

Dear Investor,

January 25th, 2024 is the solemn 5-year mark of the Brumadinho upstream mining dam collapse, Brazil's worst environmental and industrial disaster that killed 272 innocent people and unleashed 12 million cubic metres of ore tailing into the surrounding areas including the Paraopeba River – a crucial tributary of the second largest river in the country.

As an investor, what expectations would you have regarding the responsible company for such a preventable catastrophe?

Vale S.A. promotes a commitment to [“full reparation of the damage caused to the people and territories affected by the dam collapse in Brumadinho”](#) and [“to become a benchmark in building safer and more sustainable mining, putting life and safety first above all else”](#).

However, five years later, the reality greatly contrasts with Vale S.A.'s commitments.

Despite the widely promoted 7 billion dollar settlement between Vale S.A. and the state of Minas Gerais, the negotiations excluded civil society and representatives of the affected communities. Besides the settlement's lack of transparency, those funds have been used for infrastructure investments in the state, such as a regional road connecting areas with mining projects, rather than visible reparations for the affected communities or the Paraopeba River decontamination that used to [provide livelihood to 200,000 people via fishing or agriculture](#).

In terms of a mining safety benchmark, [Vale manages 27 mining dams currently operating under emergency protocols](#) in the state of Minas Gerais, with 2 dams under “Level 3” threat which indicates an imminent risk of rupture. Moreover, [Vale was fined 46 million dollars](#) for failing the legal deadline to decommission all upstream mining dams by 2022, with decommission plans extending the local population's safety risks to 2035.

Regarding Vale S.A. reputation, in 2022, the Brazilian [Office of the Comptroller General \(CGU\) fined over 17 million dollars \(R\\$86 million\) for the violation of the Anti-Corruption Law](#) (Federal Law 12,846 of 2013) due to the company's interference with the Brumadinho dam inspection. In 2023, [Vale S.A. agreed to pay 55.9 million dollars to settle the Securities and Exchange Commission \(SEC\) case](#), filed in the United States, for false and misleading disclosures in public sustainability reports that assured investors that Vale's infrastructures were compliant with internationally recognised safety standards.

Under the OECD's “Guidelines for Institutional Investors” and the “Guidelines for Multinational Enterprises”, as an investor, you are expected to take action and influence your investee companies to mitigate adverse impacts on environment preservation and human rights.

**Has the Brumadinho mining dam collapse encouraged you to re-evaluate your investments in the mining sector?**

**Are you fully committed to ensuring that a tragedy like Brumadinho never happens again?**

**Would you be willing to go beyond company reports and witness the reality on the ground?**

We believe a synergy between investors, civil society organisations and local communities is urgent to steer the mining industry towards the best practices on safety standards, environmental preservation, respect for human rights and corporate accountability.

For that reason, we would like to ask you to:

- Remember this tragedy by strengthening your relationship with civil society and informing us about the status of your engagement with Vale S.A., including your set KPIs for engagement with the company;
- Join us on a 3-day Spring visit (April/May), to experience for yourself the reality in Brumadinho, Minas Gerais, Brazil.

During this visit, you will obtain first-hand insights and more clarity on Vale S.A.'s ongoing operations and planned projects by talking to affected communities and local organisations, witnessing the long-lasting environmental impacts, checking mining areas where danger is still preventable and posing any specific questions to mining experts that will accompany us.

While travel expenses are under the participants' responsibility, an English interpreter and practical information regarding travel arrangements, accommodations and local restaurants will be provided for those interested in participating.

Lastly, in preparation for this trip, **Both ENDS** will visit Brumadinho in late January to attend the memorials of the Brumadinho tragedy, prepare the program for your visit and gather essential information. In case you have specific queries or information requests, we would be pleased to hear them in advance.

For further details or to express your interest, please contact Ana Xambre Pereira at [a.xambrepereira@bothends.org](mailto:a.xambrepereira@bothends.org).

Your presence and support would be invaluable in our collective pursuit of a better future.

We genuinely hope to see you in person!

Kind Regards,

