code of Conduct.

We are committed to respecting internationally recognized human rights around the world and across our value chain. We are guided by standards regarding forms of child labor, forced labor, freedom of association, the right to organize and bargain collectively, equal pay, and nondiscrimination in the workforce.

To promote human rights, we:

- Treat each other with respect and dignity and maintain a work environment that is free from harassment, unlawful discrimination, or retaliation.
- Prohibit direct financing for activities that are likely to involve human trafficking, modern slavery, the use of child labor, forced labor, or physical punishment.
- Do business only with third parties that have adequate policies and procedures in place to mitigate these risks in their own operations and supply chains.
- Do business only with clients and suppliers who share our values with respect to human rights and use our business relationships to share best practices.

6. Employees

Our success as a Bank is driven by the people supporting our customers and clients each day. Areti Bank is committed to treating every employee with respect and dignity and protecting their human rights. We offer equal employment opportunity to all, do not tolerate discrimination or harassment, and are proud to be a leader in supporting diversity and inclusion.

We abide by labor laws and regulations in the regions where we conduct business including those that address child labor, forced labor, equal pay and nondiscrimination in our workforce. We strive to provide a safe and healthy work environment for all employees. We also acknowledge and support the rights of each employee and value an open dialogue with our employees so we may continue to improve their work environment as well as the service we provide.

Building an inclusive bank. We are building an inclusive bank with clear plans and targets that apply globally and are formed round five key priorities: gender balance; disability smart; ethnically diverse; LGBT+ and creating an inclusive culture.

¹ United Nations. “Universal Declaration of Human Rights (UDHR)”. Available at https://www.ohchr.org/EN/UDHR/Documents/UDHR_Translations/eng.pdf.



Speaking up is part of our culture. All our stakeholders are encouraged to raise concerns if they become aware of any wrongdoing or misconduct. This applies to permanent employees, temporary employees and secondees, former employees, contractors and those acting on our behalf of or representing us, such as consultants.

7. Suppliers

At Areti Bank, we expect suppliers to uphold the same values and commitments we have in relation to human rights. These requirements are set out in our **Supplier Code of Conduct**. Adherence to these commitments, including those around human rights such as meeting international labor standards with their own suppliers, is required as part of our supply chain tendering process and throughout the life of the supplier engagement.

If a supplier is unable to comply with the human rights commitments within the Supplier Code, this is raised through the Bank's operational risk process. This includes engagement with the supplier to offer support and identify possible remediation measures.

8. Customers

Areti Bank has policies to prevent the illegal use of our products and services, including abuse that may result in human rights violations. These policies include a rigorous Customer Due Diligence process, compliance with U.S. Foreign Corrupt Practices Act, as well as anti-money laundering controls. All employees are required to complete annual training on many of these subjects, as well as acknowledge our Code of Conduct.

9.1 Commercial Customers

We conduct due diligence on commercial customers in line with regulatory expectations and expect them to share our commitment to respect human rights within both their operations and supply chain. We do not tolerate or condone abuse of human rights which includes harmful child labour, forced labour, modern slavery and human trafficking.

9.2 Retail banking Customers

Access to the financial system can be an important enabler which allows an individual to shape their future. We recognize that access to a basic bank account is a requirement for most people. For customers who are unable to open a standard account, we offer a Foundation account. This allows a customer, who may have experienced financial difficulty in the past or find themselves in a vulnerable situation, to access the financial system and manage their money. We seek to ensure that customers are at the forefront of our approach when designing new services. We aim to deliver solutions that cater for everyone, with a focus on how we assist customers with additional needs.

9. Communities

Our Mission is to generate a positive impact to people and the environment through our products and services, providing financial products and services which generate a positive contribution to sustainable development. By delivering our mission, we hope to tackle traditional barriers, develop new opportunities, and help to create a greener, fairer, more inclusive society. We focus on supporting people and communities who traditionally face the highest barriers to entry, including dedicated programs to support female entrepreneurs.

We support communities in their right to live in a healthy and clean environment and we seek to minimize any negative environmental impacts our activity may have. We strive to make a meaningful contribution to the UN Sustainable Development Goals by helping our customers' transition to a low carbon economy. We intend to do what is necessary to achieve alignment with the 2015 Paris Agreement. This includes making our own operations net carbon zero in 2025 and climate positive by 2030.



10. Governance

Our approach to human rights is coordinated by the Sustainable Banking team with input from relevant Group functions and business areas.

This statement was reviewed by the Board Level Sustainable Banking Committee, noted at Group Executive Committee, and approved by the Board on 29th October 2022.

Dimas Palmar,
Chief Executive Officer
19th November 2022

Heiner Speich,
Chairman
19th November 2022