



**Banrisul**

**2011  
Sustainability  
Report**





# Summary

---

## 1

PROFILE **08**  
PORTRAIT OF THE SECTOR **17**  
OVERVIEW, STRATEGIES AND PROSPECTS **21**

---

## 2

GOVERNANCE AND COMMITMENTS **38**  
BANRISUL'S RELATIONS **50**

---

## 3

BUSINESS AND DEVELOPMENT **74**

---


## 4

SOCIAL AND ENVIRONMENTAL  
DEVELOPMENT **82**

---

INTRODUCTION **02**  
MESSAGE FROM THE CEO **04**

ABOUT THE REPORT **94**  
WARRANTY STATEMENT **96**  
GRI INDICATORS **97**



# An important step forward in the pursuit of sustainability

02

Welcome to the first Sustainability Report of Banrisul S.A., underlining the institution's commitment to bringing sustainability to its business management procedures, decisions and attitudes.

In line with the international methodology proposed by the Global Reporting Initiative (GRI), version G3, this document addresses the Bank's key initiatives and results throughout 2011 in the environmental, social and economic areas, the most important developments up to the time of publication, and its objectives and strategies for the short, medium and long term. In all, 24 indicators were completed, 19 being essential and five being additional, in addition to ten indicators specific to the financial services sector. [GRI 3.1](#)

With the adoption of the Sustainability Report as a replacement for the Social Balance, Banrisul aims to give greater transparency to its activities and strengthen dialogue with its stakeholders. For the preparation and organization of this first study, 30 employees were involved in the Certified Training Program on the GRI Sustainability Reporting Process, promoted by BSD Consulting, giving them an understanding of the entire reporting process. [GRI 3.15](#)

Production of the report focused on the presentation of information in a clear and objective way, in compliance with the principles of transparency and good corporate governance, in order to provide stakeholders with a broad overview of the bank's initiatives.

The following chapters highlight Banrisul's challenges, transformations and advances in 2011, including the creation of the Strategic Social and Environmental Management Group, which plays a key role in integrating and consolidating sustainability in Banrisul's organizational culture and value chain.

Learn about our progress and join us on our journey!

Good reading!



Client accessing an ATM at the Central Branch

# A year of transformation

04

Throughout its 83-year history, Banrisul has maintained a focus on regional development. Originally founded to meet the demands of cattlemen from Rio Grande do Sul, it has since spread its wings, taking its products and services to several Brazilian states and abroad, yet still maintaining close ties with the state. This is evident in our funding lines, our support for local sport and typical cultural festivities in the interior of the state, and our close bonds with our surrounding communities. As a result, we have improved our results, expanded our business and become stronger every day.

For the Bank, 2011 was a year of many important events during which we defined our future strategies, always in line with Rio Grande do Sul State Government policies. It is particularly worth mentioning the installation of a new Board of Directors, Board of Executive Officers and Fiscal Council. We also created the Strategic Social and Environmental Management Group, which reports directly to the CEO's office, legitimizing the improvements to our sustainability practices, structuring our initiatives and establishing dialogue with all areas of the Bank.

We ended the year with net income of R\$904 million, 22% up on the R\$741 million recorded in 2010. Shareholders' equity totaled R\$4.4 billion and funds raised and managed grew from R\$25 million, in 2010, to R\$28.9 million.

Thanks to the commitment of our employees, we implemented the Board transition without compromising the quality of our services or the results expected by the market.

Based on this process, other important internal initiatives helped sustain the Bank we wish to build: an institution that is economically strong, socially responsible, and environmentally sustainable.

We began by defining a strategic action plan for 2011-2015, in which everyone participated and which required extensive discussion and



Túlio Luiz Zamin, Banrisul's CEO

reflection, and we are now considerably closer to implementing a definitive sustainability policy to guide and strengthen our initiatives.

We had already been pursuing the issue through various forms of credit for sustainable development in the rural, housing, basic sanitation, clean development mechanism and energy efficiency sectors. As a result, sustainability has become an integral part of our business and our relations with stakeholders.

In this report, we will be showing the progress of this tendency and highlighting certain changes and restructurings that have enabled this process. It has been a year of many accomplishments, the main ones being cited in the Overview, strategies and prospects section. And although we will certainly be facing new challenges ahead, the publication of Banrisul's first Sustainability Report is undoubtedly a major step forward.

Preparing a report of this nature was a very important experience for us. Its content is the result of an enormous process of internal reflection, which permeated many areas of the group, during which we mapped our achievements, how they were executed, and what still needs to be done or improved.

We plan to reinforce our leading position in Rio Grande do Sul, continue to seek

opportunities beyond its borders and ensure excellence in all our spheres of activity.

Our strategies for achieving this include the continuing qualification of our employees, the modernization and standardization of our branches, the expansion of our service point network, the efficient management of administrative costs, investments in IT and innovation, and increasing our business scale, through improvements to the concession of credit in order to streamline operations and mitigate risks.

We are fully committed to the path we have chosen: growth. [GRI 1.1](#)

— **Túlio Luiz Zamin**  
CEO





# 1

PROFILE	08
PORTRAIT OF THE SECTOR	17
OVERVIEW, STRATEGIES AND PROSPECTS	21



Founded in 1928, Banrisul is one of Brazil's largest financial institutions, with shareholders' equity of more than R\$4 billion, and is present in 415 municipalities in Rio Grande do Sul, providing a wide range of services

# A growing company

08

Banrisul is one of Brazil's leading financial institutions, with shareholders' equity of more than R\$4 billion. Founded in 1928, its stronghold is Rio Grande do Sul, where it serves 97.95% of the population in 415 municipalities, representing 98.31% of state GDP. In 2011, six new branches were opened, three of which converted service points.

Banrisul has 25 branches in Santa Catarina, two of which opened in 2011, and 13 in other states, plus two abroad, in New York and Grand Cayman. [GRI 2.5, 2.7](#)

It is a mixed capital publicly-traded corporation, whose controlling shareholder is the Rio Grande do Sul State Government, with a 57% interest. The Bank and its subsidiaries offer a wide range of services to a diversified client base comprising individuals and micro, small, medium and large businesses. [GRI 2.6](#)

Funding lines are designed to improve the living conditions of Brazil's population, benefit entrepreneurs, reduce regional inequalities, and expand health and education services. With this in mind, Banrisul lent working capital to hospitals, clinics and diagnostic laboratories, totaling 81 operations in 2011, amounting to R\$32.98 million, and allocated R\$178.8 million to universities and other educational institutions. [GRI 2.7](#)

In the rural area, Banrisul promotes funding for green manure; the adoption of soil conservation practices; the deployment, preservation and expansion of wastewater treatment systems; environmental restitution projects; the planting of native and exotic species forest; the restoration and maintenance of legal preservation areas and reserves; organic production systems; activities related to rural tourism; the implementation, use and/or recovery of cheap renewable energy technologies; water storage; environmental technologies; and small hydroelectric plants. [GRI 2.7](#)

**Banrisul offers a wide range of services to meet different client profiles**



Feira do Livro: an event promoted by Banrisul

It also funds companies using biofuel as a clean energy source and a new market opportunity. In 2011, it invested R\$95 million in commercialization operations, with funding from Poupança Rural. [GRI 2.7](#)

The 2011 rural credit portfolio increased by 32.77% over the previous year, reaching R\$1.71 billion, which was used to finance costs, marketing and investments in crops and livestock (see the *Rural credit section for more details*).

In the family farming area, which is becoming increasingly important in Brazilian rural development, Banrisul funded around 10,000 operations (see the Rural credit section for more details). [GRI 2.7](#)

The Bank's funding policy also covers a number of risks and opportunities. In the case of support for victims of weather-related disasters, these lines of credit serve the populations of Rio Grande do Sul and Santa Catarina. For example, at the beginning of 2011 a state of emergency was declared in São Lourenço do Sul (RS) due to problems caused by flooding. As a result, the National Social Security Institute (INSS) advanced its beneficiary payment schedule and Banrisul was the main lender of the benefits (1,190), which totaled R\$869,803.26.

Long-term operations designed to benefit micro, small and medium-sized businesses also present opportunities. They were facilitated by the Bank's adherence to the BNDES Card, issued by the Brazilian Development Bank (BNDES), which gave new momentum to goods and input purchases (for more details, see the BNDES partner section). Also aimed at small businesses, micro-credit operations totaled R\$1.330 billion last year, 10.6% more than in 2010 (for more details, see the *Microcredit section*). Together, Conta Empresarial and Promicro (working capital loans) were responsible for 460,000 microcredit operations, underlining the Bank's commitment to strengthening small businesses. [GRI 2.7](#)



## Main characteristics

**Company name** Banrisul

**Full name** Banco do Estado do Rio Grande do Sul S/A

**Sede da organização** Rua Capitão Montanha, 177 – Centro Histórico – Porto Alegre – Rio Grande do Sul – Brasil

**Number of employees** 10,225

### Main brands, products and services

- › demand and time deposits;
- › credit cards;
- › insurance;
- › private pension plans;
- › purchasing consortiums;
- › third-party asset management;
- › administração de recursos de terceiros;
- › loan operations<sup>I</sup>;
- › Banricompras<sup>II</sup>;
- › Refeisol<sup>III</sup>.

The most important outsourced service agreements, governed in particular by Law 8666/93, were communications; commercial leasing; alarms; cash preparation; IT; cleaning; transportation of valuables; surveillance; mail; specialized technical services; and credit card processing. [GRI 2.1, 2.2, 2.4 and 2.8](#)

<sup>I</sup> Loans for individuals (including consumer credit and payroll loans) and businesses, as well as mortgage loans and rural credit.

<sup>II</sup> Checking account card, enabling Banrisul clients to perform all banking operations and installment purchase operations.

<sup>III</sup> A brand owned by Banrisul Serviços Ltda. providing business clients with a variety of cards to be used as a means of payment for benefits and services.

## VISION

To be a public, profitable, solid and competitive bank, integrated with its surrounding communities and providing excellent services.

## MISSION

To be the state's financial agent in promoting the social and economic development of Rio Grande do Sul.

All these long-term operations, onlent via the BNDES, contain contractual clauses dealing with procedures for assessing and classifying social and environmental risks. For example, borrowers must not be on the list of employers who have subjected workers to forced labor, issued by the Ministry of Labor and Employment (MTE); must sign a statement attesting to their lack of environmental violations and administrative penalties; and must submit a Statement of Exemption or Environmental License, issued by the competent environmental agency. [GRI FS1](#)

Short-term operations for financing crop irrigation require authorization documents issued by the State Environment Secretariat's Department of Water Resources (HRD/Sema) and an irrigation operating license issued by the Henrique Luiz Roessler State Environmental Protection Foundation/RS (Fepam).

Banrisul's funding policies were approved by its internal committees and the Executive Board and are available on its website, as well as the websites of the BNDES, and the Ministry for the Cities.

## Shareholding Structure GRI 2.8

(%)

	VOTING CAPITAL	TOTAL CAPITAL
State of Rio Grande do Sul	99.59	56.97
Pension Fund Institute of the State of Rio Grande do Sul	0.02	0.05
Banrisul Social Security Foundation	0.22	0.015
<i>Free Float</i>	0.17	42.83

## Presence in Rio Grande do Sul, Brazil and Abroad in 2011 GRI 2.5



<sup>I</sup> In 21 municipalities from Rio Grande do Sul, Banrisul is the only operating banking institution.

<sup>II</sup> Bahia (1), Ceará (1), Federal District (1), Minas Gerais (1), Pernambuco (1), Paraná (2), Rio de Janeiro (3), and São Paulo (3).

<sup>III</sup> New York (1), Grand Cayman (1)

## Main financial indicators <sup>I</sup> GRI 2.8

### Total assets

(R\$ million)



### Efficiency index development <sup>II</sup>

(%)



### Shareholders' equity

(R\$ million)



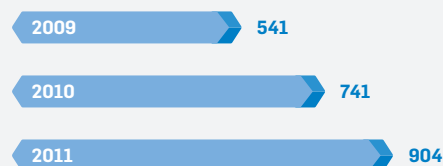
### Funds raised and managed

(R\$ million)



### Net income

(R\$ million)



### Securities <sup>III</sup>

(R\$ million)



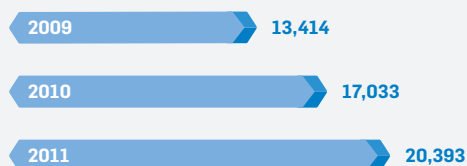
### Basel Index trends <sup>V</sup>

(%)



### Loan operation trends

(R\$ million)



<sup>I</sup> Source: Banrisul

<sup>II</sup> The smaller, the better

<sup>III</sup> Excluding repo operations

<sup>IV</sup> In 2010, Banrisul prioritized loan operations over treasury operations.

<sup>V</sup> Reduction due to the higher volume of loan operations, leading the Bank to increase its allocation of capital to cover this risk. The Central Bank of Brazil demands a minimum Basel Index of 11%.



## Banrisul Group

The Banrisul Group comprises Banco do Estado do Rio Grande do Sul S.A., Banrisul S.A. Administradora de Consórcios, Banrisul S.A. Corretora de Valores Mobiliários e Câmbio, Banrisul Armazéns Gerais S.A., and Banrisul Serviços Ltda. [GRI 2.3](#)

### BANRISUL S.A. ADMINISTRADORA DE CONSÓRCIOS

Banrisul Consórcios administers property, vehicle and motorcycle purchasing consortiums<sup>1</sup> made up of forward-looking individuals and businesses with an entrepreneurial approach, who wish to fulfill the most common dreams: owning their own house, apartment or other property, whether residential or commercial, for farming or leisure, on the beach or in the mountains, as well as new or used cars, tractors, trucks, and motorcycles.

These benefits are open to Banrisul account holders and the general public, with flexible terms, different letter of credit amounts and installments, and no interest.

In 2010, the Brazilian Securities and Exchange Commission (CVM) authorized the delisting of Banrisul Consórcios. The high costs needed to maintain its registration as a publicly-

held company and the fact that most of its shares were owned by Banco do Estado do Rio Grande do Sul prompted the delisting request.

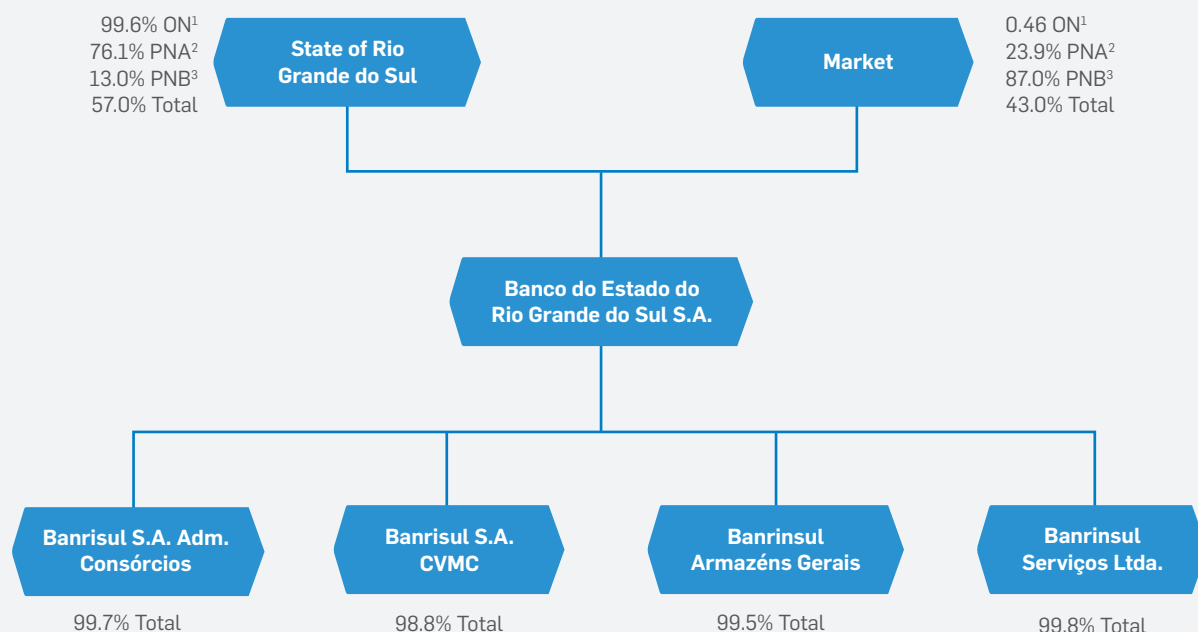
The company closed 2011 with 26,881 active quotas, giving a total credit volume of R\$854 million. In 2011 alone, 9,568 quotas were sold, with credit volume of R\$319.9 million. Approximately 5,000 people benefited, resulting in the injection of R\$116 million into the economy for the acquisition of consumer goods. Annual net income totaled R\$14 million.

**1 Purchasing associations that use periodic draws to determine which member can use its funds to make a certain purchase.**

### BANRISUL S.A. CORRETORA DE VALORES MOBILIÁRIOS E CÂMBIO - BANRISUL'S SECURITIES BROKER

Banrisul Corretora de Valores Mobiliários e Câmbio is a Banrisul subsidiary that has been operating in the capital market since 1971, brokering securities traded in stock exchanges. It has a shop and a meeting place in the Bank's Central Branch in Porto Alegre and offers a home broker service through which investors can trade and monitor security movements online. It also provides investors with technical support, helping them identify the best capital market opportunities. Its business portfolio

## Group Companies



14

includes the purchase and sale of shares, rice trading through Arroz na Bolsa, the purchase and sale of government bonds through Tesouro Direto, gold trading, share renting, investment club management, Bovespa Index stocks and debenture operations.

In 2011, Banrisul Corretora brokered R\$1.285 billion on the stock market, 62.2% of which through its home broker channel, and net income totaled R\$5 million. Strategic repositioning was one of the priorities, with an emphasis on projects that leveraged transaction volume and revenue, including a campaign to attract new clients through the Banrisul service network; the initiation of Fund 157 management, the creation of Banribroker (a home broker development); and market alignment with the Bank's sales areas.

### **BANRISUL ARMAZÉNS GERAIS S.A. (BAGERGS)**

Bagergs is located in Canoas (RS) and is authorized by the Federal Internal Revenue Service to manage the Dry Port in the Porto Alegre metropolitan area, providing a wide range of bonded warehousing services for both imports and exports, as well as general warehousing.

The company's strategy for expanding its share of the logistics market was based on

investments in technology, process automation, expansion of the workforce and the search for new market niches. In 2011, it recorded net income of R\$2.5 million.

### **BANRISUL SERVIÇOS LTDA.**

Banrisul Serviços is a card administrator managing a broad portfolio of products that serve

as a means of paying benefits and services tailored to the profile and reality of client companies.

This portfolio includes meal and food, fuel, gift, salary, private label, fleet maintenance system and benefit cards.

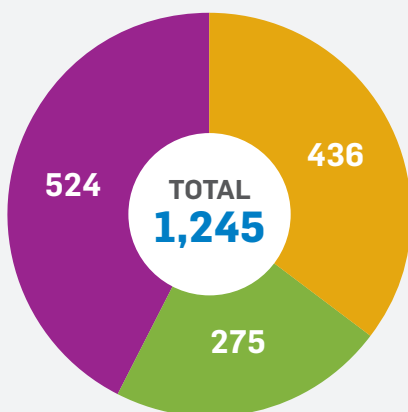
Every day, more than 440,000 individuals and 5,500 accredited companies use the services available in over 55,000 accredited service points. In 2011, more than 14.4 million transactions were carried out, 28% more than in 2010.

In regard to federal government incentives, the company dispenses around 35% of the total benefits of the Workers' Food Program (PAT) in Rio Grande do Sul. The company recorded net income of R\$21 million in 2011.

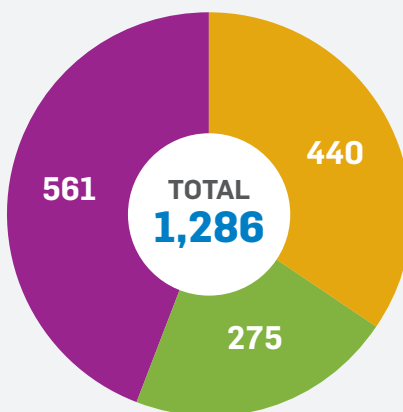


## Banrisul Service Network

2010



2011



- Branches
- Banking service points
- Electronic service points

## Recognition in 2011

### January

- › The Banrisul brand was ranked 319th in the Global Finance Banking 500 rankings, according to a survey by the British consulting firm, Brand Finance, which analyzed the 500 largest financial institutions in several countries. The brand's value was put at R\$532 million in 2011, 12.5% up on the previous year.

- › The Bank was one of the winners of the Corporate Reputation award, granted by *Amanhã* magazine, which listed Rio Grande do Sul's most prestigious corporations, based on a study by Troiana Consultoria de Marca.

### March

- › Banrisul was one of the most-remembered brands in the Bank and Savings Account categories of the "Brands that Decide" survey by *Jornal do Comércio* newspaper and Qualidata.

### April

- › Banrisul's class B preferred shares (PNB) recorded the best performance among mid-range Brazilian banks, according to a survey by the consulting firm Economática.

- › Banrisul appeared in the new list of the world's 2,000 largest companies published by Forbes magazine. The Bank, one of 37 Brazilian

companies listed in the ranking, appeared in 1,438th place.

