

## Vale's Social Ambition Commitments to Indigenous Peoples

Luana do Carmo Martins Andrade

Human Rights Manager / Vale S.A.

[luana.martins.andrade@vale.com](mailto:luana.martins.andrade@vale.com)

<https://www.linkedin.com/in/luana-andrade-55486338/>

Vale, headquartered in Rio de Janeiro, Brazil, and operating in 18 countries, was founded as a state-owned company in 1942, before undergoing privatization in 1997. Presently, with a workforce of nearly 235,000 individuals, including employees and contractors, Vale is a leading global producer of iron ore, pellets, copper, nickel, and a portfolio which also includes the platinum group metals (PGMs), gold, silver, cobalt, and more recently, iron ore briquettes. Alongside its mining operations, Vale manages an extensive network of logistics systems—including railroads, maritime terminals, ports, and distribution centers—which enables the delivery of its iron ore to customers across the globe. The operations extend to encompass the production of energy transition metals solutions, underscoring our commitment to sustainable practices. Directly, and through associates and joint ventures, Vale also has investments in the energy business segment.

The company has been on a Journey of Transformation since the collapse of Mariana Dam (Samarco – Joint Venture composed by Vale and BH) in 2015 and Brumadinho in 2019, both in Minas Gerais, Brazil.

### **Mariana Dam Collapse**

On November 5, 2015, the catastrophic collapse of the Fundão Dam in Mariana (Minas Gerais) released 39.2 million cubic meters of tailings into the Gualaxo do Norte River and the Doce River, affecting communities in 39 municipalities in the states of Minas Gerais and Espírito Santo. As a consequence, nineteen people lost their lives and thousands lost their livelihoods.

To lead the reparation efforts, the Renova Foundation was established in 2016 under a Transaction and Adjustment Conduct Term (or Termo de Transação e Ajustamento de Conduta – TTAC, in Portuguese), which is exclusively dedicated to the reparation process. Working through Renova and its governance bodies, Vale is committed to repairing and compensating for the impacts on society and the environment, while also improving a wide range of indicators in the affected areas.

The reparation efforts in Mariana and the surrounding region have been a complex and challenging mission due to the vast areas affected by the dam breach and to the diverse social, cultural, and economic characteristics of the region. Besides that, the need to effectively engage stakeholders in decision-making, the licensing processes for infrastructure projects, and the challenges posed by the Covid-19 pandemic contributed negatively to the issue. As per the Transaction and Adjustment Conduct Term (TTAC), Vale is conducting a set of 42 social, economic and environmental reparation programs in the affected territories and along a stretch of river approximately 670 km in length.

It is undeniable that human losses are irreparable; therefore, Vale have been working tirelessly to fulfill the mission of repairing and compensating for the damage to individuals and territories caused

by the ruptures, through direct actions in the case of Brumadinho (MG) and through the support of the Renova Foundation.

### **Brumadinho Dam Collapse**

The failure of Dam I at our Córrego do Feijão mine on January 25, 2019 resulted in immeasurable human losses. Since then, the company have been working tirelessly to repair and compensate for the damages in a participatory process involving the affected individuals.

A wide range of reparation initiatives have been undertaken across the social, environmental, infrastructure, and safety dimensions. In addition, Vale continues to invest in initiatives aimed at developing responsible mining practices, reducing impacts, and transparently engaging with society to further mitigate risks associated with the operations.

The dam collapse resulted in 270 fatalities, including two pregnant women, with 3 victims still missing. Vale continues to engage with the families and to support the Fire Department of Minas Gerais in their search efforts.

Vale's commitment to preventing recurrence has led the company to redouble its focus on people's and dam safety by implementing stringent international standards.

The tragedies in Brumadinho and Mariana have been imperative to find solutions on how Vale can evolve its management and monitor processes for dams and tailings storage facilities as part of the company's efforts to become a more reliable operator. The whole company aspire to "never again," and have embarked on a journey of cultural transformation in which the de-risk its geotechnical structures while enhancing engagement with communities surrounding the mining operations are sought.

### **Social Performance**

Learning from mistakes and finding ways to a healthy relationship by building and maintaining respect and trust is an essential part of Vale's business model. The learning journey is connected to the ability to listen to and engage with local communities nearby our activities. Vale's Human Rights Policy is aligned with international standards such as the UN Guiding Principles on Business and Human Rights, the UN Global Compact, the Universal Declaration of Human Rights, and the principles and guidelines issued by the International Council on Mining and Metals (ICMM). The ICMM stance on Mining and Indigenous Peoples, the International Labour Organization's Convention No. 169, among others, and regulations in the countries where there are operations are also taken into account. It is undeniable that Vale is a part of and can contribute to the nearby geographies. In 2023, a new integrated model to improve local performance with communities, municipal governments, regulators, and other stakeholders in Brazil was implemented. This process entails pinpointing and reducing the risks and impacts of the operations, evaluating the needs of the neighboring communities, and determining how the development of these regions can be aided. Vale is challenged with integrating the agendas of these territories and stakeholders while implementing the operating strategy. This includes territorial development programs designed to enhance local

capabilities and foster the growth of these communities in collaboration with the government and partners.

