

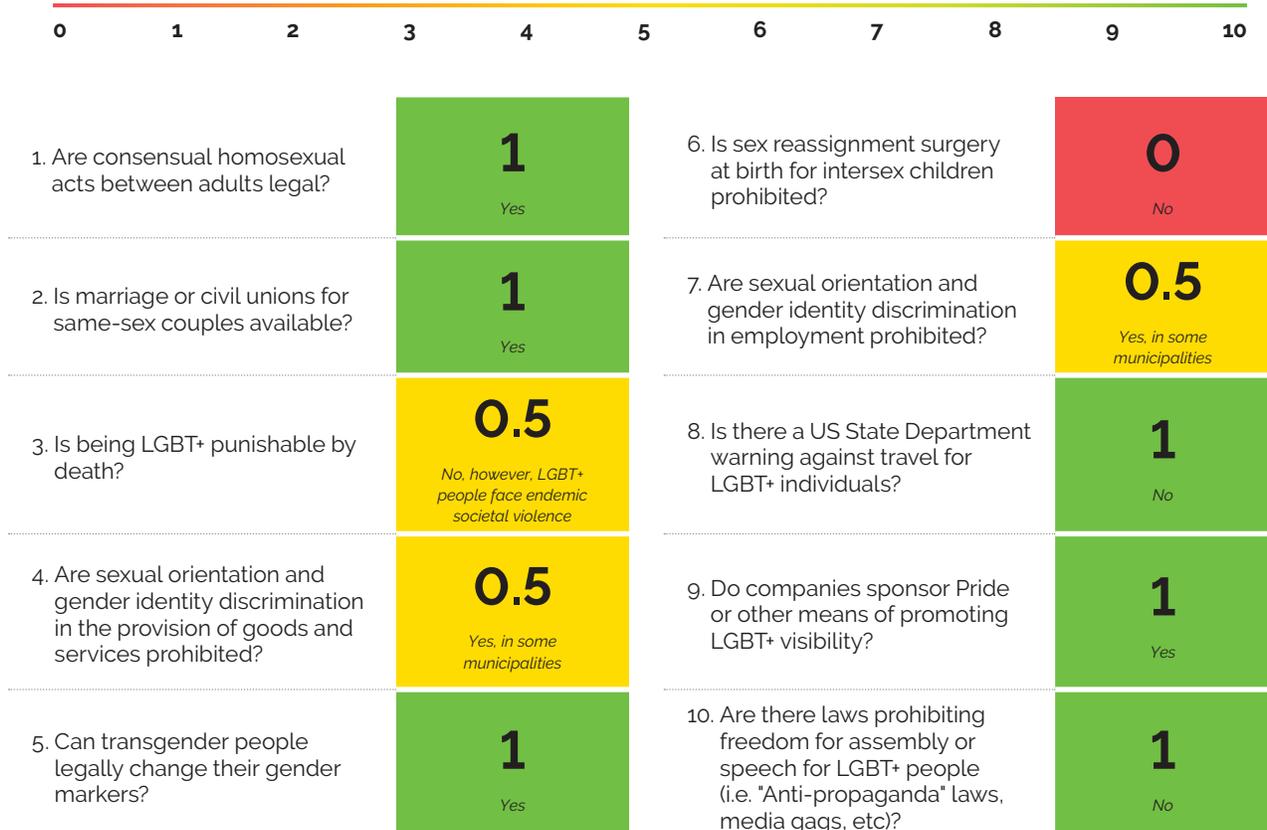


LGBT+ Business Climate Score

Out Leadership's snapshot of the current state of affairs for LGBT+ people, through the lens of international business.

The business Climate Score rating is out of ten possible points, and is based on ten independently verifiable indicators of the legal, cultural and business context for LGBT+ people.

7.5



How to Use This Brief

As a business leader, you have the opportunity to create change for LGBT+ people around the world – both within your organizations and in the countries where you do business. This brief provides valuable information to inform your conversations with:

Internal Staff: Ensure that staff at your company who do business in-country are aware of the laws and other regulations that impact LGBT+ people there, and that they've adopted the appropriate internal policies for their location.

Government Leaders: In your meetings with government leaders, particularly those focused on business expansion or diplomacy, we encourage you to bring up the information shared in this brief in an appropriate way, and help them understand how LGBT+ inclusive policies are part of your company's best practices, and acknowledged as global standards. You are the best person to judge whether you have the ability to have such a conversation with a local leader in an appropriate way. Your Government Affairs officer, Diversity & Inclusion head, or equivalent may be appropriate to include in these conversations.

In-country Business Partners: In conversations with business partners, when appropriate, ask them what they're doing to address LGBT+ inclusion, and help explain why inclusion positively impacts your ability to conduct business there.