### May

- › For the first time, Banrisul was listed among the "50 Most Valuable Brands in Brazil" survey, conducted by *Dinheiro* magazine and the consulting firm BrandAnalytics. In the Banks category, it was ranked fourth.

### June

- › The Bank was listed among the 25 most valuable brands in Brazil by Interbrand, an American brand consultancy. The Banrisul brand was valued at R\$501 million.

- › Banrisul was listed among the most remembered local brands in the "Large Companies in Rio Grande do Sul" category by *Amanhã* magazine's 2011 Top of Mind survey.



Presentation of the Outstanding in Government and Society Certificate, awarded by Expressão magazine, at the 2011 Sustainable Development Forum

**July**

› Banrisul was listed among Brazil's 100 largest listed companies in terms of market capitalization by *Exame* magazine's 2011 *Melhores e Maiores* yearbook. In the national financial sector, it was ranked among the ten largest banks in terms of net income and shareholders' equity. As for financial sector indicators, it was among the leaders in terms of demand and savings deposits, number of branches, personal loans, mortgage loans and wealth creation.

› Projeto Pescar Banrisul (Banrisul Outreach Project) was granted the Best Educational Practice Award by Fundação Projeto Pescar for its Ecological Consciousness of Being teaching module.

**August**

› The Bank received the Sports' Best Friend Award for Rio Grande do Sul. This award, granted by the Ministry of Sports, recognizes those companies that have invested the most in the segment via the Sports Incentive Law.

› Banrisul was featured in *Valor Econômico* newspaper's *Valor 1000* rankings, appearing in 11th place among the 100 largest banks in Brazil. It was also listed among the 20 largest banks in terms of loan operations, total deposits, shareholders' equity and net income, among other items.

› Banrisul was listed in 106th place among the top 500 companies in Brazil according to the *As Melhores da Dinheiro* rankings, published by *IstoÉ Dinheiro* magazine. It was also ranked as the country's 12th largest state-owned company.

› Banrisul received the Outstanding in Government and Society Certificate in the 7<sup>th</sup> edition of Expressão Magazine's Sustainable Management survey in Florianópolis in 2011, based on the Ethos Indicators and the Balanced Scorecard methodology.

› The Bank was granted the Luiz Henrique Roessler Environmental Merit Award by *Ecologia e Meio Ambiente* magazine for its performance in the social and environmental area, exemplified by its Recycling Program and Seeds Project.

**September**

› The Bank was placed third among standard banks in terms of customer satisfaction, according to JD Power of Brazil's 2011 Brazil Retail Banking Customer Satisfaction StudySM.

**October**

› Banrisul has the highest working capital of any Rio Grande do Sul company, according to the *Grandes & Líderes* rankings published by *Amanhã* magazine, which specializes in business and economics, and the consulting firm, PricewaterhouseCoopers. Among the 100 largest companies in the state, it moved up one place to third. It is also Rio Grande do Sul's third largest company among the top 50 in terms of shareholders' equity, gross revenue and net income.

**November**

› The Bank was awarded the Coletiva.net Award, promoted by the Coletiva.net portal in association with QualiData Strategic Information, in the Service Technology group in the Financial category.

**December**

› Banrisul received the 2011 Retail Merit Award in the Services category of the Financial Institution segment, granted by the Rio Grande do Sul Federation of Retail Management Chambers (FCDL-RS).

› The Bank was ranked 72nd among the 200 largest groups in Brazil by the 2011 *Valor Grandes Grupos* yearbook, published by the São Paulo-based newspaper, *Valor Econômico*. [GRI 2.10](#)

# Economic scenario

The lack of global economic momentum due to the difficulties faced by the eurozone and the crisis in the United States, which led to a downgrade of the ratings of the world's largest economy, resulted in increased risk aversion in all markets worldwide.

Although this scenario also jeopardized the emerging nations, including Brazil, they remained firm, despite the worsening of the global problems, thanks to the expansion of their economies and the maintenance of high international liquidity, which increased the flow of resources to these countries.

Within this context, Brazil did exceptionally well despite the downturn, especially in the industrial sector, with economic activity remaining strong thanks to the creation of jobs and income, and the consistent expansion of credit.

As a result, the Brazilian banks raised sufficient funds to continue funding credit growth, while maintaining high net assets.

## RIO GRANDE DO SUL SCENARIO

Despite record regional harvests in 2011, Rio Grande do Sul's economy, like that of the country as a whole, slowed in comparison with 2010, chiefly due to the stagnation of industrial activity. According to the Rio Grande do Sul Industry Federation (Fiergs), the state's Industrial Development Index (IDI) inched up by just 0.5% in the year through November. This situation was exacerbated by the appreciation of the Brazilian currency, which made imports more attractive.

In the agricultural sector, high prices and the improved local grain harvest in 2010/2011, which moved up by 13.5% over the season before, were crucial for the healthy performance of the state banking sector. Export revenue also moved up by a hefty 26.3% over the previous year, thanks to higher prices, making Rio Grande do Sul one of Brazil's leading export states, with 7.59% of the country's total.

**Brazilian economy unaffected by the international financial crisis, despite the slowdown, especially in the industrial sector**

## Number of banks in Brazil <sup>I</sup>



## Number of branches <sup>I</sup>



## Volume of exports\* <sup>II</sup>

(R\$ million)



<sup>I</sup> Source: Brazilian Central Bank

<sup>II</sup> Trade Balance of the State of Rio Grande do Sul  
Source: Ministry of Development, Industry and Foreign Trade

# R\$ 35.6 bn

## IS THE TOTAL NET INCOME

of the National Financial System (SFN)<sup>1</sup>

# R\$ 5.1 trn

## ARE THE TOTAL ASSETS

of the National Financial System (SFN)<sup>1</sup>

The local price upturn was in line with the national trajectory. According to the IPCA consumer price index in the Porto Alegre Metropolitan Region, annual inflation came to 5.53%.

## BANRISUL

Banrisul operates in the regional market and retained 32.31% of total time deposits in Rio Grande do Sul in December 2011, according to the Central Bank. In the country as a whole, it was ranked 11th in terms of assets and shareholders' equity at year-end.

Annual net income totaled R\$904 million, 22% up on the previous year, reflecting higher revenue from loans, treasury operations and services. Banrisul's profitability and efficiency indicators are in line with those of the nationwide banks, attesting to its reputation in the local market.

The preservation of regional importance as a competitive factor is of crucial importance for a public bank that aims to contribute to the development of society. In 2011, Banrisul injected financing of R\$33 billion into the economy, based on a stable and dispersed funding structure, a condition that also favors the Bank's performance in the local market. Total assets grew by 16.99% in the year and loan operations increased by 19.73%.

<sup>1</sup> Source: Brazilian Central Bank, reference date December 2011.



Banrisul holds 32.31% of total time deposits in Rio Grande do Sul

Thanks to the Bank's economic performance, annual value added moved up by R\$391.6 million over 2010.

In regard to distributions in the Value Added Statement, employees and retained earnings recorded the biggest increases, climbing by R\$134.1 million and R\$98.0 million, respectively, over the year before.

In terms of share of the total amount distributed, government and employees suffered slight annual reductions of 1.00 p.p. and 0.34 p.p., respectively, offset by respective increases of 0.86 p.p. and 0.61 p.p. in the shares of retained earnings and shareholders. The retention of earnings plays a decisive role in the expansion of investment capacity and business, financial intermediation capacity and results distribution growth.

On page 20, there is a summary of revenue and the cost of inputs purchased from third parties in 2011. The difference between these amounts, including retentions, generated a net amount of around R\$2.8 billion. See also the absolute distribution figure.

## Banrisul's Performance

ASSET AND EQUITY TRENDS (R\$ MILLION)	DEC/11	SEP/11	JUN/11	MAR/11	DEC/10
Total assets	37,586	36,554	34,755	32,951	32,128
Loan operations	20,393	19,655	18,809	17,940	17,033
Securities <sup>1</sup>	11,080	10,571	9,966	9,789	9,574
Funds Raised and Managed	28,999	27,505	26,093	25,290	25,091
Shareholders' Equity	4,400	4,298	4,118	4,009	3,855

<sup>1</sup> Securities + short-term interbank investments – repo operations

## Value Added Statement GRI EC1

(%)

	2009	2010	2011
Shareholders	10.89	12.39	13.00
Personnel (payroll and benefits)	40.95	36.58	36.24
Government	29.56	30.08	29.08
Retained earnings	16.47	18.95	19.81
Interest and rent (operating costs)	2.13	2.00	1.87
Investments in the community*	0.00	0.00	0.00
<b>Accumulated Direct Economic Value (in thousand reais)</b>	<b>1,978,389</b>	<b>2,365,553</b>	<b>2,757,190</b>

<sup>1</sup> The amounts invested in the community are not part of value added. In 2011, these investments totaled R\$336,750.00 (in cash). The distribution of this amount in different projects is available in the online version of this report, at <http://relatorioweb.com.br/banrisul/11/en/node/76>.

## Summary

(R\$ million)

	2011
1. Revenue	6,269,792
2. Inputs purchased from third parties (including ICMS and IPI taxes)	3,400,740
<b>Gross value added (difference between 1. and 2.)</b>	<b>2,869,052</b>
3. Retentions	111,862
<b>Net value added (difference between Gross value added and Retentions)</b>	<b>2,757,190</b>

## Distribution of net value added

(R\$ mil)

	2011
Personnel and benefits	999,331
Taxes, contributions and related charges	801,666
Interest and rent	51,694
Interest on equity and dividends	358,307
Retained earnings/loss for the year	546,192
<b>Total to be distributed</b>	<b>2,757,190</b>

# Changing to Grow

The Bank has always striven to improve and gain strength in order to ensure an increasingly competitive position when faced with market challenges and opportunities, an increasingly globalized economy, and a society in a constant state of change. This process was compounded and became even more apparent in 2011 with the transition, which typically takes place every four years, of the members of the Board of Directors, Board of Executive Officers and Fiscal Council.

This change in management was the first major event in a period marked by important achievements driven by the determination to instill excellence into all operational areas.

The transition also renewed the Bank's commitment to sustainable growth, which was transformed into clear, well-defined strategies which we began to put into practice in the form of a strategic plan.

The plan is supported by four main pillars. By the end of 2011, some of its actions had already been implemented or were in the process of implementation, such as the creation of new areas and the restructuring of existing ones, the improvement of internal control and risk management mechanisms, the streamlining of internal communications and compliance processes, and changes in multimedia tools.

The 2011-2015 strategic plan was drawn up with all areas of the institution in mind. Thanks to transparent dialogue between the executive officers and 4,500 employees, through intense debate and reflection, we were able to identify the Bank's strengths and weaknesses and, therefore, the challenges that must be faced. Each change envisaged, as it begins to be put into practice, reinforces the certainty that the Bank is on the right path. The results of this plan are apparent in the economic indicators in the annual financial statements, as well as in Banrisul's other achievements over the course of the year.

**2011 was marked by major achievements and a renewed commitment to sustainable growth**



Banrisul is preparing a strategic plan for sustainable growth





## Pillars for excellence

**Service** Qualification of the customer service process, modernization and standardization of the branch network, and constant training of employees.

**Efficiency and management** Excellence in the management of administrative costs, improvement of control and risk management mechanisms, and principles of sustainability and governance.

**Scale gains** Expansion of the client base, increase in loan operations, expansion

of service and business points and service provision.

**Technology and innovation** Investments in new products and services, professional training, and client and product segmentation.

The strategic plan was drawn up through transparent dialogue between the executive officers and all areas of the Bank



## New business areas and restructurings

**Governance structure** Creation of the Control and Risk area.

**Information technology** Creation of the Information Technology area.

**General management** New units: Banricompras Network, Credit and Debit Cards. Insurance, Pension Plans and Capitalization, Mortgage Loans, Microcredit, Structured Funds, Engineering, Investor Relations, Capital Markets and Governance.

**Reorganization of areas** Strategy and Monitoring Center; Sales and Marketing; Third-Party Asset Management; Customer Relations; Customer Service; Asset Management.

**Creation of specialized groups** Economic Studies Group and Strategic Social and Environmental Management Group.

The strategic plan was built through the Board's transparent dialogue with all areas of the Bank

**R\$ 33 bn**

was the volume of credit injected by Banrisul

**R\$ 29 bn**

was the total volume of funds raised and managed

**R\$ 904 mn**

was Banrisul's net income in 2011

## Banricompras

The achievements of 2011 were not limited to the economic indicators. One of the new strategies was the expansion of the Banricompras network – merchants identified with the brand, enabling Banrisul account holders to pay for their cash and installment purchases with a checking account card.

The network closed 2011 with more than 100,000 accredited merchants. There were also new partnerships with Visa, Mastercard and VerdeCard, as well as an agreement with the SafetyPay system, as a result of which Banricompras went international and became the only Brazilian debit card entitled to make purchases through Amazon.com's credit option.

The strengthening of the Banricompras network helped Banrisul's strategy of reducing its regional concentration and sustaining its growth. It is worth noting that the card is an exclusive product for the Bank's clients and that its creation in the 1990s made Banrisul the first institution in Brazil to launch a debit card that also performs credit operations.

## Definition of sustainability

By understanding that the sustainability strategy is something that must undergo a process of constant improvement, Banrisul faces another major challenge in this transformative process that began in 2011: making sustainability an integral part of all the Company's operations in all its economic, environmental, and social aspects.

In 2011, it created the Strategic Social and Environmental Management Group, which reports directly to the CEO's office, thereby legitimizing the movement for improving sustainability practices and establishing dialogue with the different areas of the Bank.

The Group is responsible for coordinating the institution's social and environmental programs, in addition to helping draw up administrative policies that favor sustainability. Its mission is to organize and address sustainability in a transverse manner, aligning the demands and expectations of society with the Bank's positioning and strategies. Its responsibilities also include evaluating and proposing creative and innovative corporate sustainability practices, disclosing the institution's social initiatives and promoting commercial partnerships with other companies that value socially and environmentally responsible practices.

Given this awareness, sustainability, which was previously related exclusively to the financial performance of the businesses and



the social, environmental, cultural and sports programs supported by the Bank, has gained an even more important role: encouraging the sustainable development of the institution's surrounding communities.

All in all, therefore, based on a sustainability policy to be drawn up and implemented, the Bank not only intends to strengthen its projects and programs, but also to instill sustainability practices and concepts into all aspects of its business, including internal working processes, the creation of products and services, the analysis and calculation of risk, and the granting of credit.

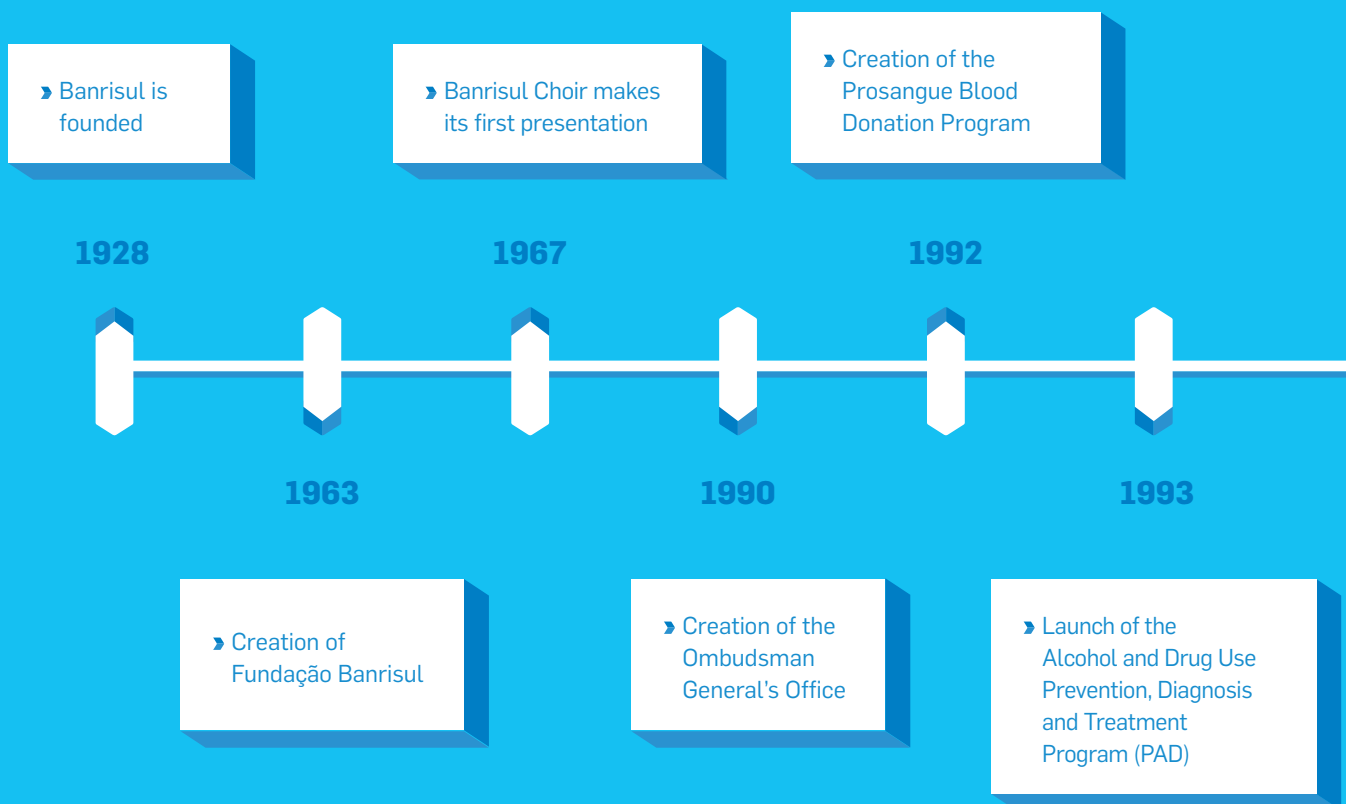
---

Banrisul has been holding its Concerts for Youth since 2000

**Banrisul created the Strategic Social and Environmental Management Group, reporting directly to the CEO's office, to improve sustainability practices and establish dialogue with the Bank's various areas**

---

# Sustainability evolution



- » Creation of the Hearing Conservation Program (PCA) and Occupational Health Medical Control Program (PCMSO)
- » Occupational Disease and Work Accident Prevention, Diagnosis and Treatment Program (PROAT) for Banrisul's employees

1994

- » Banrisul participates in Febraban's Social Balance for the first time

1997

- » Creation of Banrifitness
- » Banrisul 's Concerts for Youth

2000

- » Launch of the Banrisul Rescuing Nature Program

1995

- » Implementation of the Corporate Fitness program
- » Publication of Banrisul's first Social Balance

1999

- » Launch of the Banrisul Recycling Program – *A Vida em Nossas Mãos* (Life in Our Hands)

2001

- ▶ Creation of the Employees Under Stress Care Program (PASS)

2002

- ▶ Creation of the *Criança no Esporte* (Children in Sport) Program
- ▶ Creation of the Banrisul Energy Program (PROGEB)
- ▶ First class of the *Projeto Pescar* (Outreach Project)

2004

- ▶ Creation of the Body Awareness Work (TCC)
- ▶ Banrisul joins *Rede RS Criança*, a local children's program, in partnership with the Rio Grande do Sul State Government

2007

2003

- ▶ Banrisul Volunteers Program

2005

- ▶ Launch of the *Karate Além do Esporte* (Karate Beyond Sports) project
- ▶ Launch of Banrisul's Code of Ethics
- ▶ Creation of Corporate Management Responsibility

- ▶ Launch of *Projeto Sementes* (Seeds Project)
- ▶ Institution of the Social Responsibility Policy
- ▶ Banrisul adheres to the Green Protocol

- ▶ Partnership with the State Public Safety Program (PRONASI) for *RS na Paz*
- ▶ Creation of the Strategic Social and Environmental Management Group
- ▶ Expansion of *Rede RS Criança* as the Opportunities and Rights Program (POD), encompassing the entire community of Rio Grande do Sul

2009

2011

2008

2010

- ▶ Launch of *Banrisul no Colégio* (Banrisul in Schools)
- ▶ Launch of Battery Collection

- ▶ Inclusion of the corporate responsibility issue in the integration of new employees through the Social Actions handbook
- ▶ Strengthening of the Banrisul Volunteers Program with the creation of the methodology handbook
- ▶ Creation of the Internal Report on Social Practices and the Recycling Network
- ▶ Launch of the Social Responsibility Forum on the Intranet
- ▶ Release of the Banribike program



The Projeto Pescar (Outreach Project) encourages the personal and professional development of youngsters aged between 16 and 19: inaugural lecture of the eighth class

## Main social and environmental initiatives

### ELECTRONIC BIDS

In 2011, 92 servers from 17 public institutions were entitled to use the system through 21 presentations. In December, Banrisul entered into an agreement with the Metropolitan Consortium, composed of 11 municipalities, for the use of the Bank's online electronic bidding system., which will allow these municipalities to jointly purchase 200 types of medication to benefit their communities.

In addition to enabling greater public control over medication acquisitions, the process generated savings of around 30%. The Metropolitan Consortium comprises the municipalities of Alvorada, Cachoeirinha, Canoas, Esteio, Glorinha, Gravataí, Nova Santa Rita, Porto Alegre, Santo Antônio da Patrulha, Sapucaia do Sul, and Viamão.