The Social Performance Framework guides the community initiatives throughout the lifecycle of the projects, as follows:

- Respect for Human Rights is at the core. It is extended to all activities as a non-negotiable condition which requires every employee and contractor to be vigilant to prevent human rights violations.
- The relationships with communities and other stakeholders are the means by which respect and trust are built. It is through the engagement with individuals, groups, and institutions that the company manage the potential positive and negative impacts of the operations, share the company's practices, and learn how to become a better company each day, making Vale a partner in the development of the territories where operations are held.
- The company aims to go beyond the bare minimum requirements, and to manage risks and impacts to enhance its contribution to territorial development.
- Vale's social performance framework calls for company-wide engagement around reducing communities' exposure to risks and mitigating the impacts of the activities.
- Dedicated Community Relations (CR) teams are tasked with facilitating engagement with communities.

### **Indigenous Peoples and Traditional Communities**

In Brazil, the engagement strategy with Indigenous Peoples and Traditional Communities is underpinned by both the management of risks and impacts of the operations and by respect for the rights of the aforementioned populations, recognizing their cultural diversity and their unique relationship with the territory. In 2018 the engagement strategy was reviewed focusing on building and maintaining trust, supporting autonomy and resilience, contributing to mutual benefits, and promoting ethnodevelopment.

The approach is conducted by dedicated professionals with multidisciplinary experience and training in the field. Such professionals are responsible for interfacing with Peoples and Communities and for guiding business practices to ensure compliance with Vale's formalized commitments to these Peoples and Communities. Nowadays, the company engages with 30 Indigenous Peoples in Brazil, Canada, Peru and Chile. In the Brazilian territory, where most of the activities are located, 13 Indigenous Peoples and 53 Traditional Communities, such as quilombola communities, coconut breakers and artisanal fishermen are engaged. This relationship prioritizes the management of risks and impacts of the activities, a better neighborly relationship between the company's operations and these communities, in addition to shared social value.

Since the late 70's and the early 80's, when Vale initiated a relationship with Indigenous Peoples, the company has been learning and recognizing the importance of this relationship and how crucial it is to contribute to the Indigenous Peoples' rights.

Throughout that time, Vale has been investing in building capacity, increasing the number of specialized and dedicated professionals for relationships with these Peoples, improving internal process to ensure that risk and impact management, social investments and other internal processes of the company respect the rights of Indigenous Peoples, including the FPIC – Free, Prior and Informed Consent.

In recent years, agreements with Indigenous Peoples were established and significant legal issues and controversies resolved – in addition to continuing initiatives outlined in Impact Assessment, Socioenvironmental Plans and voluntary initiatives with such communities.

In 2021, although Vale has no mining activities on Indigenous Lands in Brazil, the company relinquished all its mining rights on Indigenous Lands in Brazil and has also given up requests for research authorizations and mining concessions. Vale's relinquishment is based on the understanding that mining on Indigenous Lands can only be carried out with the Free, Prior and Informed Consent (FPIC) of the Indigenous People themselves and based on legislation that adequately regulates the activity.

Currently, Vale develops activities in traditional territories in countries where regulations are in force, such as Canada, always in observance of the principles mentioned above.

In 2022 the Social Ambition Plan was launched, highlighting Vale's goal *“to be a partner company in the development of resilient communities, engaged in relevant issues to humanity and committed to sustainable mining”*. In this sense, Vale has a specific commitment related to Indigenous Peoples, *“to support all indigenous communities neighboring Vale's operations in the development and execution of their plans in pursuit of rights under the United Nations Declaration on the Rights of Indigenous Peoples.”*

By 2030 Vale's goal aims that all Indigenous Communities neighboring its operations have access to one of these 3 initiatives:

- Consultation Protocols
- Territorial and Environmental Management Plans
- Life Plans

### **Training and Material on Indigenous Rights**

In 2023 the Course on Indigenous Rights in Brazil was launched with teaching materials prepared by recognized Indigenous People and Indigenous references, such as professors Gersem Baniwa and Paulo Pankararu, an anthropologist and the first Indigenous lawyer in Brazil, respectively.

This training is a key step before the community defines which initiative will prefer to be developed: Consultation Protocol, Territorial and Environmental Management Plan or Life Plan.

This process will have the support of anthropological consultancy and specialized technical advice from the Latin American Faculty of Social Sciences (FLACSO).

### **PIPOU - The Indigenous Program for University Persistence and Opportunities**

This program is an initiative which is promoted in partnership with Instituto Sociedade, População e Natureza (ISPN), specialists in higher Indigenous education, and representatives of the Indigenous social rights movement. In 2023, PIPOU supported 100 Indigenous students from 40 Indigenous Lands and 32 Peoples. The group is present in 21 higher education institutions across Brazil, with the largest number of grant recipients being at the University of Maranhão (UEMA), the Federal University of Southern and Southeastern Pará (Unifesspa), and the University of Brasília (UnB). The main courses chosen include medicine, nursing, and social sciences. Since the beginning of PIPOU, in 2021, 11 students have graduated.

### **Conclusion**

Considering that the mining activity is finite, the company operates with mineral resources for the energy transition in a country with so many socioeconomic and environmental challenges, where basic rights are still not accessed by a large part of the population, even more so by minority groups. The company's contribution is to collaborate with Indigenous Peoples to know their rights and be better prepared to make decisions in accordance with their desires and values for this and future generations.