

Communities Urgent Warning Ahead of Vale S.A.'s Annual Meeting: Stop Ongoing Abuses of People and Environment

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For Immediate Release

As shareholders in Brazilian mining giant Vale S.A prepare to gather online for the company's Annual General Meeting (AGM), communities from Brazil to Indonesia criticize the company's track record on human rights and environmental stewardship. They also point to the almost \$50 billion in mounting lawsuits against the company as a risk factor that should serve as a warning sign to investors.

Communities have tried to dialogue with investors to warn them of Vale's refusal to adhere to higher mining safety standards, to implement measures to mitigate risks from their operations, and to adequately remedy the harms already caused by the company in Brazil and abroad. In 2024, communities and their international allies invited 79 investors to visit Brumadinho, Brazil, to see Vale's impacts firsthand, however, none accepted the invitation.

Communities and civil society will participate in the AGM tomorrow and listen to the shareholders' concerns and questions regarding Vale's Management Report and Financial statements. They call on shareholders to work with impacted communities to take action on the risks raised during the meeting.

In the five years since the collapse of Vale's tailings dam in Brumadinho, which killed 272 people and unleashed 12 million cubic meters of ore tailing into the surrounding areas, the company has focused on repairing its public image. Vale [sells itself as a socially and environmentally responsible company](#), both in Brazil and abroad by claiming to have learned from the mistakes of the past, and by stating that it is committed to life, to nature and to international principles and standards of good practice and sustainability.

However, communities impacted by Vale's operations around the globe tell a different story. Communities downstream from Vale's mines continue to experience human rights abuses, environmental degradation, workers rights violations, and trauma as a result of Vale's actions.

"Communities and other stakeholders are speaking up about the ongoing Vale's social and environmental impacts, highlighting the contradictions between the narrative created by the company for investors and the reality on the ground. Investors must go beyond Vale's reports to have a full picture and must take action to hold the company accountable for the past and

ongoing damages,” said Fernanda Martins from the International Network of People Affected by Vale (AIAAV, in Portuguese), a network that brings together different stakeholders, including communities, NGOs, community-based associations, religious groups, workers, trade unionists, environmentalists, academics, and human rights defenders.

Brumadinho is not alone in facing these impacts in Brazil. Vale manages [27 mining dams](#) currently operating under emergency protocols in the state of Minas Gerais, with 2 dams categorized as at imminent risk of rupture. As a result, [hundreds of families](#) have been uprooted from their homes and there are almost one thousand families still living in temporary rented accommodations, away from their relatives, neighbors, pets and livestock, with no land to carry out their subsistence farming. As families wait, 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.

In Indonesia, communities contend Vale’s nickel mining operations provide a potential threat to the existence of rainforests, as well as the livelihoods of thousands of women living off pepper farming in Loeha Raya, Sulawesi. They also warn about the environmental impacts from water contamination at already existing operations in the area. The community has criticized Vale Indonesia for not being transparent, citing the fact they have never been given information about Vale Indonesia's nickel mine expansion plan in the Tanamalia Block.

Last year, the community in Loeha Raya had asked the shareholders of Vale Indonesia to remove the Tanamalia block, which includes more than 3000 hectares of pepper plantations, from Vale's mining concession. In addition, the block is a rainforest landscape that has essential ecological functions and is home to Sulawesi's endemic flora and fauna.

“This year, thousands of residents in Loeha are still very hopeful that Vale Indonesia's nickel mine expansion plan will not destroy the rainforest and displace the community's peppercorn plantations,” said Muhammad Al Amin of Executive Director of Wahana Lingkungan Hidup Indonesia (WALHI) South Sulawesi. “We hope that Vale and all its shareholders will respect the community's wishes to avoid conflict and greater environmental impacts.”

Vale S.A. is facing an ever increasing number of lawsuits and fines for their role in the tailings dam failures in [Mariana](#) and Brumadinho. In 2022, [Brazilian Office of the Comptroller General \(CGU\) fined](#) the company over \$17 million for the company's interference with the Brumadinho dam inspection. In 2023, [Vale S.A. agreed to pay \\$ 55.9 million](#) to settle the US Securities and Exchange Commission (SEC) case for false and misleading disclosures in public sustainability reports. In 2024, a Brazilian judge ordered Vale to pay \$9.67 billion for damages from the Mariana tailings dam failure, and there are two pending lawsuits regarding compensation for the Mariana failure in the [United Kingdom \(\\$46 Billion\)](#) and The [Netherlands \(\\$3.8 Billion\)](#).

Several investors have already acted on their concern for the risks associated with Vale. Data from the [Financial Exclusions Tracker website](#) indicate that 48 pension funds and institutional investors worldwide have blacklisted Vale.

“The ongoing lawsuits and administrative fines put Vale in a precarious situation. Investors should understand that these lawsuits are indicators that Vale hasn’t handled its ESG responsibilities appropriately,” said Ana Xambre Pereira from the Dutch organization Both Ends. “Almost 10 years after the Mariana tailings dam failure, which killed 19 people and spilled 60 million cubic meters of ore tailings, two pending international lawsuits seek proper compensation for the victims. The recent lawsuit filed in the Netherlands might indicate that other cases are pending. There is a high litigation risk for the Brumadinho tragedy in time.”

		
		
		
		