### PROFESOR DIGITAL (DIGITAL TEACHER)

This is a payroll-deductible consumer financing line for active and inactive teachers and other officials in the state public school network, and for active professors at the State University of Rio Grande do Sul (UERGS). Banrisul finances 100% of the product in 24 or 36 installments,

which is acquired from one of the five winning companies of the electronic bid held by the State Executive.

Since its launch, this line has already benefited 51,394 active and inactive state and municipal officials that have joined the program, totaling R\$79,940 in funding

### CONTRACHEQUE VERDE (GREEN PAYCHECK)

In order to reduce paper and printing costs, provide greater speed and security for employees and minimize damage to the environment, since September 2011 the People Management Unit has stopped the centralized printing of employees' paychecks, allowing them to be accessed via the intranet via job registration and password.

As a result of the new model, around half of the Bank's total paychecks are no longer printed.



## Project numbers

MONTH	TOTAL NUMBER OF SHEETS	PRINTED	SAVINGS
12/2011	10,045	5,848	41.78%
11/2011	9,832	5,479	44.27%
10/2011	9,876	6,233	36.38%
09/2011	9,818	5,645	42.50%



## Recycling Program Initiatives

- ▶ Workshops on the reuse of materials
- ▶ Recycling E-Book, a book in digital format containing information on recycling, available on the institution's website
- ▶ Battery collector

### PROGRAMA RECICLAR (RECYCLING PROGRAM)

Concerned about the limits of natural resources, ten years ago Banrisul created the Recycling Program, which encourages and promotes the collection, correct disposal and recycling of waste in its units and branches. The program develops initiatives to raise environmental awareness.

Since its implementation, 4,084 tonnes of paper, equivalent to 65,344 trees, and 5 tonnes of batteries have been recycled.

Banrisul does everything possible to reduce consumption and reuse materials, a process that was stepped up with the implementation of the Expense Management Project in 2009.

Initiatives to reduce the consumption of paper and other inputs include the digitalization of 270 standardized forms and manuals, electronic synopses of which are available on the intranet; the streamlining of reports; the issue of electronic, rather than printed, documents, including Committee and Board meeting minutes; encouragement to consult the financial statements electronically, thereby substantially reducing the number of printed copies; and the migration of individual to collective, and more efficient, monochrome laser printers, generating savings in the

purchase of inkjet cartridges.

As a result, the Bank's paper consumption fell from 544 tonnes in 2010 to 501 tonnes in 2011, when 3,502 toners were used. In order to minimize other Bank impacts, used electronic equipment is sent to the suppliers for special disposal.

In order to further this process, Banrisul will continue to digitalize documents. It will also install 3,000 ink ribbon printers which will help reduce consumption, since these printers are thermal and consequently use less ribbon.

Banrisul also uses the BWS-Workflow system, which permits the electronic automation of administrative process flows, ensuring such benefits as:

- ▶ A permanent centralized document repository, eliminating the need for each participant to keep personal copies, printed or otherwise.
- ▶ The elimination of paper in a number of workflows.
- ▶ The streamlining of processes by pre-defined flow, thereby reducing the overall duration of the process, the involvement of unrelated persons or areas, and the use of phone calls and e-mail.
- ▶ Facilitating the creation of new flows and making them available to the entire Banrisul network.

The Recycling Program has collected 5 tonnes of batteries since its creation 10 years ago



32

Since 2010, Banrisul has required its checks, envelope and debit card suppliers to have the Forest Stewardship Council Seal, as well as ISO 9000 and ISO 14001 certification.

Certain external visual programming materials and works furniture are also reused, although these have not been quantified. The Bank is also studying the use of file boxes and lamp storage containers made from recycled paper. [GRI EN2](#)

#### Goals for 2012

- › Paper – to continue the document digitalization process.
- › To install 3,000 ink ribbon printers which will also help reduce consumption, since these printers are thermal and consequently use less ribbon.

#### PROJETO SEMENTES (SEEDS PROJECT)

The Projeto Sementes (Seeds Project) is one of Banrisul's most important social and environmental initiatives and is designed to raise awareness of sustainability issues, such as the preservation of natural resources, food safety, and agricultural biodiversity (for more details, see the *Clients and community* section).

#### FROM PAPER TO CARDS

Banrisul Serviços also shows its concern by implementing environmental practices. In 2006, the company, which offers various individual and, especially, corporate services through its Refeísul brand cards, developed a plan to migrate paper meal and food vouchers to the cards.

The process proved highly successful thanks to an awareness-raising campaign with Banrisul branches and clients, emphasizing the importance of the replacement.

To give an idea of the progress in this area, in 2009 Banrisul Serviços submitted 7,430 kg of scrap (used vouchers, presented to Banrisul Serviços by accredited clients, written off in the system and paid) for disposal and recycling. In 2010, this volume fell by around half to 3,770 kg. In fact, the reduction was even more substantial, given that Banrisul Serviços recorded annual growth of 23% in 2010.

The process was completed in 2011 with the full migration of paper vouchers to the cards. In addition, physical voucher service provision and accreditation agreements were discontinued.

## Consumption of materials GRI EN1

	2011	MEASUREMENT UNIT
Paper	501	tonnes
Toner	3,502	units
Spools	191,785	units
Register ribbons	40,000	units
Cable	4,500	meters
Batteries	9,000	units



## Outreach Project in Numbers

- ▶ 8 classes completed
- ▶ 159 youngsters benefited
- ▶ 70% of participants are now in the job market
- ▶ In 2011, it received the national Best Educational Practice Award from Fundação Projeto Pescar in the Ecological Conscientiousness module

### POD CRIANÇA (OPPORTUNITIES AND RIGHTS PROGRAM)

Since 2007, Banrisul has been a partner of the state government in mobilizing fundraising for the State Fund for Children and Teenagers, managed by the State Council for Children's and Teenager's Rights (Cedica), through POD Criança (Opportunities and Rights Program).

The funds raised are allocated to social projects in the child protection network to provide children with better living conditions. In order to contribute, individuals can donate up to 6% of their due income tax and companies, 1%. Donations can be made through the website ([www.podcrianca.rs.gov.br](http://www.podcrianca.rs.gov.br)). Banrisul account holders can perform the entire operation online.

In the case of employees, the Bank anticipates the donation and will deduct it from the employee's salary in three installments as of September 2012. This contribution is permitted by law and ensures that part of income tax will go to Rio Grande do Sul entities.

### PROJETO PISCAR (OUTREACH PROJECT)

Created in 2004 in partnership with Fundação Projeto Pescar (Outreach Project Foundation), the project aims to encourage the personal and professional development of youngsters aged between 16 and 19 who are in a situation of social vulnerability. Participants are selected from members of needy communities in the south side of Porto Alegre. In eight years, all classes of the project, enrolled in the public school network, attended 800 class-hours conducted by 40 volunteer instructors from the Bank's staff. The Bank is also the maintainer of Fundação Projeto Pescar. In 2011, Banrisul invested R\$90,200 in the project. [GRI EC8](#)

# 1.500

## PEOPLE

attended the 2011 IT Forum

# 1st report

Banrisul prepared its first sustainability report in 2011

The Bank began investing in social projects in 1963, when it created the Banrisul Foundation, while environmental initiatives gained strength as of 2008

### INFORMATION TECHNOLOGY FORUM

The 4th IT Forum, in 2011, united 1,500 national and international experts to discuss Social Networking, Mobility and Business Security. The Bank also participated in the 12th Freeware Forum in Porto Alegre, where it donated 300 computers to the Rio Grande do Sul State Government Digital Inclusion Program, whose initiatives include the donation of computers to projects such as community telecenters.

---

### Prospects

The preparation of Banrisul's first Sustainability Report, self-declared as GRI level C, has been crucial for the development of a sustainable

culture, triggering deep reflection on the institution's mode of operations and proving to be an important instrument for sustainability management by determining what still has to be done.

The Bank also intends to strengthen its leading position in Rio Grande do Sul, continue seeking opportunities beyond its borders, and achieve excellence in all its spheres of activity.

In order to do so, it will continue with its staff training programs and also modernize and standardize its branches, expand its service points, ensure excellence in the management of administrative costs, invest in IT and innovation, and expand the scale of its business, by improving credit granting procedures in order to reduce operational red tape and mitigate risks.

## Barrisul Goals

(% growth)

	2012	2011	
	EXPECTED	ACHIEVED	EXPECTED
Total loan portfolio	15% to 20%	19.73%	15% to 20%
Individual loans	12% to 17%	9.20%	12% to 17%
Corporate loans	16% to 21%	25.45%	16% to 21%
Mortgage loans	20% to 25%	35.45%	18% to 23%
Expenses from allowance for loan losses	3% to 4%	3.09%	3% to 4%
Balance of allowance for loan losses	6% to 8%	6.46%	6% to 8%
Total funding	13% to 18%	15.58%	15% to 20%
Time deposits	18% to 23%	44.60%	35% to 40%
Return on average shareholders' equity	19% to 23%	21.91%	19% to 23%
Efficiency ratio	42% to 46%	45.19%	44% to 48%
Net interest margin on interest-bearing assets	10% to 11%	10.37%	10% to 11%

In 2012, the Bank intends to strengthen its leading position in Rio Grande do Sul, continue seeking opportunities beyond its borders, and achieve excellence in all its spheres of activity



# 2

GOVERNANCE AND COMMITMENTS	38
ETHICS AND TRANSPARENCY	50



Banrisul is committed to disclosing its activities to the market in the most transparent manner possible, providing information on the bank's website and presenting its results to capital market analysts

# Ethics and transparency

38

In the constant quest to ensure that relations with stakeholders are underpinned by the highest ethical standards, Barrisul has invested in a series of initiatives to implement and enhance corporate governance practices. Committed not only to complying with the legislation, but also to disclosing its activities to the market with the greatest possible transparency, the Bank, in addition to the information available on its website, presents its results at meetings of the Association of Investment Analysts and Capital Market Professionals (Apimec).

In 2011, there were a total of 185 meetings and conference calls with 801 participants, including market analysts, investors and individual and corporate shareholders, both local and foreign.

Another major factor that strengthens the balance of shareholders' rights and accountability is the inclusion of Barrisul's shares in several important market indices. Barrisul's Class B preferred shares (PNB) are included in seven indices of the São Paulo Securities, Commodities and Futures Exchange (BM&FBovespa).

Barrisul has been listed in the BM&FBovespa's Corporate Governance Level 1 trading segment since 2007. In order to accompany the organization's administrative changes in 2011 and align the Bank's policies with best market practices, the Corporate Governance area was established in July. This was a very important step for both investor relations and Barrisul's corporate governance, which now has greater synergy, thereby ensuring increased quality when addressing issues related to the subject.

**The Bank's management focuses on accountability and best practices and its shares are traded in several important market indices**



Índice de Ações com Governança Corporativa Diferenciada **IGC** <

Índice de Ações com Tag Along Diferenciado **ITAG** <

Índice Brasil **IBRX** <

Índice BM&FBOVESPA Financeiro **IFNC** <

MidLarge Cap **MLCX** <

Índice de Governança Corporativa Trade **IGCT** <

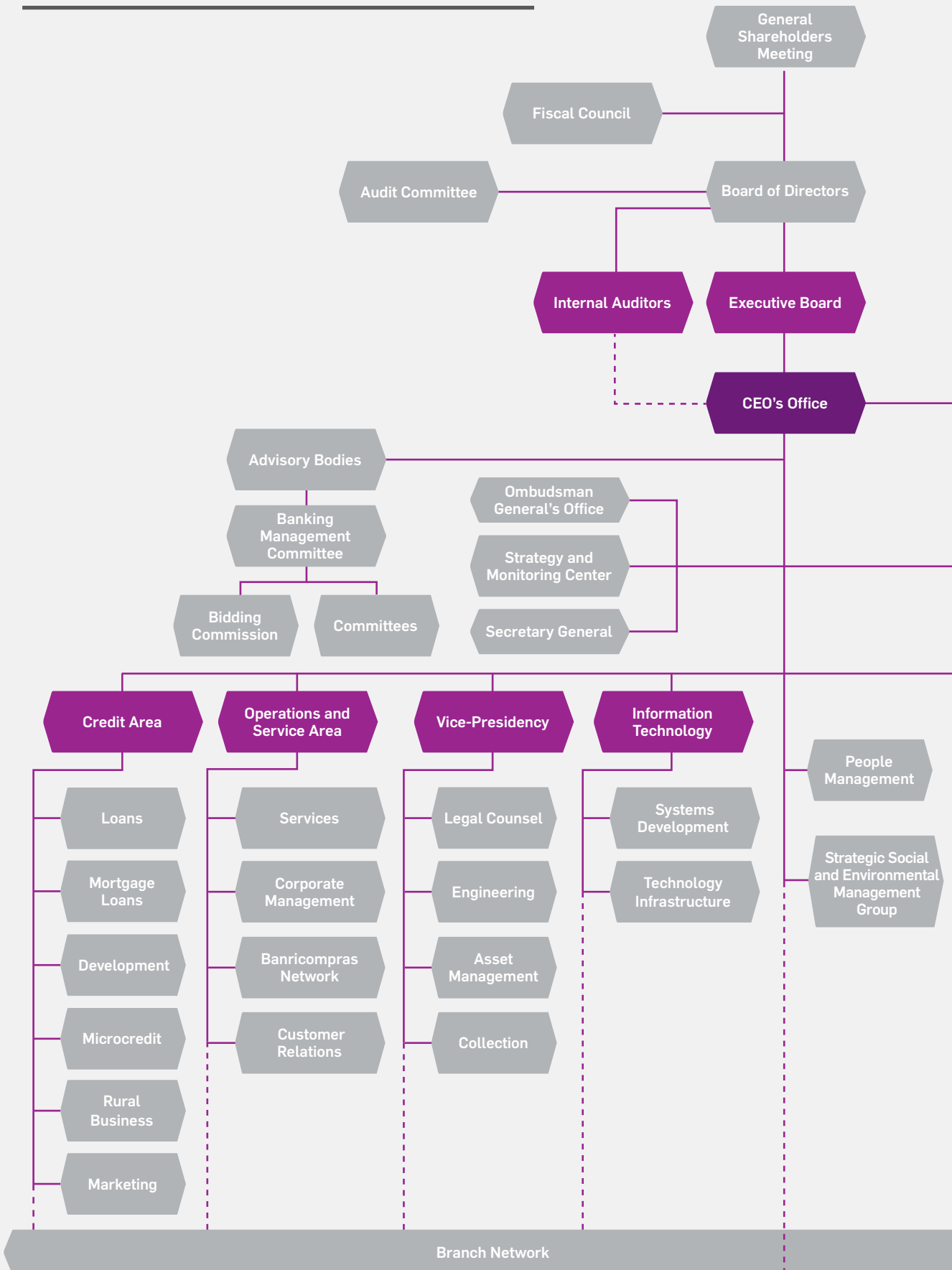
Índice Brasil Amplo BM&FBOVESPA **IBRA** <

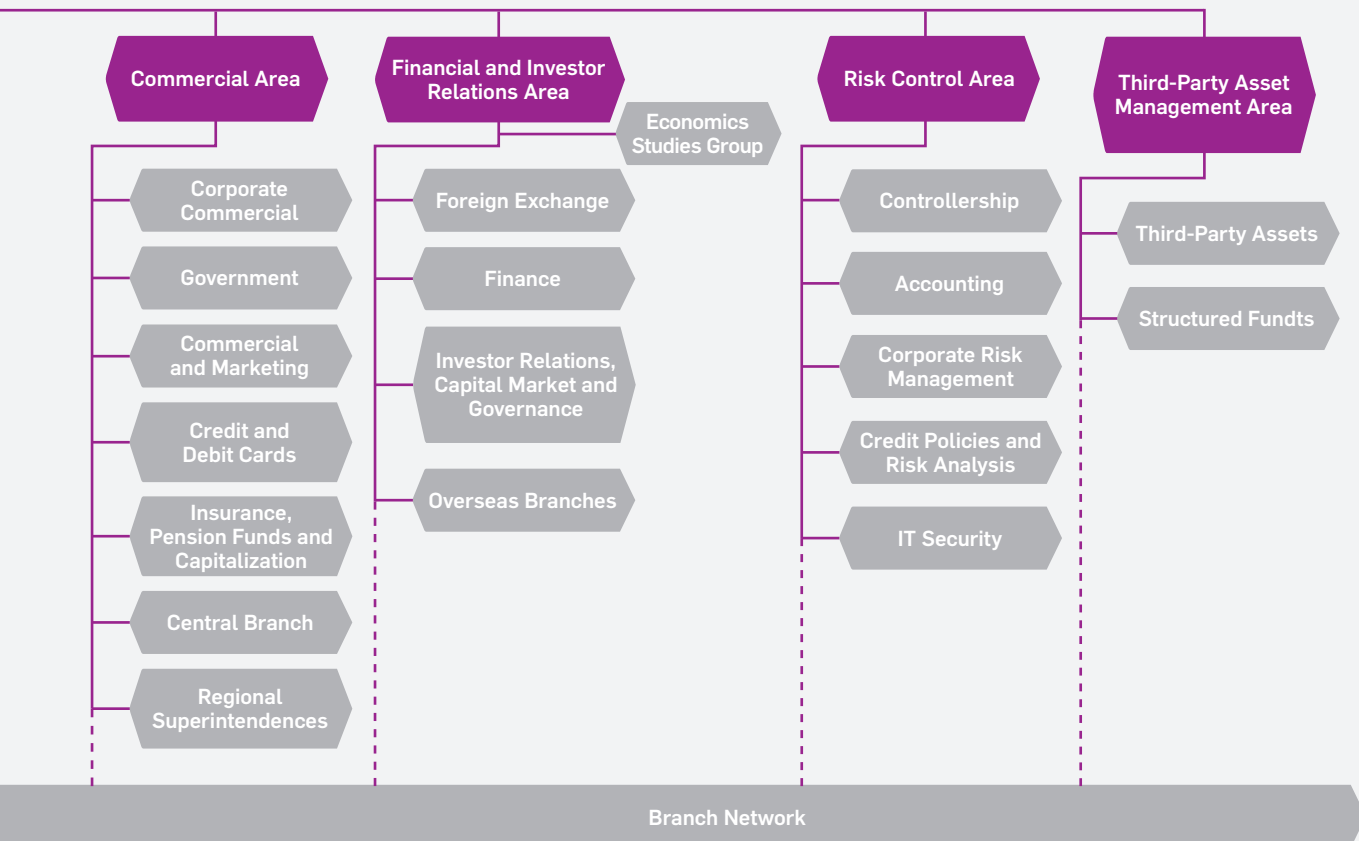
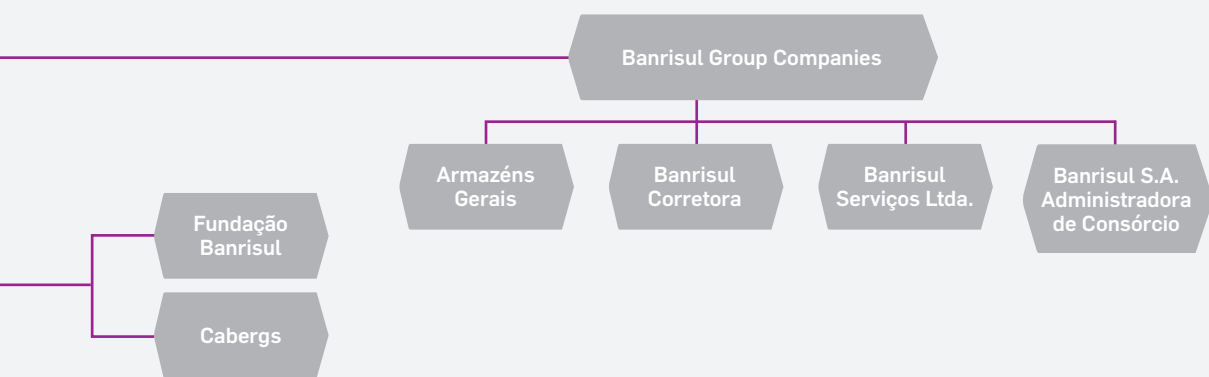


**IGC** : Special Corporate Governance Stock Index  
**ITAG** : Special Tag Along Stock Index  
**IBRX** : Brazil Index  
**IFNC** : Financial Index  
**MLCX** : Mid-Large Cap Index  
**IGCT** : Corporate Governance Trade Index  
**IBRA** : Brazil Broad-Based Index

In 2011, there were a total of 185 meetings and conference calls with 801 participants, including market analysts, investors and individual and corporate shareholders, both local and foreign

## Corporate Governance Structure at BARRISUL





---

## Corporate governance structure

The purpose of the Board of Directors is to promote continuous improvements to governance policies, establish the Bank's overall business strategies, appoint and remove the executive officers, define their responsibilities and oversee their activities. It consists of nine members, three of whom independent: Dilio Sérgio Penedo, an engineer; Francisco Carlos Bragança de Souza, a civil engineer; and Erineu Clóvis Xavier, an accountant and member of the Board of the Rio Grande do Sul Regional Accounting Council (CRC).