Talking Points

"68% of Brazilian LGBT+ people experience homophobia in the workplace, reducing productivity and retention. Reviving and passing Federal Law 122/06, which would outlaw discrimination on the basis of sexual orientation and gender identity, could save Brazilian companies more than \$400 million dollars.

"Violence against LGBT+ people is endemic in Brazil. 277 LGBT+ people were murdered in Brazil in the first 9 months of 2017, according to Grupo Gay da Bahia. Meaningfully criminalizing anti-LGBT+ violence would allow me to consider locating talented LGBT+ employees in Brazil.

"LGBT+ tourists inject billions of dollars into the economy—Rio is consistently in the top five most popular cities for LGBT+ tourists. It's critical that Brazil ensures LGBT+ visitors feel safe and protected.

"Based on conservative estimates that 4-6% of the population identify as LGBT+, there are 8-12 million LGBT+ people in Brazil. Passing federal anti-discrimination laws will ensure millions of Brazilians can participate more openly and productively in the economy.

"New research shows 28% percent of Brazilians between 18-34 identify as LGB, representing a critical market for my company."



Current Legal Status of LGBT+ People

Legal Status of the Lesbian, Gay, and Bisexual Community

Same-sex sexual acts between consenting adults have been legal in Brazil, and the age of consent for homosexual and heterosexual acts has been equal, since 1831.

In 2011, the Supreme Federal Court recognized the rights of partners in same-sex unions, and in 2013 the National Council of Justice issued a resolution authorizing notaries to register same-sex unions and ruled that notary publics cannot refuse to perform same-sex marriage ceremonies. Under the Council's decision, notary publics will also be required to convert same-sex civil unions into marriages, if couples wish to do so. But in September 2016, a special commission in the House of Representatives approved a change to family law to define "family" as a union between a man and a woman. It is therefore uncertain whether protections under family law would apply to same-sex unions.

The process for the legalization of same-sex adoption began in 2010 and was finalized in 2015. Same-sex couples have successfully adopted children since.

Federal Bill 122/06, proposed in 2006, would add sexual orientation and gender identity to existing anti-discrimination bills. The bill is currently pending in the Brazilian senate.

Although some Brazilian states have outlawed discrimination based on sexual orientation, there is no federal non-discrimination law.

In the state of Rio de Janeiro, the law penalizes commercial establishments that discriminate on grounds of sexual orientation. In Brasilia the law penalizes both individuals and businesses for discrimination against LGBTI persons. In both Rio de Janeiro and Brasilia, sanctions vary from warnings and fines to the temporary suspension or termination of a business license.

A conservative resurgence in civic life, which ultimately helped lead to the impeachment of former president Dilma Rousseff in 2016, rejects these proposed reforms as an infringement on constitutionally protected religious freedoms.

LGBT+ people can serve openly in the armed forces and the police force in Brazil, but have been reported to face discrimination in these roles.

Legal Status of the Transgender and Gender-Diverse Communities

Brazil's Supreme Court recently ruled that the government can no longer require transgender people who want their name and gender marker on identification documents changed to undergo medical procedures or subject their decisions to judicial review.

Gender reassignment surgery for transgender people is technically free in Brazil, but is inaccessible to most and is not inclusive of all procedures. Candidates must be at least 18 (except in judicially authorized cases), be diagnosed as a transsexual person and undergo psychological evaluation for two years or longer, a process considered by many to be discriminatory.

Current Legal Status of LGBT+ People

Government Statements and Actions

In September 2017, a Federal District judge authorized psychologists to use unethical and harmful so-called "conversion therapy" in an attempt to alter individuals' sexual orientation. The decision flouted a resolution of the Federal Psychology Council confirming that psychologists cannot take any action that would "pathologize homosexuality."

In 2009, Brazil implemented a groundbreaking National Plan for Promotion of the Citizenship and Human Rights of LGBT people. National LGBT conferences were held in 2008 and 2011 and a National LGBT Council was established in 2010.

Despite actions like Rio de Janeiro's 2014 program to train civil police officers on the rights of LGBT+ people and the city of Sao Paulo's construction of centers dedicated to supporting victims of homophobia, the government has acknowledged that significant challenges remain in combating crimes and violence based on sexual orientation and/or gender identity.

Brazil regularly advocates for LGBT+ rights on the world stage, pushing countries with more restrictive policies to consider equality. But an evangelical resurgence in the country is helping stymie further domestic progress.

Jean Wyllys is the only openly gay congressman currently serving in Brazil's parliament. Clodovil Hernandez, who served from 2006 to 2009, was the first openly gay congressman, though he did not lobby for LGBT+ rights.

The Brazilian Tourism Ministry has actively supported LGBT+ tourism, creating incentives to encourage what some estimates value at a more than US \$100 billion market. However, there is little oversight, and homophobic and transphobic discrimination in tourism persists.