**Banrisul's majority shareholder is the State Government of Rio Grande do Sul, which has control over the election of the Bank's Board of Directors, as well as its management and operations**

42

The purpose of the independent members is to assist risk management in relation to possible conflicts of interest that may impair the capacity and analytical impartiality of Board deliberations. As a further means of avoiding such conflicts, the Bank has joined the BM&FBovespa's Corporate Governance Level I Market Arbitration Chamber, to which it submits possible conflicts for resolution. Board members receive fixed compensation in accordance with the standards established by the Rio Grande do Sul State Government. [GRI 4.1](#)

In accordance with the Corporate Governance Level I regulations, the Chairman of the Board of Directors, Odir Alberto Pinheiro Tonollier, who is also the Rio Grande do Sul State Finance Secretary, is not a member of the Bank's Board of Executive Officers.

Banrisul's majority shareholder is the State Government of Rio Grande do Sul, which has control over the election of the Bank's Board of Directors, as well as its management and operations. The organization has a shareholding division which ensures that Corporate Governance Level 1 requirements are met, including a free float of at least 25%. In fact, Banrisul's free float is much higher than this (42.83%). [GRI 4.3](#)

### FISCAL COUNCIL

This is a permanent body, independent from Management, consisting of five sitting members and five alternate members. Its main functions are to review and monitor Management's activities to ensure compliance with legal and statutory responsibilities, monitor the financial statements and be accountable to Banrisul's shareholders. [GRI 4.1](#)

### AUDIT COMMITTEE

Responsible for subjecting the Bank's accounting operations to minute scrutiny, this committee reports directly to the Board of Directors and is responsible for advising it in the exercise of its supervisory functions.

One of its main activities is to prepare the Audit Committee Report, which is kept at the disposal of the Board of Directors and the Brazilian Central Bank for a minimum period of five years. It comprises three members appointed by the Board, which may remove them at any time. Members have a one-year mandate, renewable for a further year upon authorization by the Central Bank. Meetings are held at least on a quarterly basis. [GRI 4.1](#)



## Board of Directors, Fiscal Council and Audit Committee

### BOARD MEMBERS

#### Chairman

Odir Alberto Pinheiro Tonollier

#### Vice-Chairman

Túlio Luiz Zamin

#### Members

Aldo Pinto da Silva

Dilio Sergio Penedo

Erineu Clóvis Xavier

Flavio Luiz Lammel

Francisco Carlos Bragança de Souza

Estilac Martins Rodrigues Xavier

Olivio de Oliveira Dutra

### FISCAL COUNCIL

#### Chairman

Cláudio Morais Machado

#### Sitting Members

André Luiz Barreto de Paiva Filho

João Victor Oliveira Domingues

Rubens Lahude

#### Alternate Members

Aniger Lorena Ribeiro de Oliveira

Felipe Rodrigues da Silva

Flávio José Helmann da Silva

Irno Luiz Bassani

### AUDIT COMMITTEE MEMBERS

João Acir Verle

Orion Herter Cabral

Valdir Heck

## Management Committees

Banrisul maintains ten Management Committees, which provide advisory services to the Board of Directors. The composition and responsibilities of these committees are determined by a Board resolution and their activities are regulated by a specific instrument – the Internal Regulations. The committees are subdivided into groups, each with a permanent coordinator, who chairs the meetings of each body. Meetings are held on a fortnightly basis, but may be called at any time if necessary. Members have no fixed term of office. [GRI 4.1](#)

The composition and attributes of each committee are listed below. [GRI 4.1](#)

### BANKING MANAGEMENT COMMITTEE

The Banking Management Committee's main responsibilities are to consolidate the Bank's strategic vision in relation to business, risk, information technology and internal controls, as well as other aspects. Consisting of executives and coordinators of the other Management Committees, it meets on a fortnightly basis and is subdivided into three groups: Business, Technology and Administrative, totaling 13 members in all.

### Composition of the Banking Management Committee

- › Administrative Management Committee Coordinator
- › Business Management Committee Coordinator
- › Channel Management Committee Coordinator
- › Internal Controls Management Committee Coordinator
- › Information Technology Management Committee Coordinator
- › Economic Management Committee Coordinator
- › Administrative Officer
- › Chief Commercial Officer
- › Chief Credit Officer
- › Distribution Officer
- › Information Management Officer
- › Chief Financial Officer
- › Executive Secretary of the Banking Management Committee

### Business Group

- › Chief Commercial Officer – Coordinator
- › Administrative Officer
- › Chief Credit Officer
- › Distribution Officer
- › Information Management Officer
- › Chief Financial Officer

- › Economic Management Committee Coordinator
- › Business Management Committee Coordinator
- › Channel Management Committee Coordinator
- › Internal Controls Management Committee Coordinator
- › Executive Secretary of the Banking Management Committee

#### Technology Group

- › Information Management Officer – Coordinator
- › Administrative Officer
- › Chief Commercial Officer
- › Chief Credit Officer
- › Distribution Officer
- › Chief Financial Officer
- › Economic Management Committee Coordinator
- › Administrative Management Committee Coordinator
- › Information Technology Management Committee Coordinator
- › Executive Secretary of the Banking Management Committee

#### Administrative Group

- › Administrative Officer – Coordinator
- › Chief Commercial Officer
- › Chief Credit Officer
- › Distribution Officer
- › Information Management Officer
- › Chief Financial Officer
- › Economic Management Committee Coordinator
- › Administrative Management Committee Coordinator
- › Internal Controls Management Committee Coordinator
- › Executive Secretary of the Bank Management Committee

#### ECONOMIC MANAGEMENT COMMITTEE

Composed of six members, its main functions include strategic liquidity management and business strategy analysis. The Economic Management Committee meets on a fortnightly basis.

##### Composed of

- › Executive Superintendent of the Financial Unit – Coordinator
- › Executive Superintendent of the Accounting Unit
- › Controller
- › Executive Superintendent of Corporate Risk Management Unit
- › Executive Superintendent of the Credit Policy and Risk Analysis Unit

- › Executive Superintendent of the Credit Recovery Unit

#### BUSINESS MANAGEMENT COMMITTEE

Meeting on a fortnightly basis, the Business Management Committee is responsible for proposing Banrisul's commercial strategy, as well as formulating and analyzing the product and service structure on which business policy is based.

##### Composed of eight Executive Superintendents:

- › Executive Superintendent of the Commercial and Marketing Unit – Coordinator
- › Executive Superintendent of the Corporate Business Unit
- › Executive Superintendent of the Government Business Unit
- › Executive Superintendent of the Credit and Debit Card Unit
- › Executive Superintendent of the Credit Unit
- › Executive Superintendent of the Customer Relations Unit
- › Executive Superintendent of the Insurance, Pension Fund and Capitalization Unit
- › Executive Superintendent of the Financial Unit

#### ADMINISTRATIVE MANAGEMENT COMMITTEE

Among other attributes, the Administrative Management Committee deliberates on matters related to the Bank's expansion programs and the overhaul and relocation of branches; ATM allocation policy; and the analysis, consolidation and recommendation of strategies and investments in logistics, including equipment, safety, and human and material resources. It also prepares the current expense budget through prior consultation. It meets every two weeks.

##### Composed of seven Executive Superintendents:

- › Executive Superintendent of the Corporate Management Unit – Coordinator
- › Executive Superintendent of the Services Unit
- › Executive Superintendent of the Accounting Unit
- › Executive Superintendent of the Asset Management Unit
- › Executive Superintendent of Legal Counsel Controller
- › Executive Superintendent of the Strategy and Monitoring Center

## **INTERNAL CONTROLS MANAGEMENT COMMITTEE**

Meeting on a fortnightly basis, the Internal Controls Management Committee formulates the internal controls and logical and physical security policies, as well as drawing up action plans for the short and medium term and coordinating initiatives to establish mechanisms for managing operational risk.

### **Composed of the Controller and five Executive Superintendents**

- › Controller – Coordinator
- › Executive Superintendent of the Internal Audit Unit
- › Executive Superintendent of Legal Counsel
- › Ombudsman of the Ombudsman General's Office
- › Executive Superintendent of the Corporate Risk Management Unit
- › Executive Superintendent of the Information Technology Security Unit

## **INFORMATION TECHNOLOGY MANAGEMENT COMMITTEE**

This committee meets on a weekly basis and is responsible for formulating and proposing an IT policy based on the guidelines proposed by the Banking Management Committee's Technology Group and approved by the Board of Executive Officers.

### **Composed of three members**

- › Executive Superintendent the Systems Development Unit – Coordinator
- › Executive Superintendent of the Technology Infrastructure Unit
- › Executive Superintendent of the Information Technology Security Unit

## **CREDIT COMMITTEE**

The Credit Committee meets once a week on a regular basis, as well as extraordinarily whenever necessary. Its attributes include analyzing and issuing opinions on credit policies which are submitted for its appreciation; evaluating and defining credit proposals within the limits of its decision-making jurisdiction and the technical parameters established by the Credit Policy and Risk Analysis Unit, in compliance with the funding, security, liquidity and operational profitability criteria defined by the overall resource allocation policy approved by the Executive Board; and suggesting action plans to achieve and uphold the guidelines of the credit recovery policy. It consists of two decision-making groups:

### **Decision-Making Group I**

- › Executive Superintendent of the Credit Unit – Coordinator
- › Executive Superintendent of the Credit Policy and Risk Analysis Unit
- › Executive Superintendent of the Corporate Business Unit
- › Executive Superintendent of the Business and Marketing Unit
- › Executive Superintendent of the Foreign Exchange Unit

### **Decision-Making Group II**

Composed of the credit operating desks, each of which comprising three Credit Unit analysts with specific attributes in regard to credit proposals within the jurisdiction for which they are responsible and other matters related to these operations. It meets on a daily basis.

## **PEOPLE MANAGEMENT COMMITTEE**

Aiming to ensure first-class personnel management, this committee's main responsibilities are developing the Bank's employees and measuring their impact on its business and that of its subsidiaries, in addition to defining and proposing personnel, position and salary, regulatory promotion, commissioning, development, and personnel training policies, among others.

### **Composed of four Executive Superintendents:**

- › Executive Superintendent of the People Management Unit – Coordinator
- › Executive Superintendent of Legal Counsel
- › Executive Superintendent of the Internal Audit
- › Executive Superintendent of the Corporate Management Unit

## MARKETING MANAGEMENT COMMITTEE

This committee's main functions are to analyze and consolidate marketing proposals and recommend strategies, considering the necessity of, opportunity for and convenience of implementing such initiatives. It meets on a fortnightly basis.

### Composed of four members:

- › Executive Superintendent of the Business and Marketing Unit
- › Executive Superintendent of Legal Counsel
- › Executive Superintendent of the Strategy and Monitoring Center Unit
- › Press Representative (without voting rights)

## ASSET PRICING COMMITTEE

This committee's main responsibilities are the analysis and validation of the methodology for pricing managed portfolios and investment fund assets. It meets once a month.

### It has four members

- › Executive Superintendent of the Third-Party Asset Management Unit
- › Executive Superintendent of the Financial Unit
- › Executive Superintendent of the Credit Policy and Risk Analysis Unit
- › Controller

## CORPORATE RESPONSIBILITY COMMITTEE

This committee's responsibilities include aligning social responsibility with the Bank's strategy, analyzing and proposing creative corporate responsibility practices, and identifying opportunities and efficient methodologies for environmental projects. It meets every two weeks.

### Composed of five members:

- › Chief Executive Officer
- › Controller
- › Executive Superintendent of the People Management Unit
- › Executive Superintendent of the Rural Business Unit
- › Executive Superintendent of the Business and Marketing Unit

## CORPORATE RISK COMMITTEE

This committee is responsible for approving credit, market, liquidity and operational risk management policies, as well as practicing any other acts and exercising other powers attributed to it by the Executive Board. It also approves methodologies for defining appropriate exposure limits for given levels of risk in order to mitigate potential losses. It meets on a fortnightly basis, and extraordinarily whenever necessary.

### Composed of eight members

- › Executive Superintendent of the Corporate Risk Management Unit – Coordinator
- › Controller
- › Executive Superintendent of the Accounting Unit
- › Executive Superintendent of the Credit Unit
- › Executive Superintendent of the Credit Policy and Risk Analysis Unit
- › Executive Superintendent of the Credit Recovery Unit
- › Executive Superintendent of the Information Technology Security Unit
- › Executive Superintendent of the Financial Unit

## CARDS AND MERCHANT ACQUISITION COMMITTEE

In October 2011, Banrisul established this committee, whose responsibilities are to advise the Executive Board on decisions concerning policies and strategies involving cards and merchant acquisition; to propose policies involving card issuance and transaction capture by the Banricompras Network; to define, track and monitor the marketing initiatives of all products involving card issuance and transaction capture by the Banricompras Network, as well as products and services related to means of payment; and to decide on all strategic projects that focus on card and acquisition products.

### Composed of heads of the representatives of the following:

- › Banrisul Serviços Ltda. Credit and Debit Cards Unit – Coordinator
- › Banrisul Serviços Ltda. Service Unit
- › System Development Unit
- › Banricompras Network Unit



## Prevention of money laundering

With the creation of Banrisul's Controllershship in 2003, the Money Laundering Prevention (PLD) program became more consistent. Thanks to the constant updating of specific processes and systems, as well as training for new employees, such as supervisors and business managers, the Bank is able to carry out daily inspections to ensure appropriate risk control mechanisms and fraud prevention procedures in all its activities.

The PLD aims to provide the institution with effective procedures through a permanent control and surveillance framework in order to minimize the risk of money laundering in the various financial transactions under the Bank's responsibility.

The Know Your Client process, for example, highlights the importance of collecting and analyzing client information in order to mitigate risks in the Bank's activities. Of equal importance, the Know Your Employee policy establishes responsibilities for compliance with and enforcement of anti-corruption and anti-money-laundering policies within the institution.

### AUDITS

Banrisul's long-term financing lines are subjected to constant external audits by the BNDES and the Central Bank.

There are no exclusions or limitations in the coverage of the audits related to short and long-term financing for the rural and development areas. These audits are also external. The BNDES, in its last examination of our operations, brought an environmental specialist to inspect our clients' properties. The criteria followed are in line with the prevailing federal and state environmental legislation and the BNDES's own standards.

If funding transactions are found to be in non-compliance with the standards required by the audit, the contract may be subject to early termination, with the imposition of fines and other charges. Banrisul may also be subject to penal and administrative sanctions if it does not comply with the above-mentioned regulations.

As yet, the internal auditors do not have procedures and systems for assessing social and environmental policies. [GRI FS9](#)

**The Know Your Customer process highlights the importance of collecting and analyzing client information, while the Know Your Employee policy establishes responsibilities for compliance with and enforcement of anti-corruption and anti-money-laundering policies**

### CORRUPTION

The values that guide the conduct and behavior of Banrisul's professionals are enshrined in the Code of Ethics and Internal Staff Regulations. In the case of any irregularities that cause losses to the Bank, an incident report is registered (or a police investigation request, if necessary) and collection suits are filed for compensation of the amounts in question.

If employees are found to be involved in any irregularities, they are subject to disciplinary measures by the People Management Committee, as defined in the above-mentioned documents. In addition, depending on the circumstances, Legal Counsel may initiate civil or criminal procedures.

There are currently 30 collection suits related to irregularities committed by employees and four by interns. There were also two cases of corruption involving supplier agreements. Banrisul does not dismiss outsourced workers. In cases of suspected corruption in regard to supply contracts, the investigation of irregularities is handled by the Inspection Controllershship of Banrisul's Administrative Agreement Management Department. [GRI SO4](#)

In addition to providing financial support for initiatives, the Bank also participates in the discussion and definition of policies and strategies, as well as debating issues of interest at meetings of the Brazilian Federation of Banks (Febraban) and inter-institutional lectures focusing on sustainable development

---

### Public policies

As a state public institution, Banrisul may not contribute to political campaigns and, therefore, does not make contributions to political parties, individual politicians, or related institutions. Banrisul's participation in public policies occurs through the articulation of various working groups and inter-institutional committees, including: the Opportunities and Rights Program (POD Criança), the State Council for Organic Production (CPOrg), the Forum on Cleaner Production, Microcredit with the Economic Solidarity Secretariat and Support for Small and Medium Businesses (Sesampe) through the State Program, RS na Paz.

In addition to providing financial support for initiatives and participating in the discussion and definition of policies and strategies, the Bank also debates issues of interest at meetings of the Brazilian Federation of Banks (Febraban) and takes part in inter-institutional forums focusing on sustainable development, such as the International Forum on Solid Waste. It also encourages the involvement of employees in public policy programs. [GRI S05, S06](#)

### MARKETING COMMUNICATIONS

Banrisul does not adopt voluntary codes or standards for marketing communications, as its products are not the focus of public discussion or questioning, nor are they prohibited in certain markets. Communications activities are governed by the prevailing legislation and internal policies emphasize the importance of and respect for the client, aiming at proximity and interaction with the local communities. Banrisul did not record any non-conformities in regard to these issues. [GRI PR6, PR7](#)

---

### Risk management

Given the crucial nature of risk management and its quest for constant improvement, Banrisul has adopted the best practices to maximize profitability, ensuring the best possible investment of assets and use of required capital. The systematic improvement of risk policies, internal control systems and security standards are ongoing processes that are fully integrated with the institution's strategic and marketing goals. With this in mind, in 2011 the institution structured the Control and Risk Area.



## Risks analyzed

**Credit risk** The possibility of losses associated with borrowers' non-compliance with their financial obligations; the devaluation of loan agreements; reductions in gains or remuneration; benefits granted during renegotiations; and recovery costs. To evaluate credit risks, the Bank adopts credit scoring models – Credit Score and Behavior Score – which permit the establishment of pre-approved credits in accordance with the risk classifications in the statistical models.

**Liquidity risk** Arises from the potential inability to finance financial assets and meet obligations on the due dates, as well as difficulties in liquidating portfolio positions without incurring significant losses.

**Market risk** The likelihood of negative impacts on results or capital due to changes in the market price of financial instruments, caused by fluctuations in share prices, commodity prices, interest rates and exchange

rates. The organization maintains a conservative market risk exposure profile, according to which guidelines and limits are monitored independently and on a daily basis. Banrisul operates in line with best market practices, local regulations, and the recommendations of the Basel Committee.

**Operational risk** The possibility of losses resulting from the failure, deficiency or ineffectiveness of internal processes, people and systems, or from external events. The Operational Risk Management framework provides Banrisul with parameters, models and methods for identifying, assessing, monitoring, controlling and mitigating operational risks, and disseminating, internally and externally, its level of exposure. It therefore seeks to maintain confidence in all its business levels, with reduced risk exposure and losses, in accordance with Central Bank Resolution 3380 of June 29, 2006.

The Bank seeks to align its activities with the standards recommended by the Basel Capital Accords, especially the Basel Index, which represents the ratio between base capital – reference capital and risk-weighted assets, in accordance with the regulations in force.

to ensure even more transparent activities, deepen dialogue with its stakeholders, and strengthen the institution's commitment to its social and environmental strategies, values, policies and best governance practices, as well as performance evaluation within the proposed criteria.

## Assumed commitments

**The Green Protocol<sup>1</sup>** By becoming a signatory to the Protocol in 2009, Banrisul assumed a commitment to promoting sustainable development and the adoption of policies and practices that consider social and environmental impacts when managing and analyzing its assets.

**GRI Report** Reinforcing its commitment to initiatives that prioritize healthy relations with its stakeholders, in 2011 Banrisul adopted the Global Reporting Initiative (GRI) guidelines for the preparation of its Sustainability Report, which will replace the previously published Social Balance. This report will act as a tool

## FUTURE COMMITMENTS

With social and environmental responsibility becoming an increasingly recurring issue in Banrisul's activities, the Bank intends to sign up to the Global Compact<sup>2</sup> and the Equator Principles<sup>3</sup> in the coming years..

<sup>1</sup> The Green Protocol is a set of commitments by banks, through which the signatories agree to implement policies and practices that comply with sustainable development..

<sup>2</sup> The Global Compact consists of ten universal principles, derived from the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the UN Convention.

<sup>3</sup> The Equator Principles are a set of policies to be applied when analyzing the financing of major projects, to ensure that they are developed in a socially and environmentally responsible manner.

# Stakeholders

50

With a commitment to maintaining and constantly improving its relations, always underpinned by ethical conduct, transparency and dialogue with clients, shareholders, suppliers, employees, the community, government and society as a whole, Banrisul is preparing for policies that meet the needs of each stakeholder. [GRI 4.14](#)

The process of defining Banrisul's stakeholders occurred after the indicators workshop conducted by BSD Consulting, which established the importance of each group related to its business. For the Bank, every stakeholder is in its interest and their engagement with all the issues related to sustainability is essential.

In 2011, Banrisul's training program for new employees included a social and environmental module. The first sustainability training course was held in November, involving 20 employees, who have all become sustainability agents. The objective is to propagate a culture of sustainability throughout the Bank.

By 2013, the Bank plans to institute an engagement panel with clients, suppliers, employees and the communities surrounding its branches. [GRI 4.15](#)

## **SUPPLIERS**

Banrisul's contracting of suppliers is based on its values and transparency policy and is conducted in an impartial manner, in accordance with Law 8666/93. In accordance with the institution's social responsibility guidelines, all supplier agreements contain clauses prohibiting the use of forced or child labor.

**55,856**

**SHAREHOLDERS**

**10,225**

**EMPLOYEES**



## The Bank adopts a series of policies to meet the needs of each stakeholder

In 2011, a social and environmental module was included in the training program for new employees

## Shareholder breakdown by region

REGION	NUMBER	%	SHARES	%
Brazil	55,233	98.88	241,935,559	59.16
Europe	223	0.40	83,249,666	20.36
North America	285	0.51	58,858,326	14.39
Asia	73	0.13	20,585,323	5.03
Oceania	19	0.03	2,562,719	0.63
Central America	13	0.02	1,446,604	0.35
South America (except Brazil)	10	0.02	336,280	0.08
<b>Total</b>	<b>55,856</b>	<b>100</b>	<b>408,974,477</b>	<b>100</b>

52

### SHAREHOLDERS

Most of our shareholders are concentrated in Brazil. However, we also have some in Europe, North America, Asia, Oceania, Central America and South America. A breakdown by region is shown above.

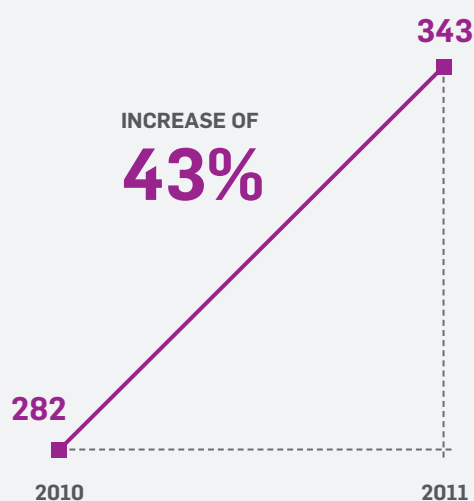
### Transparency policy

The dissemination of data and the adoption of a transparent communications policy are the pillars of Banrisul's Investor Relations activities. In addition to the Investor Relations website ([www.banrisul.com.br/ir](http://www.banrisul.com.br/ir)), which contains information on the Company and its results, as well as reports and financial statements, Banrisul maintains permanent contact with analysts who track its performance.

The Bank participates in meetings organized by the Association of Capital Market Analysis and Investment Professionals (APIMEC). In 2011, it took part in three such meetings in Rio de Janeiro, São Paulo, and Porto Alegre. In order to further strengthen relations with investors, the Bank's executives attended meetings in other states and abroad: Amsterdam, The Hague, London, Paris and Zurich, as well as several important cities in the United States. [GRI 4.4](#)

### Distribution of Results

(R\$ million)



Source: Banrisul

## Participation in events

PERIOD	EVENTS	PARTICIPANTS	BRAZIL	PARTICIPANTS	ABROAD	PARTICIPANTS
1T11	27	147	27	147	–	–
2T11	81	225	58	193	23	32
3T11	13	106	13	106	–	–
4T11	64	323	42	287	22	36
<b>Total</b>	<b>185</b>	<b>801</b>	<b>140</b>	<b>733</b>	<b>45</b>	<b>68</b>

# 40%

is the percentage of quarterly net income distributed by Banrisul, substantially higher than the 25% required by the market

To strengthen relations with investors, the Bank's executives attend meetings organized by Apimec. In 2011, they took part in meetings in Rio de Janeiro, Sao Paulo and Porto Alegre.

## Clients and community

Banrisul maintains dialogue with its clients and other partners through participation in forums, committees and working groups, as well as providing support for projects. For example, the Battery Collection project was extended to 19 points in Porto Alegre and five other municipalities in the metropolitan area; in 2012, the goal is to reach 38 municipalities, covering all the Bank's operational regions. Banrisul also supports Agenda 21 (a UN action program for sustainable development) in conjunction with municipal governments, mainly through the Seeds Project and the Recycling Program (for more details, see the *Main environmental initiatives* section).

The Seeds Project is conducted in partnership with the Brazilian Association of Agroecology (ABA), the State Commission for Organic Production/RS (Cporg), the Ministry of Agriculture, Livestock and Supply, the Secretariat of Rural Development, Fisheries and Cooperatives/RS, Emater/RS, various municipal governments, the State Foundation for Agricultural Research (Fepagro), the Agronomy School of the Federal University of Rio Grande do Sul (UFRGS), Unisinos Nutrition College, several eco-agricultural NGOs (Capa, Unaic, Desma, Ecocitrus, Aecia, Coceargs, Cetap/Passo



## Seeds Project: awards received in 2011

**Social Responsibility Award 2011**, with special mention in the Cooperation Networks category and certification under Government Entities in Porto Alegre on November 23. The Award was granted by the Rio Grande do Sul State Legislature.

**Outstanding Certificate in Government and Society**, at the Sustainable Management Forum in Florianopolis on August 12.

**Henrique Luiz Roessler Environmental Merit Award**, from *Ecologia e Meio Ambiente* magazine, in Porto Alegre on August 9. The award was shared with the Banrisul Recycling Program.



## Branches

- ▶ 35 new branches in municipalities already covered by Banrisul
- ▶ 21 new branches in municipalities not yet covered by the Bank
- ▶ 48 service points stations transformed into branches
- ▶ 7 new branches in the state of Santa Catarina

Fundo, Ecological Center, Ecovida Network, etc.), and rural schools.

The aim is to propagate ecological farming methodologies and rural sustainable development strategies. The project donates seedlings and seeds of various native tree species (appropriate for each biogeographic region of Rio Grande do Sul), landrace seeds, and agro-ecological horticulture seeds to individual farmers, farmers' associations, NGOs, schools, indigenous groups, university extension programs, eco-agricultural fairs, and environmental projects and events related to the rural and eco-agricultural affairs. All in all, more than 40 million seedlings and seeds had been distributed through the end of 2011.

The project provided increased support for decision-making processes and the control of natural resources in the different communities where the Bank operates, thereby expanding knowledge of agricultural biodiversity more effectively and continuing to support social systems that facilitate the maintenance and exchange of genetic resources by farmers. Initiatives that are implemented in partnership with institutions that support and manage access to biodiversity at the local level were also stepped up through the increasing adoption of technologies, processes and practices that add value to community genetic resources.

These activities are developed and monitored by the Government, Development, Rural, Social and Environmental Management Commercial Units, as well as the Corporate Management Unit. In 2012, the Bank intends to maintain and expand its participation in committees, forums and inter-institutional working groups, as well as improving processes such as the Opportunities and Rights Program (POD RS Criança) and creating new committees focused on state policies.

In 2011 alone, the Seeds Project won three awards and participated in several events related to ecological and sustainable agriculture policies. It was also one of the sponsors of the 11th International Seminar on Ecoagriculture and the 12th State Seminar on Agroecology, both held in Porto Alegre. [GRI FS5](#)

Also in 2011, Banrisul invested R\$6.3 million in various projects through the National Cultural Support Program (Law 8313/93) and R\$797,000 through the Rouanet Audiovisual Program (Law 8685/93). [GRI EC8](#)

### INVESTMENTS IN PROXIMITY

Fully committed to achieving service excellence, Banrisul has also invested in a substantial expansion plan involving 111 new units. Today, the Bank is present in 415 municipalities in Rio Grande do Sul, representing 98.31% of state GDP and 97.95% of the state population.





Seeds Project



Scope

Service

- › Branches: **440**
- › Service network: **1,278**
- › Banking correspondents: **2,031**
- › Banking service points: **275**
- › Electronic service points: **561**

Service channels

- › Branches
- › Internet
- › Customer Service Hotline
- › Mobile Banking
- › ATMs
- › Ombudsman

Channels and security

In 2011, the Bank invested R\$189 million in technological modernization, with a focus on channels and security.

Service training

**7,200** employees took part in the Service Training Program (TQA), equivalent to **70.42%** of the total workforce

## Monetary value of products and services designed to provide a social benefit GRI FS7

PRODUCT	SOCIAL GROUP TARGETED	MONETARY VALUE / PROPORTION OF TOTAL MONETARY VALUE
Professor Digital	Teachers and civil servants of the Rio Grande do Sul Education Secretariat and the municipal school networks.	R\$ 70,000.00 (50 operations)
Microcrédito Orientado e Produtivo	Formal and informal developments by people over 18 years old, with at least six months' experience in their chosen activity, or who can prove that they have received technical training for their proposed activity in the industrial, commercial and service sectors. Entrepreneurs earning up to R\$120,000.00 per year receive priority.	R\$2,805,818.31 / 100% (439 operations)
CPB Mat. Constr./Decoração Emergencial	Individual clients in municipalities hit by natural disasters where a state of emergency has been declared.	R\$1,501,180.91 / 0.3094% (246 operations)
CDC Mat. Constr./Decoração Emergencial	Individual clients in municipalities hit by natural disasters where a state of emergency has been declared.	R\$3,016,024.27 / 2.0069% (504 operations)
CEB – Crédito Empresarial Emergencial	Corporate clients in municipalities hit by natural disasters where a state of emergency has been declared.	R\$767,441.95 / 0.0347% (44 operations)
Caminho da escola	The Federal District and states and municipalities established for the program, and students enrolled in the basic public education system, primarily those residing in rural areas.	R\$ 779,000.00 / 0.00%
Provias	administration entities, direct or indirect.	R\$ 7,553,500.00 / 0.04%
BNDES PER – Programa BNDES Emergencial de Reconstrução de Municípios Afetados por Desastres Naturais	Companies and individual entrepreneurs with gross operating income of up to R\$90 million per year, located in municipalities with up to 500,000 inhabitants, affected by natural disasters, whose state of emergency has been recognized by the federal executive.	R\$ 0.00 / 0.00%
Saneamento Básico – BNDES	Companies headquartered and administered in Brazil, nationally or foreign-owned, individual entrepreneurs, associations, foundations and legal entities governed by public law.	R\$1,186,310.67 / 0.01% (1 operation)

## PURPOSE OF THE PRODUCT

## PRODUCT DESCRIPTION

To promote digital inclusion at state and municipal levels.

Created in 2010, the program promotes digital inclusion by providing special conditions for the purchase of laptops, operating systems and educational software in Portuguese, as well as special conditions for contracting internet access.

The Microcredit Program targets microbusinesses in the state of Rio Grande do Sul and aims to encourage entrepreneurial activities by providing a credit alternative for individuals and companies in the formal and informal sectors who wish to open, expand or obtain working capital for a small business and do not have access to the banking system.

- ▶ Working capital, purchase of goods and/or raw materials, and production inputs.
- ▶ Fixed investments in the business, such as the purchase or repair of new or used machinery and equipment.
- ▶ Improvement/expansion of business facilities.
- ▶ Purchase or repair of motor vehicles or motorcycles related to the business.
- ▶ Joint working and fixed capital.

Reconstruction of homes.

Personal loans for emergency building materials / decoration.

Reconstruction of homes.

Direct consumer financing for emergency building materials / decoration.

Restoration of micro and small businesses.

Business loans and emergency business loans.

To renew and expand the fleet of daily school transport vehicles for students enrolled in the basic education network, primarily those residing in rural areas.

Financing of new, locally manufactured school transport vehicles, accredited by the BNDES.

Program of public highway and road interventions to improve the quality of life of the population.

Financing for the acquisition of new machinery and equipment produced in the country and accredited by the BNDES, intended for emergency interventions on public highways and roads.

To support the resumption of economic activity in municipalities affected by natural disasters.

Financing of investment projects, including items financeable by the BNDES Automático product, except machinery and equipment imports.

To support public or private investment projects that promote universal access to basic sanitation services.

Projects involving sanitation and the disposal of industrial, commercial, household and hospital solid waste; sewage collection networks with adequate final disposal; and sewage treatment systems.

PRODUCT	SOCIAL GROUP TARGETED	MONETARY VALUE / PROPORTION OF TOTAL MONETARY VALUE
---------	-----------------------	---

Saneamento Básico – FGTS	Legal entities governed by public law.	R\$15,321,470.26 / 0.08% (14 operations)
--------------------------	--	---

Programa Mais Ovinos – sheep retention	Livestock breeders in Rio Grande do Sul with adequate infrastructure for sheep and who receive or will receive technical monitoring of their activity.	R\$18,111,730.00 (664 operations contracted in 2011, involving the retention of 153,054 sheep)
--	--	---

Programa Mais Ovinos – sheep retention	Farmers specializing in the production of breeding stock.	R\$12,084,021.50 (583 operations contracted, involving the acquisition of 54,252 animals)
--	---	--

Pronaf Conventional	Family farmers with Pronaf Fitness Declaration (DAP).	R\$8,496,393.79 / 6.22% (487 operations)
---------------------	---	---

Pronaf Agroindústria	Family farmers with Pronaf Fitness Declaration (DAP).	Individuals - R\$243,368.58 (6 operations)
		2.92%
		Companies - R\$3,487,497.70 (3 operations)

Pronaf Mulher	Female family farmers with Pronaf Fitness Declaration (DAP).	R\$178,189.00 / 0.12% (5 operations)
---------------	--	---

Pronaf Agroecologia	Family farmers with Pronaf Fitness Declaration (DAP).	R\$48,842.00 / 0.00% (1 operation)
---------------------	---	---------------------------------------

## PURPOSE OF THE PRODUCT

## PRODUCT DESCRIPTION

To support public investment projects that promote universal access to basic sanitation services.

Projects involving sanitation and the disposal of industrial, commercial, household and hospital solid waste; sewage collection networks with adequate final disposal; and sewage treatment systems.

To encourage the retention of sheep breeding stock in farms, boosting job and income generation, benefiting industrial and commercial segments directly linked to the sheep production chain, and generating municipal and state tax revenue.

Retention of ewes of reproductive age and lambs (future breeding stock), aiming to increase the number of sheep in the state, thereby ensuring a greater supply of high-quality meat and wool, as well as creating jobs and income and helping keep livestock breeders' income in the field.

To help Rio Grande do Sul farmers make the sheep industry a sustainable alternative for diversification and integration with other agricultural activities.

To encourage the introduction sheep breeding stock in farms, boosting job and income generation, benefiting industrial and commercial segments directly linked to the sheep production chain, generating municipal and state tax revenue.

Acquisition of ewes of reproductive age and lambs (future breeding stock), aiming to increase the number of sheep in the state, thereby ensuring a greater supply of high-quality meat and wool.

To help Rio Grande do Sul farmers make the sheep industry a sustainable alternative for diversification and integration with other agricultural activities.

National Family Farming Strengthening Program credit line to provide financial support for investments aimed at increasing family productivity and income.

Line of credit to finance agricultural and non-agricultural activities.

Investments, including in infrastructure, aimed at the processing and sale of agricultural produce, forestry products and gathered products, or handicrafts and the exploration of rural tourism.

Financing line, aiming to add income to farming produce, such as milk for cheese, fruit schmier (a German sweet similar to jam), jam, canned vegetables, flour, bread, cookies, grape juice and wine, among others, including the exploration of rural tourism.

Loans for female farmers in accordance with a technical project or simplified proposal.

Financing Investments of interest to female farmers.

Loans for Individuals classified as family farmers by Pronaf.

- Agroecological production systems, in accordance with the standards established by the Family Farming Secretariat of the Ministry of Agrarian Development.
- Organic production systems, in accordance with the standards established by the Ministry of Agriculture, Livestock and Supply

PRODUCT	SOCIAL GROUP TARGETED	MONETARY VALUE / PROPORTION OF TOTAL MONETARY VALUE
Pronaf Eco	Family farmers with Pronaf Fitness Declaration (DAP).	R\$427.231,20/ 0.40% (44 operations)
Pronaf Mais Alimentos	Family farmers with Pronaf Fitness Declaration (DAP).	R\$56,983,052.44 / 42.65% (1,231 operations)
Pronaf Renegociação de Dívidas	Family farmers with Pronaf Fitness Declaration (DAP).	R\$0.00 / 0.00%
Finame Agrícola – PSI	<ul style="list-style-type: none"> <li>➤ Individuals (except self-employed truckers);</li> <li>➤ Companies and farmers;</li> <li>➤ Companies linked to the agricultural sector.</li> </ul>	R\$20,831,131.00 / 16.78% (177 operations)

## PURPOSE OF THE PRODUCT

## PRODUCT DESCRIPTION

To implement, use and/or recover:

- ▶ Renewable energy technologies.
- ▶ Environmental technologies, such as water, waste and wastewater treatment plants, composting and recycling.
- ▶ Water storage, such as the use of cisterns, dams, underground dams, water tanks and other structures for storing, distributing, installing, connecting and using water.
- ▶ Small hydroelectric plants
- ▶ Silviculture, understood as the act of implementing or maintaining forest stands for the generation of timber and non- timber products.
- ▶ The adoption of soil conservation and acidity and fertility correction practices, aiming at soil recovery and the improvement of productive capacity.

Financing of investment proposals or projects for the production, storage and transportation of:

- ▶ Turmeric, rice, coffee, sugarcane, rye, *yerba mate*, beans, cassava, corn, soybean, sorghum, and wheat.
- ▶ Fruit growing, palm tree cultivation for heart-of-palm production, horticulture, apiculture, aquaculture, poultry, beef cattle, dairy cattle, goats, sheep, fishing, and pig farming.

Line of credit for investments to add family income through the funding of investment proposals and projects for the production, storage, and transportation of:

- ▶ Turmeric, rice, coffee, sugarcane, rye, *yerba mate*, beans, cassava, corn, soybean, sorghum, and wheat.
- ▶ Fruit growing, palm tree cultivation for heart-of-palm production, horticulture, beekeeping, aquaculture, poultry, beef cattle, dairy cattle, goats, sheep, fishing, and pig farming.

Composition of debt from financing operations for:

- ▶ Investments contracted from Pronaf with funds transferred by the BNDES, provided they are:
  - a) In a situation of non-default on 11/22/2011, having been contracted by 6/30/2008.
  - b) In a situation of default on 11/22/2011, having been contracted by 6/30/2010.
- ▶ Costing, until 6/30/2010 within Pronaf, with funds transferred by the BNDES.

Financing line for costs and investments contracted by family farmers from Pronaf.

To finance the production and acquisition of new machinery and equipment.

Line of credit for financing new machinery and equipment, accredited with the BNDES.

PRODUCT	SOCIAL GROUP TARGETED	MONETARY VALUE / PROPORTION OF TOTAL MONETARY VALUE
Moderagro	Individual and corporate farmers.	R\$9,987,001.81 / 8.04% (61 operations)
Moderinfra	Farmers and their production cooperatives.	R\$2,642,936.15 / 2.13% (7 operations)
Procap Agro	Farmers associated with individual and central agricultural cooperatives.	R\$23,750,000.00 / 19.13% (4 operations)
Moderfrota	Individual and corporate farmers.	R\$251,783.27 / 0.20% (7 operations)
Prodecoop	<ul style="list-style-type: none"> <li>➤ Individual agricultural, agribusiness, aquaculture or fishing cooperatives.</li> <li>➤ Central cooperatives formed exclusively by agricultural, agribusiness, aquaculture or fishing cooperatives.</li> <li>➤ Individual or corporate farmers associated to agricultural, agribusiness, aquaculture and fishing cooperatives, for the paying in of shares linked to the project being financed.</li> </ul>	R\$1,563,902.64 / 1.26% (1 operation)
Programa ABC	Individual and corporate farmers.	R\$1,429,770.94 / 1.15% (16 operations)



## PURPOSE OF THE PRODUCT

## PRODUCT DESCRIPTION

Agriculture Modernization and Natural Resource Conservation Program.

- ▶ To encourage apiculture, aquaculture, poultry, chinchilla, rabbits, flowers, fruit, horticulture, sheep and goat farming, dairy farming, fishing, frog culture, sericulture and pig farming.
- ▶ To promote initiatives related to animal rights, particularly the National Program for the Control and Eradication of Brucellosis and Tuberculosis (PNCEBT), and the implementation of an animal traceability system for food.
- ▶ To support soil recovery by financing the acquisition, transportation, application and incorporation of agricultural lime.

Irrigation and Storage Incentive Program.

- ▶ To support the development of economically and environmentally sustainable irrigated agriculture in order to minimize production risks and increase the supply of agricultural products.
- ▶ To increase farmers' agricultural production storage capacity.
- ▶ To protect temperate fruit farming against hail.
- ▶ To support the construction and expansion of facilities for the storage of agricultural machinery, implements and inputs.

Capitalization Program for Agricultural Cooperatives.

- ▶ To promote the recovery or equity restructuring of agricultural, agribusiness, aquaculture or fishing production cooperatives.
- ▶ To allow financial recovery through the payment of cooperative shares.
- ▶ To finance working capital aiming to meet cooperatives' immediate operational needs.

Agricultural Tractor Fleet, Associated Implement and Harvester Modernization Program.

To finance the acquisition of tractors and associated machinery, harvesters, and platforms.

Cooperative Development Program for the Addition of Value to Farming Production.

- ▶ Studies, projects and technology, civil works, installations and other fixed investments.
- ▶ New machinery and equipment manufactured nationally and accredited by the BNDES, and also separately, when intended for modernization within the sectors and actions suitable for the Program.
- ▶ Import expenses in reais related to imported equipment.
- ▶ Working capital associated with the investment Project and the paying in of shares related to the project being financed.

Program for the Reduction of Greenhouse Gases in Agriculture.