A number of proposals at city, state and national level sought to prohibit gender and sexual orientation-related issues from being included in educational materials.

Socio-cultural Environment of LGBT+ People

Status of LGBT + Organizing and Community

Brazil hosts dozens of Gay Pride Parades. São Paulo's parade is the largest in the world, attracting over 3 million people, a Guinness World Record. Sao Paulo is also home to Latin America's biggest gay club, The Week.

There are about 300 active LGBT+ organizations operating in Brazil.

A free residential shelter called CASA 1 in Sao Paulo has been established to support members of Brazil's LGBT+ community. Similar establishments are being considered and developed elsewhere in Brazil.

According to a 2014 study by Micro Rainbow International, LGBT+ people are more likely to become and/or remain poor due to stigma and discrimination they face in the labor force. At the same time, big cities are generally friendlier to members of the LGBT+ community compared to poorer, more rural areas.

Socio-cultural Environment of LGBT+ People

Cultural Views of the LGBT + Community

In May 2018, the Ministry of Human Rights established a national pact against LGBT+ violence. The ordinance came into effect immediately and was officially launched by the federal government on May 16, 2018. The federal government and ten states have already joined the agreement.

While Brazil has made some of the most progress in recognizing LGBT+ rights in Latin America, there are no laws prohibiting hate crimes, and reported rates of homophobia and violence against LGBT+ people are alarmingly high.

A disproportionate number of victims of violence in Brazil are trans women – the country is undergoing what some have called a trans murder epidemic.

Prominent LGBT+ politician Marielle Franco was assassinated in March 2018.

On 15 February 2017, transgender woman Dandara dos Santos was beaten to death in Bom Jardim neighbourhood in Fortaleza city. According to investigators, at least 12 people were involved in her murder. Five men were ultimately sentenced for her killing.

According to a 2013 global survey by Pew Research, 60% of Brazilians say homosexuality should be accepted by society, versus 36% who say it should be rejected, putting Brazil in the median for LGBT+ tolerance among the Latin American countries surveyed.

Former presidential candidate Levy Fidelix said in a televised debate in 2014 that homosexuals “need psychological care” and should be kept away from families and their children. He was then ordered to pay a fine of \$300,000 in a public civil action filed by the LGBT+ movement.

Workplace discrimination continues to plague LGBT+ workers. A study by Out Now consulting found 68% of LGBT+ workers had experienced homophobia in their workplace, and nearly 1 in 5 were the victims of LGBT+ harassment. As a result, 20% of those surveyed are completely closeted at work and 19% are only out to a few trusted people. Only a third of LGBT+ workers were comfortable enough to be out to everyone at work.



Impact of LGBT Discrimination on Business & Talent



BRAND RISK **MODERATE**

There is moderate brand risk to operating in Brazil, due to well-known levels of homophobic and transphobic violence and a lack of legal protections for the LGBT + community.

CLIENT RISK **LOW**

Brazil has taken important steps to recognize LGBT+ rights in recent years, and while homophobia and transphobia remain a problem, there is little risk of an international firm losing clients because it does business in Brazil.

TALENT RISK **MODERATE**

High rates of anti-LGBT+ violence, homophobia and transphobia in Brazil and the government's continued refusal to pass anti-discrimination legislation create challenges for companies seeking to relocate LGBT+ personnel to the country.

MARKETING RISK **LOW**

Despite significant homophobia and transphobia, there appears to be little risk to marketing to the LGBT+ community in Brazil. The LGBT+ market, valued in some estimates at over \$100 billion, has been approached cautiously by Brazilian companies.

Local Leaders Advocating for LGBT Equality

There are many openly LGBT+ activists and experts in Brazil. Out Leadership recommends:

Sabastian Rocca
Founder and CEO
Micro Rainbow International

Lucas Paoli
Itaboraphy Project Manager
Micro Rainbow International

Jaqueline Gomes de Jesus, PhD
Social Psychologist,
Race and LGBTI Specialist

Gabriel Alves de Faria
Human Rights and LGBTI Specialist

Purpose

Multinational companies face operational and reputational risk when they do business in countries where the legal and/or social atmosphere makes it difficult for LGBT+ people to live openly. Discrimination against LGBT+ people creates serious challenges for talent mobility, retention, and development.

Out Leadership's LGBT+ CEO Business Briefs seek to help C-Suite leaders understand and respond to these risks. Secondly, these Briefs seek to inform and empower corporate executives to engage in conversations with trade officials and other local stakeholders about why discrimination against LGBT+ people negatively impacts their ability to do business.



Additional Resources

2016 International Gay and Lesbian Association State Sponsored Homophobia Report

This report contains a country-by-country analysis of anti-LGBT laws and policies around the world.

2016 Human Rights Watch World Report

This report contains a country-by-country analysis of human rights concerns for 2014, and includes specific information pertinent to LGBT issues.

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