- ▶ To reduce Greenhouse Gas (GHG) emissions from agricultural activities.
- ▶ To reduce deforestation.
- ▶ To increase agricultural production on a sustainable basis.
- ▶ To adjust farms to environmental legislation.
- ▶ To increase the area of planted forests.
- ▶ To encourage the recovery of degraded areas. [GRI FS8](#)



Banrisul employs more than 10,000 people

## The Bank offers its own and outsourced employees the best possible working conditions and mitigates operational risks related to service outsourcing

## Employees

Men represent 56% of Banrisul's workforce. If we consider the hierarchical levels of the organization, this dominance is even greater, reducing in line with the position.

In addition, 2.2% of male employees and 1.8% of female employees are black. [GRI LA13](#)

### LABOR PRACTICES

Seeking to offer its own and outsourced employees the best possible working conditions and also mitigate operational risks related to service outsourcing, in 2006 Banrisul initiated a pioneering initiative for state bodies: the inspection of administrative agreements by the Controllorship's Contract Management Area.

This area checks compliance with contractual clauses and requires service providers to furnish all documentation relating to compliance with labor, pension and tax obligations. This process ensures the regularity of all agreements in force.

Currently, the activities of the 2,600 outsourced workers are controlled and monitored, resulting in a significant reduction in the Bank's labor convictions as the responsible subsidiary.

## Employees by gender

(%)



Source: Banrisul

## Percentage of employees by age group

GRI LA13

(%)

	UNDER 30	30-50	OVER 50
Executive Board	0.0	33.3	66.7
Management	2.6	49.5	47.9
Leadership/coordination	0.8	41.4	57.9
Technical/supervisory	21.3	46.1	32.6
Administrative	11.8	49.2	39.0
Operational	24.4	48.4	27.2
Interns	96.5	3.5	0.0
<b>Total</b>	<b>19.9</b>	<b>48.4</b>	<b>31.7</b>

## Percentage of black employees by category

GRI LA13

(%)

	BLACK MEN	BLACK WOMEN
Executive Board	0.0	0.0
Management	1.5	1.7
Leadership/coordination	0.0	2.2
Technical/supervisory	1.6	3.2
Administrative	3.1	3.0
Operational	2.3	1.5
<b>Total</b>	<b>2.2</b>	<b>1.8</b>

## Employees with disabilities

GRI LA13

(%)

	2011
Executive Board	0.00
Management	0.00
Leadership/coordination	0.00
Technical/supervisory	0.31
Administrative	0.79
Operational	0.73
<b>Total</b>	<b>0.64</b> <sup>1</sup>

<sup>1</sup> Entry to Banrisul is by civil service examination only and places are reserved for people with disabilities. However, these vacancies are only filled by applicants who take and pass the examination.

**Total severance** GRI LA2

	2009	2010	2011
<b>By gender</b>			
Male	300	286	286
Female	180	140	124
<b>By age range</b>			
Under 30	84	109	93
30-50	116	99	90
Over 50	280	218	227
<b>By region</b>			
South	466	412	396
Southeast	11	8	10
Midwest	2	2	2
Northeast	1	4	2
<b>Total</b>	<b>480</b>	<b>426</b>	<b>410</b>

**Turnover Rate** GRI LA2

(%)

	2009	2010	2011
<b>By gender</b>			
Male	3.3	3.1	2.8
Female	2.0	1.5	1.2
<b>By age range</b>			
Under 30	0.9	1.2	0.9
30-50	1.3	1.1	0.9
Over 50	3.1	2.3	2.2
<b>By region</b>			
South	5.1	4.4	3.9
Southeast	0.1	0.1	0.1
Midwest	0.02	0.02	0.02
Northeast	0.01	0.04	0.02

Banrisul’s employees have access to several serious illness programs, involving education, training, counseling, prevention and risk control. The Bank also offers training with paid study leave, external courses, and training on specific issues such as health and safety

This initiative is regarded as an example and led Banrisul to conduct an exchange of information, having been invited to participate in two forums held by the Rio Grande do Sul State Human Resources Secretariat.

In 2009, there was an increase in the number of requests for retirement for length of service or contribution. As a result, there were fewer severances in 2010 and 2011.

### SERIOUS ILLNESS PROGRAMS FOR

Banrisul's employees have access to several serious illness programs, involving education, training, counseling, prevention and risk control. These are: the Breast Cancer Prevention Program, the Tobacco Use Prevention and Treatment Program, the Influenza Vaccination Campaign, Participation in Sponsored Events, the Alcohol and Drug Use Prevention, Diagnosis and Treatment Program (PAD), and the Employees Under Stress Care and Monitoring Program (PASS). **GRI LA8**

In 2012, Banrisul plans to disseminate more information on substance dependence through the PAD, in order to prevent and identify cases, and extend PASS training to all Rio Grande do Sul Regional Superintendencies.

### TRAINING

Banrisul's training programs involve paid study leave, external courses (fully or partially paid by the organization), and training on specific issues such as health and safety.

In the first half of 2012, the Bank expects to train 526 new employees, 180 supervisors, 180 business managers and 150 instructors; update 420 business operators on commercial targets and sales methods; update 425 general managers and 367 deputy managers; and train 100 employees in the Management One course. In the second half it expects to update 377 business managers on the Focus on Micro, Small and Medium Businesses; update 1,212 business operators; train 60 business managers, 100 employees in the Management One course, all employees in the Service Quality Program (PQA) and 450 Corporate Platform employees; prepare specific courses for Management of Medium and Large Branches; and give training courses for the General Steering Units, in accordance with the Unit Training Plan.

## Total number of employees **GRI LA1**

	2009	2010	2011
<b>By level</b>			
Executive Board	8	8	9
Management	935	923	977
Leadership/coordination	110	115	132
Technical/supervisory	426	557	635
Administrative	1,399	1,467	1,528
Operational	6,272	6,283	6,953
Outsourced	2,645	2,645	2,600
Apprentices	0	0	0
Trainees	0	0	0
Interns	2,692	2,347	1,845
<b>Total</b>	<b>14,487</b>	<b>14,345</b>	<b>14,679</b>
<b>By type of contract</b>			
Timed	5,345	5,000	4,454
Indefinite	9,142	9,345	10,225
<b>Total</b>	<b>14,487</b>	<b>14,345</b>	<b>14,679</b>
<b>By type of job <sup>I</sup></b>			
Full-time	11,842	11,700	12,079
Part-time	0	0	0
<b>Total</b>	<b>11,842</b>	<b>11,700</b>	<b>12,079</b>
<b>By region <sup>II</sup></b>			
South	8,981	9,192	12,635
Southeast	119	122	149
Midwest	11	11	12
Northeast	39	28	38
North	0	0	0
<b>Total</b>	<b>9,150</b>	<b>9,353</b>	<b>12,834</b>

<sup>I</sup> Excludes outsourced employees.

<sup>II</sup> Excludes interns.

## HEALTH AND SAFETY <sup>I</sup> GRI LA7

	2009	2010	2011
Injuries	74	78	107
Occupational Illnesses	38	48	46
Days Lost <sup>II</sup>	9,198	9,684	16,378
Rate of absenteeism <sup>III</sup>	19.88	21.62	14.72

<sup>I</sup> The data refer to direct employees of Banrisul. The figures referring to injury, occupational illness and total number of days lost are absolute, as they refer to employees with different working hours and the current registration system does not permit separation.

<sup>II</sup> Calendar days. Days lost include those from previous years, which explains the upward trajectory. There have been no deaths in the last three years. In order to improve health and safety levels, Banrisul performs periodic preventive examinations and forms exercise groups.

<sup>III</sup> Absenteeism per 100 employees

## Programs <sup>I</sup> GRI LA8

PROGRAM	DESCRIPTION
1 Breast Cancer Prevention Program	Helps participants prevent breast cancer risk factors and provides guidance on early detection.
2 Tobacco Use Prevention and Treatment Program	Uses an educational process to make people aware of the need to prevent and treat smoking; advises on the early diagnosis of smoking-related illnesses; deals specifically with the issue of chemical tobacco addiction; encourages treatment for tobacco addiction; and demystifies preconceptions by providing clear explanations on the illness and its treatment.
3 Influenza Vaccination Campaign	Vaccinates against common and H1N1 influenza, aiming to reduce the number of people suffering from the disease, encouraging preventive health measures and seeking to reduce the costs arising from treating the disease and its consequences.
4 Participation in Sponsored Events <sup>I</sup>	Informs and raises awareness of the main risk factors for chronic non-transmissible diseases, such as dyslipidemia, diabetes, systemic high blood pressure and obesity. Banrisul's Employees' Savings Fund as participated in several sponsored events, evaluating health and conducting informative and educational activities.
5 Alcohol and Drug Use Prevention, Diagnosis and Treatment Program (PAD) <sup>II</sup>	Helps employees with drug and alcohol-related problems, aiming to improve their quality of life and restore their normal functions.
6 Employees Under Stress Care and Monitoring Program (PASS) <sup>III</sup>	Implements health-related preventive and care procedures for employees experiencing situations of occupational stress, especially those brought on by robbery or kidnapping. Work in the branches is regarded as high-risk, given the possibility of robbery or other violent episodes that may provoke mental disturbance or physical injury. These risks are monitored by the PASS. In 2011, there was a reduction in the number of branch robberies.

## Assistance programs for serious illnesses GRI LA8

INCLUDED IN THE PROGRAMS	EDUCATION / TRAINING	COUNSELING	PREVENTION / RISK CONTROL	TREATMENT
Workers	4, 5, 6	5, 6	1, 2, 3, 4, 5, 6	2, 5, 6
Workers' families	4	5, 6	1, 2, 3, 4	2, 6
Community members	–	–	4	–

I Sponsors are those companies to which Caberergs provides services: Banco Banrisul; Banrisul Armazens Gerais; Banrisul Serviços Ltda.; Santa Casa de Misericórdia de Porto Alegre; Fundação Banrisul de Seguridade Social and Badesul

II Refers to programs developed and managed by the Special Occupational Medicine and Safety Engineering Service (SESMT), which develops health and risk and disease prevention programs and initiatives for Banrisul employees and their families and, occasionally, the community.

Note: Activities 1,2,3 and 4 refer to programs developed by the Banrisul Employees' Assistance Fund (Caberergs), which develops health and risk and disease prevention programs and initiatives for the beneficiaries (employees of the sponsors and their dependents) inscribed in the Company's health plans.

## Average number of hours per training LA10

EMPLOYEE <sup>1</sup> / COURSE	TOTAL WORKING HOURS	TOTAL NO. OF COURSE HOURS	HOURS PER EMPLOYEE
<b>TOTAL – completed</b>	<b>674.756</b>	<b>14.236</b>	<b>47,40</b>
Commissioned – completed	140.307	5.379	26,08
Non-commissioned – completed	534.449	8.857	60,34
<b>TOTAL – in progress</b>	<b>276.069</b>	<b>11.560</b>	<b>23,88</b>
Commissioned – in progress	150.831	4.975	30,32
Non-commissioned – in progress	125.238	6.585	19,02
<b>TOTAL</b>	<b>950.825</b>	<b>25.796</b>	<b>36,86</b>

I The current registration model does not identify the functional category of employees who underwent training..

## Training GRI HR3, HR4

SUBJECT	HOURS ACCUMULATED	EMPLOYEES (%)
Code of Ethics	84	11.8
Attitude, ethics and conduct	16	0.1

### HUMAN RIGHTS

The issue of human rights is presented together with training on the organization's Code of Ethics, which is offered to all new employees of Banrisul. In 2011, 1,207 employees (11.8% of the total workforce) accumulated 84 hours of training on the Code of Ethics. In addition, 14 internal auditors (0.1% of the workforce) received 16 hours of classroom training on "Attitude, ethics and conduct". GRI HR3, HR4

The Ombudsman's Office also has a system for receiving complaints from clients and non-clients where cases of discrimination can be filed, although this is not a specific channel for this type of complaint. Complaints receive formal treatment, in which the parties involved are made aware of the findings and feedback is given to the complainant at the end of the verification process.

No cases of discrimination were recorded in 2011, reflecting the in-house training programs and the Bank's policies regarding the prevention of psychological and sexual harassment and discrimination based on gender, race, sexual orientation and disability in the workplace. GRI HR4

## Quality of life

Designed to encourage the practice of sports by employees and their families, Banrifitness conducts workshops on various activities, including postural assessment, soccer, volleyball, massage and educational gymkhanas in the Rio Grande do Sul Regional Superintendencies (Suregs): Caxias do Sul, Santo Ângelo, Pelotas, Santo Antônio da Patrulha, Passo Fundo, Santana do Livramento, Porto Alegre and Santa Cruz do Sul, as well as the cities of Florianópolis and São Paulo. In 2011, for the first time, the program took place in all the Regional Superintendencies.

Created 11 years ago, Banrifitness has already held 70 events. In 2011 alone, the public in Porto Alegre exceeded those attending the first edition by **800%**.

### CORPORATE FITNESS

In order to reduce stress levels and mitigate the emergence of occupational illnesses, Banrisul offers a corporate fitness program as a means of improving the health of its employees. The exercises help prevent repetitive strain injury (RSI) and muscle tension, among other problems.

### BANRIBIKE

Banribike is a project that encourages head office employees to use bicycles as a means of transportation. It has a secure area for parking bikes near the headquarters building, with a locker room and physical monitoring for program participants. Employees who take part in Banribike can improve their health and, at the same time, help reduce atmospheric CO<sub>2</sub> and carbon monoxide emissions. Up to December 2011, **23** employees had participated in the project.

### BENEFITS

Human capital is Banrisul's greatest asset. Consequently, in order to grow in a sustainable and structured manner, it has invested in benefits that improve the quality of life of its employees.

In August 2011, after nine years, the Bank undertook an Organizational Climate Survey in order to gauge the level of employee satisfaction in regard to aspects of the organizational environment and the way people interacted with each other. Sixty percent of the workforce took part voluntarily.

The Bank intends to use the survey as a point of departure for the preparation of action plans that promote the healthy development of its employees within the institution. The survey also contributed to the new career framework, which is currently under





## Benefits

- ▶ The Bank **pays 50%** of the price of prescription drugs.
- ▶ Banrisul employees pay only **4% of their salary** for transport vouchers, less than the legally required 6%.
- ▶ The Bank's health plan for retirees, employees and their dependents covers **40,000 lives**.
- ▶ In the case of staple food baskets, the Bank pays its employees **46% more** than the amount determined by the Brazilian Federation of Banks (Febraban).

# 9,993

## EMPLOYEES

were evaluated in 2011

development, and, consequently, Banrisul's new employee performance appraisal system.

### OVERALL PERFORMANCE ASSESSMENT

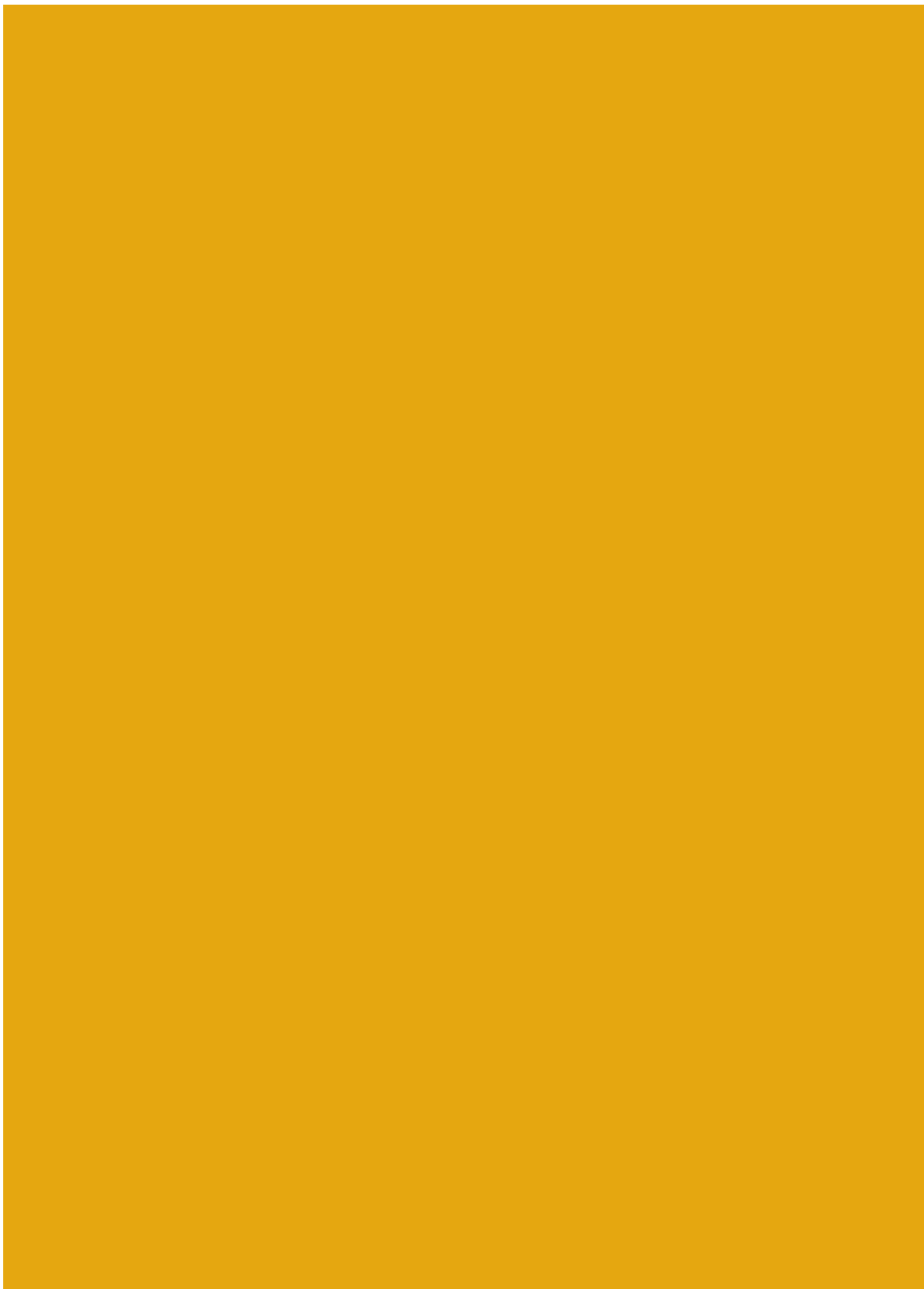
In 2011, 97.65% of employees underwent performance evaluation. All employees who worked for a period of not less than 60 days in the base year (from November 1 of the previous year to October 31 of the current year). The process does not apply to the Executive Board, employees in place for less than 60 days or after generation of the evaluation form, or employees on INSS leave, private unpaid leave or transferred to the Bank's external facilities for a period longer than 60 days.

Employees are evaluated on an annual basis. This process measures the employees' performance based on their functions in the organization, considering their attributed responsibilities, tasks and challenges. In 2011, 9,993 active employees were evaluated, 7,041 received the equivalent of 100% and 1,965 received at least 80%.

The assessment is available in the system for a predetermined period. Assessments must be conducted in the presence of the individual

being evaluated, so that both can analyze the performance factors and seek a consensus. The goal for 2012 is to create a new career framework and a new performance evaluation system. [GRI LA12](#)

Employees with a good performance rating can apply for promotion. Those whose performance is below the accepted minimum (5%) are referred to the Work Management Program (Proget), which has a monitoring scheme and where new development alternatives are sought.



# 3

BUSINESS AND DEVELOPMENT

74

“

Banrisul is increasingly active in fostering productive sectors through the provision of high-quality services, as well as promoting culture

# Blazing trails

74

The financial sector plays a fundamental role in promoting sustainable development and Banrisul has sought to include these principles in some of its products and services through banking inclusion, financial education, microcredit, ethical investments and governance initiatives, as well as offering a range of social and environmental credit lines with funds from the BNDES, FGTS (Workers' Severance Fund) and Caixa Econômica Federal.

## BANKING INCLUSION

In order to reinforce its mission of contributing to the development of the state, Banrisul continually invests in the expansion of banking services to remote and/or socially and economically disadvantaged municipalities. In fact, banking inclusion has always been at the core of its activities, which is why it is the largest state-owned bank in the country, having brought branches, service points, high-quality service and security to underprivileged regions.

According to a survey by the Bank's Government Area, Banrisul ended 2011 as the only financial institution in 20 Rio Grande do Sul municipalities, providing more than 81,000 people with access to banking services. Throughout its history, it was the first bank to open in several municipalities, which are now covered by other banks. GRI FS13

Banrisul believes that the process of banking inclusion will allow it to positively impact the social and economic development of citizens, triggering a virtuous circle. People with access to banking services fuel local commerce through the use of cards, generating growth opportunities for entrepreneurs, who in turn seek to formalize their activities, request investments from the Bank, expand their businesses, generate more jobs and income, offer better products and attract new customers.

83.47%

is the percentage of State municipalities served by Banrisul

97.95%

is the percentage of the State population served by Banrisul

98.31%

is the percentage of State GDP represented by Banrisul's clients



Inside the Central Branch

### MOBILE UNIT

Another important initiative was the creation, in April 2011, of the Mobile Business Unit, which is designed to bring services to customers in locations that lack a bricks-and-mortar banking structure. Armed with laptops with Internet access, branch staff visit clients and participate in events and fairs.

The Mobile Unit began as a pilot project in Canoas (in the metropolitan region of Porto Alegre), for the opening of the Ulbra University Hospital payroll, and in Santa Maria (in the central region of the State), in partnership with the Urban Transport Association to provide university accounts and credit cards. The first company covered was Falgatter, a metallurgical firm and client of the Cachoeirinha branch (also in the metropolitan region of Porto Alegre).

Currently, the Mobile Unit is being widely used by branch staff in activities that further optimize Banrisul's services in order to ensure more satisfied clients.

### ACCESSIBILITY

In 2011, the Bank created the Banrisul Accessibility Project, whose goal is to ensure access to the branches for people with special needs.

The project seeks to promote accessibility for people with disabilities or reduced mobility,

by removing physical barriers and obstacles and improving customer communications.

During the year, the Bank developed several initiatives to facilitate access to its services for people with disabilities. One such measure was to allow clients to block or cancel their checking account cards via ATMs, thus meeting demand from the elderly and hearing-impaired, as well as clients who have lost their card or had it stolen.

Also in 2011, the Bank trained 591 employees from 250 branches in Libras (Brazilian Sign Language) in order to improve service for people with hearing and speech disabilities, and will train more staff in 2012. Banrisul also has a Speech and Hearing Center to support the Ombudsman's Office and the Customer Relations Unit, in compliance with the legislation. However, in 2011 no clients accessed the Center.

The Banrisul portal is equipped with keyboard shortcuts for people with motor disabilities and resources for voice navigation for the visually impaired. This resource is also being developed for internet banking access.

Banrisul has implemented several initiatives to foster financial education in different areas of the institution – Government, Banrisul Corretora, Credit, Microcredit, Third-Party Assets and People Management. These include training service staff to advise clients on the products and services best suited to their profile and income. The Bank also holds a series of lectures with public administrators, clients, and various agents from society as a whole.

In 2011, the Santo Augusto branch held the 1st Financial Education Seminar, which was supported by the Municipal Education Secretariat and was attended by 650 students from local schools. The lectures were given by employees of the Northwest Superintendency and Banrisul Corretora analysts.

The Bank has also developed a series of initiatives to help people administer their personal finances. One such was implemented by the Azenha branch, which, in association with the Government and Mortgage Loan Units, gave a lecture on financial education at Federal Police Headquarters in Porto Alegre. The meeting included information on financial planning, family budgeting, children's education, and investments. The officers were also advised on home acquisition through mortgages offered by the Bank. **GRI FS16**

### SPREADING KNOWLEDGE

In line with this process, Banrisul Corretora has promoted a series of lectures on the Capital Market, with an emphasis on equities. Every last Wednesday of the month, it opens its doors to inform any interested member of the public about the nature of this market and how it operates. These lectures are free of charge.

The general public can also take advantage of the "Onde Investir by Lopes Filho" ("Where to Invest by Lopes Filho") bulletin on Banrisul Corretora's website, which contains a wide range of information, including an Investor's Guide, and explanations of frequent doubts concerning taxation, custody, the options market, and shareholder payments.

Another important initiative was the agreement entered into in 2011 with the Federal University of Rio Grande do Sul (UFRGS) to offer students a Capital Market extension course explaining the segment's instruments, which was given by professionals certified by the brokerage house. There were six classes of four hours each, held at the University's headquarters, giving 24 class-hours in all, in which students were able to experience, in a practical, entertaining and educational way, how the equities market operates. The first class comprised 30 students who received an extension course certificate from UFRGS **GRI FS16**

**The Bank has sought to include the principles of sustainability in some of its products and services through banking inclusion, financial education, microfinance, ethical investment and governance initiatives.**

In the infrastructure area, the Company signed a TAC (Term of Conduct Adjustment), given that only 1% of its branches and service points were in full conformity with the accessibility law in 2010.

Following the receipt of notifications, especially from the Central Bank, Banrisul redefined its planning and reduced the time needed to adapt its facilities. In addition, since June 2011, accessibility features have been built in to all new branches as well as the upgrading, modernization and relocation of existing ones.

**GRI FS14**

The necessary adjustments include the following:

- › clearly-labeled preferential seating;
- › seats for waiting;
- › tailored service furniture;
- › special pick-up and drop-off area;
- › specific service area;
- › rota acessível (rampas) e plataformas;
- › access ramps and platforms;
- › specially-adapted bathrooms;
- › disclosure of priority service rights;
- › accessible ATMs;
- › visual and tactile signs.

## Banking inclusion

MUNICIPALITY	2010			BANRISUL SERVICE POINTS
	TOTAL	MEN	WOMEN	
André da Rocha	1,216	620	596	PAA
Arambaré	3,693	1,854	1,839	PAA
Arroio do Sal	7,740	3,833	3,907	BRANCH
Barra do Quaraí	4,012	2,128	1,884	PAA
Capela de Santana	11,612	5,848	5,764	BRANCH
Caraá	7,312	3,798	3,514	BRANCH
Carlos Gomes	1,607	834	773	PAA
Cruzaltense*	2,141	1,101	1,040	PAA
Dilermando de Aguiar	3,064	1,579	1,485	PAA
Dom Pedro de Alcântara	2,550	1,341	1,209	PAA
Fazenda Vilanova	3,697	1,856	1,841	PAA
Forquetinha*	2,479	1,265	1,214	PAA
Garruchos	3,234	1,682	1,552	PAA
Minas do Leão	7,631	3,778	3,853	BRANCH
Pinhal da Serra*	2,130	1,110	1,020	PAA
São Vendelino	1,944	994	950	BRANCH
Tabaí	4,131	2,102	2,029	PAA
Tavares	5,351	2,777	2,574	BRANCH
Três Forquilhas	2,914	1,512	1,402	PAA
Vale Verde	3,253	1,652	1,601	PAA
<b>Total Population</b>	<b>81,711</b>	<b>41,664</b>	<b>40,047</b>	

Source: IBGE, 2010.

PAA = Advanced Service Point

Note: The above group was responsible for 1,778,851 transactions in 2011. Seventy-six electronic service points (PAEs) were installed in 2011, recording 888,170 transactions by year-end.



Employees are trained to advise clients on the financial products and services that are most suited to their profile and income level

### TRAINING YOUNG ENTREPRENEURS

Barrisul also offers classes for youngsters in the Outreach Project (for more details, see the Main environmental initiatives section), including the Junior Achievement Program, which provides participants with hands-on experience of managing a mini-company, focusing on production, people, marketing, and financial management. [GRI FS16](#)

### ENHANCING STRATEGIES

In 2012, the Bank intends to strengthen relations with municipal governments and extend its lectures to the communities identified by the State Government's Peaceful Territories Program, in order to provide financial management assistance and general guidance to micro-entrepreneurs installed in socially vulnerable areas. This operation, initiated in 2011, is conducted through solidarity groups composed of up to five people with business activities that unite and endorse each other. [GRI FS16](#)

### BNDES partner

As a financial agent of the BNDES, Barrisul follows the latter's funding policy, which seeks to support projects that have a direct impact on improving the living conditions of the Brazilian population, providing lines of credit that benefit entrepreneurs, helping expand health and education services, and reducing regional inequalities.

Compliance with social rights is absolutely essential for the approval of BNDES funding and carries the same weight as the financial and economic requirements. The BNDES seeks to maximize the positive social impacts of the projects it finances, such as the generation and maintenance of jobs and boosting local development, in addition to considering the preservation, conservation and restoration of the environment as essential conditions for humanity.

For these reasons, the BNDES prioritizes the funding of projects related to sanitation, sewage collection, the appropriate disposal of solid waste, and energy efficiency, among others. The BNDES Emergency Reconstruction Program (BNDES PER) specifically encourages the resumption of economic activity in municipalities affected by environmental disasters.



## BNDES Cards

BANK	NUMBER OF BRANCHES	CARDS 09/30	CARDS 12 /30	PRODUCTION IN THE PERIOD	CARD PER BRANCH 4 <sup>TH</sup> QUARTER
Banrisul	440	1.215	3.124	1.909	4,34
Banco 2	5.060	301.893	321.246	19.353	3,82
Banco 3	3.676	128.603	135.131	6.528	1,78
Banco 4	2.400	983	1.887	904	0,38
Banco 5	2.207	25.845	26.584	739	0,33

In 2011, the BNDES made available R\$871.6 million to Banrisul, R\$158 million of which was onlent to micro and small businesses, R\$101.8 million to medium-sized and large businesses, and R\$113.8 million to operations handled by the Rural Business Unit, totaling R\$373.6 million in all. [GRI FS1, FS2](#)

### CREDIT CARD

Banrisul is a partner of the BNDES credit card, an instrument that has democratized access to funding for businesses with annual revenue of up to R\$90 million for the purchase of machinery and equipment. In the last quarter of 2011, according to the Development Unit, Banrisul generated an average of 4.34 cards per branch, occupying a leading position in regard to the volume of cards generated by major public and private financial institutions. To date, Banrisul has issued 3,000 cards.



# 4

-----  
SOCIAL AND ENVIRONMENTAL DEVELOPMENT

82  
-----



The Bank develops initiatives that include reducing the consumption of water and electricity, investing in environmental protection and ensuring compliance with social and environmental requirements when granting specific loans

# Social and environmental investments

82

In 2011, the Bank allocated more than R\$15 million to projects designed to improve the sewage system. The resources come from a basic sanitation financing line, for which Banrisul is an onlending agent.

Four Rio Grande do Sul municipalities – Novo Hamburgo, Caxias do Sul, Pelotas and Torres – are benefiting from this line. Disbursements, which should exceed R\$132 million by the end of the project, take place in stages and in accordance with the development, inspection and conclusion of the works.

## **WIND FARMS**

At the end of March 2011, Banrisul entered into agreements totaling R\$22 million with two companies for the construction of two wind farms in the metropolitan area of Porto Alegre with a joint capacity of 48MW. This amount corresponds to the Bank's total contribution to both projects. The funds will be disbursed in line with each stage of the construction and installation process.

This was not Banrisul's first experience of clean energy generation projects. In 2005, it invested R\$20 million in a consortium of six banks for the construction of the Osório Wind Farm, comprising 75 2,000 KW wind turbines, giving a total capacity of 150 MW, corresponding to 424,957 MWh/year, making it the largest wind farm in Brazil and the second largest in the world at that time.

## **ENERGY**

Despite the increase in the number of branches and service centers, Banrisul's efforts to reduce power consumption have led to a 1.7% reduction over the past two years.

The energy consumed by the Bank is acquired from public concessionaires through the National Interconnected System. According

**Banrisul's initiatives seek to include the three pillars of sustainability: economic, social and environmental**

## Funds allocated

(%)

MUNICIPALITY	SEWAGE TREATMENT BEFORE THE WORKS	SEWAGE TREATMENT AFTER THE WORKS
Novo Hamburgo	17	68
Caxias do Sul	15	86
Pelotas	26	78
Torres	30.36%	37.16%

## Indirect energy consumption (GJ) GRI EN4

(GJ)



Source: Banrisul

## Non-renewable energy consumption GRI EN3

(GJ)

	2009	2010	2011
Gasoline	2,499,757,510.80	2,795,910,923.30	2,728,816,120.80
Diesel <sup>I</sup>	9,722.43	15,151.47	16,199.08
Lubricating oil	3,215,633.00	3,728,135.00	17,954,355.00
Ethanol <sup>II</sup>	54,115,418.00	10,485,839.00	6,179,971.00
<b>Total</b>	<b>2,557,098,284.23</b>	<b>2,810,140,048.77</b>	<b>2,752,966,645.88</b>

<sup>I</sup> Supply of four trucks and five Sprinter vans.

<sup>II</sup> Consumption by one executive officer's car only.



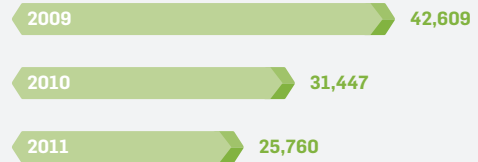
## Innovation

A survey of average hourly temperatures has been carried out for the last five years in the Porto Alegre region, and the climatic conditions permit the adoption, for at least 40% of the time, of a free cooling solution for the Data Center.

Free cooling basically consists of filtering and using cold external air to cool the Data Center, thereby reducing the need for air conditioning systems. Although this technology is already being used in other countries, Banrisul may be the first company in Brazil to deploy it, generating higher electricity savings and substantially increasing the energy efficiency of its installations.

### Water consumption by source <sup>1</sup> GRI EN8

(m<sup>3</sup>)



Source: Banrisul

<sup>1</sup> Municipal supply or from other supply companies.

to the 2011 National Energy Balance, approximately 86% of the power available in this system comes from renewable sources. <sup>GRI EN4</sup>

The Bank's trucks, vans and cars also consume gasoline, diesel and ethanol. In 2011, the fleet consumed 16,199 GJ of diesel and 6,179,971 GJ of ethanol. Lubricating oil is also used in vehicle engines.

The reduction in power consumption was due to the replacement of computer equipment with more energy-efficient models and of conventional lightbulbs with LED bulbs, as well as building renovations that culminated in more efficient air conditioning and lighting systems.

There is also the Banrisul Energy Program (Progeb), which aims to reduce energy consumption and expenses. Between 2004 and 2010, Banrisul generated savings of 48,085.24 GJ, corresponding to R\$5.6 million and equivalent to one month's consumption per year. In 2010, even though the addition of three branches and 63 service points meant higher power consumption, the Bank generated savings of R\$90,000 over 2009.

Banrisul also promotes internal and external campaigns on rational electricity use. In 2012, it aims to monitor the reduction in consumption due to these and other initiatives,

reformulate Progeb, tender the construction of a new Data Center, and acquire video and audio conference equipment. <sup>GRI EN5</sup>

In order to streamline data transmission and banking operations, Banrisul will replace its Data Center with a new facility using green construction criteria. The works are scheduled to begin in the first half of 2013. Initially, the Data Center will meet the needs of the Bank only. In the meantime, servers have been virtualized and some items of equipment have been replaced. <sup>GRI EN6</sup>

### WATER

In 2011, Banrisul consumed 25,760 m<sup>3</sup> of water in its General Management, Asset Management and Engineering administrative buildings, 40% less than in 2009, due to a series of initiatives adopted by the organization.

These involved a new data systematization with daily consumption control, allowing anomalies to be identified more rapidly; the adjustment of water valves; the installation of flow reducers in sink taps; adjustments to the buoys in building water tanks; and awareness raising initiatives for employees. <sup>GRI EN8</sup>

In 2012, Banrisul intends to implement a tool that will control water consumption in the branch network.

## Total environmental protection investments and expenses GRI EN30

(R\$)

ENVIRONMENTAL MANAGEMENT EXPENSES	2009	2010	2011
Waste Treatment and Disposal <sup>I</sup>	43,324	49,277	48,222
Education and Training <sup>II</sup>	n/d	n/d	61,090
Overheads with Environmental Management <sup>III</sup>	8,478	25,419	143,069
<b>Total<sup>IV</sup></b>	<b>51,802</b>	<b>74,706</b>	<b>252,381</b>

**I** 2,274 **fluorescent lamps** in 2011 – amounts invested: R\$2,347.18 (2009); R\$4,561.00 (2010); R\$3,443.90 (2011); 8 m<sup>3</sup> of **organic waste** in 2011 – amounts invested: R\$27,970.05 (2009); R\$34,388.85 (2010); R\$37,161.99 (2011); **batteries** – 1,963kg – investments of R\$13,007.08 (2009); 1,987kg – investments of R\$10,327.07 (2010); 999kg – investments of R\$7,615.71 (2011).

**II** Registration, transport, accommodation and food expenses from participations in sustainability-related courses, seminars, forums and lectures (3rd International Forum on Solid Waste; Course on the National Solid Waste Policy; Sustainability Agents Training Meeting; meetings with employees to raise awareness on waste disposal; Febraban

meetings; visits to Polutec – Paris, France; Sipat – Internal Prevention of Occupational Accidents Week; Brasília Sustainability Forum; 5th Social Responsibility Seminar in Rio de Janeiro).

**III** Preparation of exhibitions (Amazônia Azul, Mostra Arte Parque Tancredo Neves), Agitação Project, Outreach Project, JardimAção Project, Solidarity Day and other volunteer activities; Recycling Workshops; Banribike Program; Seeds Project; and advisory services for training in GRI.

**IV** There were no expenses related to emissions treatment or impact remedies.

### ENVIRONMENTAL PROTECTION

In 2011, Barrisul invested R\$252.381 million in environmental protection initiatives, as shown in the above table.

### HEALTH

In 2001, Barrisul freed financing of more than R\$20 million for philanthropic hospitals in Rio Grande do Sul through Funafir (State Hospital Support and Recovery Program), in addition to the R\$70 million already disbursed, giving a total of R\$90 million.

Payment is in up to 48 months (36 installments and a 12-month grace period) and 50% of the interest is paid by the State Finance Department. The credit line was created in conjunction with the State Health Department and the Santa Casa Federation. The special conditions are intended to facilitate management of the institutions, as the funds are used to finance working capital and hospital maintenance.

### SOCIAL AND ENVIRONMENTAL REQUIREMENTS

Barrisul meets BNDES requirements (analysis of licenses, permits, declarations, etc.), when verifying the scope and validity of the formal documentation of clients requesting funding

(preliminary licenses, installation licenses, operational licenses and disclaimers).

In certain specific credit lines (Finame, Rural Credit and Mortgage Loans), monitoring procedures are in line with the regulations of the BNDES, the State Environment Department (Sema) and the State Environmental Protection Foundation (Fepam) and consist of visits to the companies by business managers as well as by the engineers who are responsible for inspecting projects funded by the Bank. GRI FS2, FS3

These regulations establish different criteria for each type of investment (*for more details, see the Criteria adopted box*).

Barrisul also complies with Law 6938/81, which requires funding agencies to condition the approval of projects entitled to these benefits on the presentation of the due licenses and compliance with the regulations, criteria and standards required by the National Environment Council (Conama) and the State Environment Council (Consema).

Should any client be convicted of sexual or racial discrimination, the use of child or forced labor, psychological or sexual harassment, or crimes against the environment, the funding may be suspended immediately.

## Credit

Risk analysis and management in regard to Banrisul's loan operations are guided by a selective, conservative approach in line with the strategies defined by the Bank's administration and technical areas.

Banrisul has various products and services that provide an environmental benefit. CDC Sustentabilidade, for example, provides consumer financing for drivers who wish to convert their car to natural gas, while Saneamento Básico BNDES and Saneamento Básico FGTS are geared towards basic sanitation and the correct disposal of industrial, commercial, household and hospital solid waste. <sup>GRI FS8</sup>

The adjacent table gives a complete list of Banrisul's environmental products and services:

## Microcredit

The result of a partnership between the State Government and Banrisul, the Rio Grande do Sul Microcredit Program was launched in August 2011, aimed at micro-entrepreneurs located in the state. The aim of the program, which is assisted, progressive and self-sustaining, is

## Environmental products and services <sup>GRI FS8</sup>

	MONETARY VALUE	NUMBER OF OPERATIONS
CDC Sustentabilidade	8,420,00	2
Saneamento Básico – BNDES <sup>I</sup>	1,186,310,67	1 <sup>III</sup>
Saneamento Básico – FGTS <sup>I</sup>	15,321,470,26	14 <sup>III</sup>
BNDES Automático <sup>II</sup>	307,868,20	6
Pronaf – Custeio	100,958,468,97	8,422
Pronaf – Investimento	1,784,825,57	139
Pronaf Mulher	178,189,00	5
Convencional	8,496,393,79	487
Agroecológico	48,842,00	1
Mais Alimentos	56,983,052,44	1,231
Eco Solol	427,931,20	44
Agroindústria PF	243,368,58	6
Agroindústria PJ	3,487,417,70	3

<sup>I</sup> Projects involving sanitation and the disposal of industrial, commercial, household and hospital solid waste; sewage collection networks with adequate final disposal; and sewage treatment systems.

<sup>II</sup> Investment projects in the implementation of small hydroelectric plants (SHPs) and wind farms.

<sup>III</sup> Amounts disbursed in 2011.





JardinAção – PET Bottle Workshop is one of the various environmental protection projects in which Bannisul invests



## Criteria adopted

**Investment in projects whose main raw material** is wood, provided that this wood comes from planted forests or from native forests, subject to the existence of a Sustainable Forest Management Plan approved by the relevant environmental agency, and Forest Certification or Chain of Custody Certification, issued by an independent agency of public credibility.

**Investments in projects associated with the exploitation of primary vegetation** or native species, subject to the existence

of a Sustainable Forest Management Plan approved by the relevant environmental agency, and Forest Certification issued by an independent agency of public credibility.

**Investments related to planted forests,** made by beneficiaries or integrated farmers linked to their forestry investment programs, subject to environmental licensing by the relevant agency.



88

In just four months, over 700 entrepreneurs have participated in the Rio Grande de Sul Microcredit Program

Opportunity Agents visit the client, conduct a social and economic survey, and provide advice on the potential of the project and the ideal type of loan



## Financeable items

**Working capital** The purchase of goods, raw materials and inputs for production.

**Fixed investments** The purchase or repair of machinery and equipment and the improvement and expansion of facilities used by micro and small business, as well as the purchase or repair of vehicles or motorcycles used in the business.

**Mixed** Working capital and fixed investments.

to encourage entrepreneurial initiatives by individuals and companies with formal or informal activities, who want to open, expand or obtain working capital for a small business and who do not have access to traditional credit lines.

By the end of 2011, R\$3 million had been disbursed to more than 700 micro-entrepreneurs.

This number is still small as this is a new portfolio through which microcredit institutions can reach final borrowers. However, the program's prospects are excellent, given strong upward mobility in Brazil, lifting millions of Brazilians from the poverty line into the emerging middle class. And entrepreneurship is one of the protagonists of this transition.

By the time this report was completed, the program was present in 76 municipalities. The aim is to strengthen relations with these communities through concrete actions that promote their development.

### MONITORING

Microcredit operations are implemented by municipal governments and microfinance institutions registered with the Ministry of Labor and Employment, including Civil Society

Organizations of Public Interest (Oscips) and Credit Cooperatives or Micro-entrepreneur Credit Associations (SCMs), whose employees, known as Opportunity Agents, visit clients to grant microloans and provide advice during the credit term.

Unlike traditional loans, in this type of operation, Banrisul interacts with clients through the Opportunity Agents, who conduct a social and economic survey, talk with the entrepreneurs, develop an understanding of what they want, and advise them on the potential of the project and the ideal type of loan. Agents are trained and certified by the Brazilian Micro and Small Business Support Service (Sebrae) and revisit clients every two months in order to monitor the operation.

### TIMELY REPAYMENT

A key factor for measuring the quality of a microcredit portfolio is the timely repayment rate – the higher it is, the more likely volume is to move up. In this program, 99% of clients pay their installments on time.

## Funding limit

(R\$)

	MINIMUM AMOUNT	MAXIMUM AMOUNT
Working capital	R\$100.00	R\$10,000.00
Fixed and mixed investments	R\$100.00	R\$15,000.00

## Advantageous terms and rates

CREDIT	TERM	MONTHLY RATE	ANNUAL RATE
R\$100 to R\$15,000	4-24 months	0.64%	8%

## Profile of participants

(%)

### Gender



### Activity



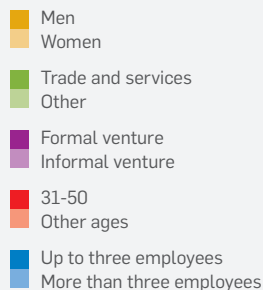
### Constitution



### Age group



### Number of employees by company



Source: Banrisul

## Rural credit

Banrisul's origin is inextricably linked with the history of rural funding in Rio Grande do Sul. Banco do Estado do Rio Grande do Sul was created in the late 1920s, following regional farmers' demand for a bank they could rely on to protect their activities, using their land as collateral for loans.

Since then, Banrisul has been an active partner in the development of agribusiness, the natural vocation of the state.

In 2011, dialogue with farmers became even more intense, making the rural credit portfolio, which promotes the social and economic development of rural communities, a management priority.

As a result, 2011 was marked by a series of initiatives, including the restructuring of the Rural Business Unit, the flexibilization of competencies, the equipping of branches for this type of credit, the bringing forward of the opening funding date for the summer harvest by up to 30 days, and the Bank's stronger presence in agricultural shows.

The Bank also invested in qualification, training 300 employees in specific agribusiness credit products, and joint action with the state government, resulting in programs such as More Sheep in the Field (Mais Ovinos no Campo).

These measures have helped improve the fluidity of this type of funding, which is intended for agricultural and livestock activities, the processing and sale of agricultural products, and the acquisition of equipment, among others, reflecting the Bank's excellent performance in this segment in 2011.

The balance of rural credit totaled R\$1.7 billion, 32.77% more than in 2010, involving 49,249 loans, up by 37.20%

Around 20% of this volume went to family farmers, a category which is gaining increasing importance in rural Brazil and attracting Banrisul's attention. In Rio Grande do Sul, there are over 4,000 family agribusinesses, a segment the Bank has been working with more and more in order to disperse credit.

In 2012, Banrisul expects rural credit to increase by around 30%.

### AGRICULTURAL FAIRS

Banrisul took part in 194 agricultural shows in Rio Grande do Sul, the most important of which being Expointer 2011, in which it received funding proposals totaling R\$46.8 million, mainly fueled by increased demand for tractors and harvesters through the National Program for the Strengthening of Family Agriculture (Pronaf), More Food (Mais Alimentos), and

Finame Agriculture – Investment Support Program (ISP).

Expodireto Cotrijal 2011, held in Não-Me-Toque in Rio Grande do Sul, is also worth mentioning. Farmers' funding requests at this event, one of the most important of its kind in South America, came to R\$35.4 million, 52.86% up on the previous year.

All in all, 519 financing proposals were received, 363 of which from family farms and 156 from agribusiness. The most popular items of equipment were planters, sprayers, tractors, milking machines and coolers.

Market prices of the main agricultural products at the time and Bannrisul's new rural credit policy also played a decisive role in increasing the volume of business. Family farming alone accounted for 56% of the total value of requests.

The equipment was purchased through financing lines with resources transferred from the BNDES, such as Finame Moderfrota and the National Program for the Strengthening of Family Agriculture (Pronaf Convencional, Mulheres, and Mais Alimentos).

Bannrisul also provided a credit line with its own resources for new machinery and equipment purchases, with maximum funding of R\$200,000 (limited to 80% of the value of the product), interest rates of 6.75% p.a. and payment in between two and five years with no grace period. Funding from Poupança Rural financed up to 100% of the equipment purchase price, but was limited to R\$20,000 per farmer.

### **MORE SHEEP IN THE FIELD (MAIS OVINOS NO CAMPO)**

In 2011, Bannrisul and the State Agriculture, Livestock and Agribusiness Department signed an agreement for funding the retention and acquisition of sheep breeding stock. The lines of credit are intended for farmers through the Sheep Breeding Development Program "More Sheep in the Field", which aims to increase the total number of sheep and encourage production of better-quality meat and wool. Around R\$30 million was disbursed over the year, resulting in the retention or acquisition of approximately 150,000 head.

The limit per farmer is R\$130,000 and interest rates range between 2% and 5.75% p.a. All females aged up to six months and 80% of animals aged over six months qualify for the program.

The Bank also operates lines of credit for the purchase of breeding stock with interest rates of between 1% and 6.75% p.a. through the Pronaf, the National Support Program for Medium-Sized Rural Producers (Pronamp) and Enterprise (Empresarial).

---

## **Mortgage Loans**

Bannrisul operates in the housing segment through mortgage loans. In 2011, this portfolio became a Bank priority, helping to generate income and reduce the housing deficit.

At year-end, the home-ownership mortgage portfolio totaled R\$1.7 billion, R\$750 million of which had been added in 2011 alone, permitting the construction and acquisition of 4,500 homes.

Given the favorable economic scenario, the buoyant sector and prospects of increased demand for housing, together with the Bank's intention of playing an even stronger role in fostering the region's development, Bannrisul created the Mortgage Unit, which had previously been part of the General Credit Unit.

A specific program was also developed for state civil servants in general administrative positions and announced at the beginning of Civil Servant Week, facilitating their access to home ownership. The loans were highly advantageous, with interest rates starting at 7.8% p.a. and financing of up to 100% of the value of the property over up to 30 years, conditions unmatched in the market.

The Bank's commitment to developing the property market was also reflected in its partnership agreement with the Rio Grande do Sul Construction Cooperative (Coopercon-RS), through which it undertook to finance building works by the cooperative's 67 affiliates. The agreement also envisages special conditions for the funding of production, infrastructure and land acquisitions, as well as for the individuals who acquire the properties built by the affiliates.

With initiatives such as these, Banrisul plays a key role in Brazilian society and the economy, using its financing to enable the exercise of citizenship, given the huge importance of owning a home. Not only does it help transform lack of housing into demand for property, but it also promotes the progress and expansion of the economy by creating opportunities for jobs and income, mobilizes other sectors of industry, and influences the real estate and goods and service markets.

---

## Investments

According to the annual financial statements, Banrisul closed 2011 with managed third-party assets totaling R\$6.6 billion, 9.95% more than at the end of 2010.

The Bank currently manages 26 investment funds. On the sustainability front, it offers the Banrisul Corporate Governance Equity Fund (Fundo de Ações Banrisul Governança Corporativa), which ended the year with total assets of R\$1.8 million.

In accordance with the institution's social and environmental policy, the Third-Party Asset Management Unit is constantly striving to develop new analysis and management procedures based on social and environmental aspects, as well as adapting the portfolio products to reflect these concepts.

### BANRISUL CINEMA

Banrisul promotes movie production in Rio Grande do Sul through Banrisul Corretora, which is responsible for Banrisul Cinema, which in turn fuels investments through the placement of Audiovisual Investment Certificates, whose proceeds are used to fund the production of national films.

Banrisul Cinema has helped more than ten projects reach the screen, carrying the brands of investors who, like Banrisul, believed in their potential.

The program ended the year with 16 films in its funding portfolio, totaling R\$20.91 million at year-end. During the period, the film *Espia Só* achieved total financing.

In the 14 years of Banrisul Cinema, it has funded several films that have been box-office and won awards in Brazil and abroad, most notably *O Homem que Copiava* (*The Man who Copied*), *Tolerância* (*Tolerance*), *Houve uma Vez Dois Verões*, (*Two Summers*) and *Diário de um Novo Mundo* (*New World Diary*).

# R\$1.7 bn

was the total amount of resources in the home-ownership mortgage portfolio in 2011

## Portfólio

FILM	AMOUNT APPROVED BY THE CVM
<i>A Casa Elétrica</i>	R\$2,000,000
<i>A Cidade dos Piratas</i>	R\$1,850,970
<i>A Velha dos Fundos</i>	R\$277,120
<i>As Aventuras do Avião Vermelho (second issue)</i>	R\$149,430
<i>Bonifácio</i>	R\$993,600
<i>Colorado</i>	R\$800,000
<i>Espia Só</i>	R\$557,630
<i>Fuga em Ré Menor para Kraunus e Pletsckaya</i>	R\$3,000,000
<i>Insônia</i>	R\$675,670
<i>O Carteiro</i>	R\$2,336,050
<i>Paradeiro</i>	R\$360,890
<i>Porteira Fechada</i>	R\$500,000
<i>Referendo</i>	R\$485,430
<i>Super Tinga</i>	R\$610,270
<i>Utopia</i>	R\$2,000,000
<i>Os Senhores da Guerra (part ii)</i>	R\$916,060

# Reading this report

Faced with the challenge of meeting sustainable development requirements, Banrisul has published its first Sustainability Report, replacing the previously published Social Balance. Reinforcing the Bank's commitment to the adoption of socially and environmentally responsible practices, the report was based on the guidelines of the Global Reporting Initiative (GRI) and was self-declared as **level C**. All indicators and data mentioned refer to operations in all areas of the Bank. [GRI 2.9, 3.7, 3.8](#)

The published data refer to 2011 and were ascertained through 18 face-to-face and telephone interviews with Banrisul executives. Although the Bank has not yet drawn up a materiality matrix, in its first reporting process it did undertake a survey of the indicators to be responded to, in accordance with the guidelines set forth by the GRI. Based on this, a working group was created to establish and map the issues that were dealt with, selected in accordance with the institution's sphere of activity. This report is intended for clients, suppliers, employees, shareholders, government, the community and society as a whole. [GRI 3.1, 3.5, 3.6](#)

Information on the report can be obtained from Banrisul's Strategic Social and Environmental Management Group via email at [socioambiental\\_dg@banrisul.com.br](mailto:socioambiental_dg@banrisul.com.br). [GRI 3.4](#)

Equity income from the Company's investments in subsidiaries and branches abroad ended the year at R\$40.982 million, equivalent to slightly more than 3% of its consolidated operating income and 4.5% of its consolidated net income, with very little effect on period comparability. Certain indicators, such as LA1, LA7 and LA10, use data measurement techniques and calculation bases, including technical hypotheses, that sustain the estimates applied to the compilation of indicators and other information in this report.





Self-service facility at a Banrisul branch



## Statement GRI Application Level Check

GRI hereby states that **BANRISUL** has presented its report "Sustainability Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level C.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 17 July 2012

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a large, faint watermark of the GRI logo in the background.

Nelmara Arbex  
Deputy Chief Executive  
Global Reporting Initiative



*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 13 July 2012. GRI explicitly excludes the statement being applied to any later changes to such material.









## REMISSIVE INDEX

# GRI reference list

Banrisul's GRI Sustainability Report meets the requirements for GRI 3 Application **Level C**, according to the parameters in the following table: [GRI 3.12](#)

REPORT APPLICATION LEVEL	C	C+	B	B+	A	A+
G3 Profile Disclosures	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15;		Reply to all criteria for Level C plus: 1.2 3.9, 3.13; 4.5 - 4.13, 4.16 - 4.17		Same as requirement for Level B	
G3 Disclosures on Management Approach	Not Required	<b>Report Externally Assured</b>	Management Approach disclosures for each Indicator Category	<b>Report Externally Assured</b>	Management Approach disclosed for each Indicator Category	<b>Report Externally Assured</b>
G3 Performance Indicator & Sector Supplement Performance Indicators	Report fully on a minimum of any 10 Performance Indicators, including at least one from each of: social, economic and environment. Indicators may be selected from any Sector Supplement, but 7 of the 10 must be from the original GRI Guidelines.	<b>Report Externally Assured</b>	Report fully on a minimum of any 20 Performance Indicators, including, at least one from each of: economic, environment, human rights, labor, society, product responsibility. Performance Indicators may be selected from any finalized Sector Supplement, but 14 of the 20 must be from the original GRI Guidelines	<b>Report Externally Assured</b>	Report on each core or Sector Supplement Indicator one year after the release of the final version of the Supplement.	<b>Report Externally Assured</b>

## Profile information

	INDICATOR	REPORTED	PAGE	REASON FOR OMISSION
Strategy and analysis	1.1 Statement of the organization's most senior decision-maker		4 e 5	Since this is the first reporting cycle based on GRI guidelines, there is no information available for analyzing performance in relation to meeting (or failing to meet) the targets set for the period, in addition to other items related to the Bank's strategic approach. With the creation of the Strategic Social and Environmental Management Group in late 2011 to structure its initiatives more effectively, Banrisul will be able to monitor and evaluate these issues as of 2012
	2.1 Name of the organization		10	—
Organizational Profile	2.2 Primary brands, products and/or services		10	—
	2.3 Operational structure of the organization		13	—
	2.4 Location of the organization's headquarters		10	—
	2.5 Countries where the organization operates and where its main operations are located		8 and 11	—
	2.6 Nature of ownership and legal form		8	—
	2.7 Markets served		8 and 9	—
	2.8 Scale of the organization		10, 11 and 12	—
	2.9 Significant changes during the reporting period		94	—
	2.10 Awards received in the reporting period		16	—
	Report Parameters	3.1 Reporting period for the information provided		2 and 94
3.2 Date of most recent previous report			Banrisul's 2011 Sustainability Report is the first to be published by the Bank.	—

LEGEND:  Indicator fully complied with  Indicator partially complied with

	INDICATOR	REPORTED	PAGE	REASON FOR OMISSION	
Report Parameters	3.3 Reporting cycle	●	Annual	—	
	3.4 Contact data for questions regarding the report or its contents	●	94	—	
	3.5 Process for defining report content	●	94	—	
	3.6 Boundary of the report	●	94	—	
	3.7 State any specific limitations on the scope or boundary of the report	●	94	—	
	3.8 Basis for preparation of the report	●	94	—	
	3.10 Explanation of the effect of any re-statements of information provided in earlier reports	●	Barrisul's 2011 Sustainability Report is the first to be published by the Bank.	—	
	3.11 Significant changes in the scope, boundary or measurement methods applied in the report	●	Barrisul's 2011 Sustainability Report is the first to be published by the Bank.	—	
	3.12 Table identifying the location of the Standard Disclosures in the report	●	97	—	
	Governance, Commitments and Engagement	4.1 Governance structure of the organization, including committees under the highest governance body	●	42 and 43	—
		4.2 Chair of the highest governance body	●	42	—
		4.3 Independent or non-executive members of the highest governance body	●	42	—

	INDICATOR	REPORTED	PAGE	REASON FOR OMISSION
Governance, Commitments and Engagement	4.4 Mechanisms for shareholders and employees to provide recommendations		52	So far, Banrisul has no mechanisms for shareholders and employees to provide recommendations to the highest governance body, nor is there any employee representation in the highest governance body. No issues related to economic, social and environmental performance were addressed through these mechanisms, which do not yet exist.
	4.14 List of stakeholder groups engaged by the organization		50	—
	4.15 Basis for identification and selection of stakeholders with whom to be engage		50	—





## Performance Indicators

	INDICATOR	REPORTED	PAGE	REASON FOR OMISSION
Economic Performance	<b>ECONOMIC PERFORMANCE</b>			—
	EC1 Direct economic value generated and distributed		20	—
	<b>Indirect Economic Impacts</b>			—
	EC8 Development and impact of infrastructure investments provided primarily for public benefit		34 and 54	—
Environmental Performance	<b>Materials</b>			—
	EN1 Materials used by weight or volume		33	—
	EN2 Percentage of materials used that are recycled input materials		32	—
	<b>Energy</b>			—
	EN3 Direct energy consumption by primary energy source		83	—
EN4 Indirect energy consumption by primary energy source		83 and 84	—	

	INDICATOR	REPORTED	PAGE	REASON FOR OMISSION
Environmental Performance	<b>EN5</b> Energy saved due to conservation and efficiency improvements	●	84	—
	<b>EN6</b> Initiatives to provide energy-efficient products	◐	84	—
	<b>Water</b>			—
	<b>EN8</b> Total water withdrawal by source	●	84 and 85	—
	<b>General</b>			—
	<b>EN30</b> Total environmental protection expenditures and investments by type	●	85	—
Social performance – labor	<b>Employment</b>			
	<b>LA1</b> Total workforce by employment type, employment contract and region	●	67	—
	<b>LA2</b> Total number and rate of new employee hires by age group, gender and region	●	66	—
	<b>Occupational Health and Safety</b>			
	<b>LA7</b> Rates of injury, occupational diseases and lost days	◐	68	—
	<b>LA8</b> Education, prevention and risk control programs	●	67, 68 and 69	—
	<b>Training and Education</b>			
	<b>LA10</b> Average hours of training per year	●	69	—
	<b>LA12</b> Percentage of employees receiving regular performance analysis	●	71	—
	<b>Diversity and Equal Opportunities</b>			
<b>LA13</b> Composition of governance bodies and breakdown by group and gender	●	64 and 65	—	
Human Rights	<b>Purchase process</b>			
	<b>HR3</b> Total hours of employee training on policies and procedures concerning aspects of human rights, including the percentage of employees trained	●	70	—
	<b>Non-discrimination</b>			
<b>HR4</b> Total number of incidents of discrimination and corrective action taken	●	70	—	

	INDICATOR	REPORTED	PAGE	REASON FOR OMISSION
Society	<b>Corruption</b>			
	<b>S04</b> Measures taken in response to incidents of corruption	●	47	—
	<b>Public Policies</b>			
	<b>S05</b> Public policy positions	◐	48	—
	<b>S06</b> Total value of financial and in-kind contributions to political parties, politicians and related institutions	●	48	—
Product Liability	<b>Communication and Marketing</b>			
	<b>PR6</b> Programs for adherence to laws, standards and voluntary codes	●	48	—
	<b>PR7</b> Total number of incidents of non-compliance related to marketing communication	●	48	—
Sectoral indicator of financial services	<b>Product Portfolio</b>			
	<b>FS1</b> Policies with specific social and environmental components applied to business lines	●	10 and 79	—
	<b>FS2</b> Procedures for assessing and screening environmental and social risks in business lines	◐	79 and 85	—
	<b>FS3</b> Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	◐	85	—
	<b>FS5</b> Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	◐	54	—
	<b>FS7</b> Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	●	56	—
	<b>FS8</b> Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	●	63 and 86	—



	INDICATOR	REPORTED	PAGE	REASON FOR OMISSION
Sectoral indicator of financial services	<b>Audit</b>			
	<b>FS9</b> Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures		47	—
	<b>Community</b>			
	<b>FS13</b> Access points in low-populated or economically disadvantaged areas by type		74	—
	<b>FS14</b> Initiatives to improve access to financial services for people with disabilities		76	—
	<b>Product and Service Labeling</b>			
	<b>FS16</b> Initiatives to improve financial literacy by type of beneficiary		76 and 78	—

## CREDITS

### Overall coordination

Banco do Estado do Rio Grande do Sul S/A  
Strategic Social and Environmental  
Management Group  
Rua Caldas Júnior, 108 – 4º andar – Centro  
Histórico  
90018-900 – Porto Alegre – RS – Brazil  
Telephone: +55 51 3215-2031

### Content and GRI consulting

Report Sustentabilidade

### Review

Assertiva Produções Editoriais

### Photography

Nabor Goulart (Agência Freelancer)  
Banrisul Photo Bank

### Graphic design and layout

Report Sustentabilidade

### Typeface

Flama (Mário Feliciano, 2002-2006)  
Georgia (Matthew Carter, 1993)

## CORPORATE INFORMATION

Banco do Estado do Rio Grande do Sul S/A  
Rua Capitão Montanha, 177 – Centro Histórico  
90010-040 – Porto Alegre – Rio Grande do Sul  
– Brazil  
Telephone: +55 51 3215-3232  
[www.banrisul.com.br](http://www.banrisul.com.br)



