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Vale releases first GRI report

Vale releases today (09/26) its 2007 Sustainability Report performed for the first time in the GRI (Global Reporting Initiative) model and its Corporate Guidelines on Climate Change and Carbon.

The release will occur at a Sustainability Forum at the Firjan auditorium, with the presence of Vale president and CEO, Roger Agnelli, of the company's executive director for Management and Sustainability, Demian Fiocca, and the lecturers José Antônio Ocampo, professor of the Univeristy of Columbia and UN's ex-adjunct secretary-general of Economic and Social Business, and Bruno Berthon, global sustainability leader of the consulting company Accenture.

Created in 1997 from a meeting of environmentalists, social activists and representatives of socially responsible funds, GRI is a non-governmental organization with headquarters in London, which develops a structure of sustainability reports, adopted by about one thousand organizations worldwide. On adopting the GRI model, Vale reaffirms its commitment with the sustainable development and transparency in corporate management, already reflected in the support to the Global Pact of the United Nations, GBC (Global Business Coalition on HIV/Aids, Tuberculosis and Malaria) and the International Council on Mining and Metals (ICMM), the sector's global forum on sustainability.

The company chose the most current version of the GRI report, the G3, in the B+ level, with an external check performance by KPMG consulting company. Vale also received the GRI check, an evaluation of the report made by GRI itself. In the work, 51 economic, social and environmental indicators of Vale were reported in the period between 2005 and 2007. The 2007 performance also includes data from Vale Inco, acquired in 2006. Over 400 representatives from various departments, affiliates and subsidiaries (Vale Inco, Albras, Valesul and others) participated in workshops and meetings with the purpose of mapping out and evaluating the feasibility of the report on the indicators.

"On disclosing this information, we show vale's commitment with the transparency of our activities and with the improvement of the internal sustainability management, in which we continue to invest firmly in the next coming years", states Vale CEO Roger Agnelli, in his message published in the work.

The improvement in the internal sustainability management and the transparency in the disclosure of data are already reflected in Vale's sustainable position in the mining and metals sector. Report from the investment bank Goldman Sachs in 2008, shows that the company is among the five best companies to invest in based on the ESG indicators (environment, social and governance), Themes of the Industry (which considers market exposures, pipeline of growth projects and low cost operations) and capital return. On general terms, Vale is among the five best companies, considering the three indicators.

One of the reasons for Vale's inclusion among the top five of the sector is the Vale's development and improvement in the ESG ranking, which, evaluated the sustainable policies adopted by the company. In Goldman's new report, Vale is in the 9 th position in the ranking of 25 mining companies. In 2006, the company was in the penultimate position among the 15 mining companies evaluated at that time.

Numbers

People

. Today, Vale employs 146.8 thousand employees, including its own (56.4 thousand) and outsourced (90.4 thousand), which represents a growth of 28% in comparison with 2005;

. There is no difference in the average remuneration of men and women in Vale, despite the company staff mostly comprising male employees (90%), a common characteristic in the mining sector. In the managerial positions however, the female presence is growing every year. In 2007, for instance, the percentage of women in managing positions and coordinators was 18% (a growth of five percent in comparison with 2005).

. Education for Vale constitutes one of the main strategic pillars of transformation. Valer, the corporate university of Vale, invested US\$ 12 million in professional education centers outside the company, which has qualified 19 thousand people in the last five years. Today, there are 21 units in Brazil and one in Switzerland, but the goal is to expand Valer's bases to Mozambique, Australia, New Caledonia, Canada and China.

. In the period analyzed by the report, a significant increase in training/hour of employees was recorded. In 2007, the average was 125 hours of annual training per employee, which represents a growth of 14% in comparison with 2005;

. Between 2005 and 2007, the hiring of Vale's own employees increased in local communities where the company operates. In 2007, 77% of the employees were from the state of origin of Vale's operations, against 71% recorded in 2005.

Socioenvironmental investments

. The amount of funds invested in the environmental area rose 417% in the period analyzed in the report, from US\$ 88 million in 2005 to US\$ 455 million in 2007;

. In the social area, the increase of investments was 234% in the period. In 2007, the company invested US\$ 231 million against US\$ 69 million invested in 2005.

Health and Safety

. Vale's rate of accidents with leaves fell 33% between 2005 and 2007 (from 2.78 to 1.86 accidents per 1 million man-hours worked);

. Despite all the efforts, in 2007 the company recorded 14 fatal accidents (the same number checked in 2005). The main action for eliminating the occurrence of fatalities is the implementation of the Requirements for Critical Activities (RCAs), which also includes the employees of contracted companies. Furthermore, independent audits to evaluate the level of fulfillment of health and safety requirements will be extended to the installations of service providers.

Environment and Biodiversity

. Vale has 1.7 thousand Km² of operating areas located in the countryside or beside sensitive regions (protected areas and of high biodiversity index), but helps to protect 9.9 thousand Km² of forests in Brazil and in the world through partnerships. There are 27 habitats destined for biodiversity conservation, of which 21 are of the property of Vale and six areas under the jurisdiction of the federal agencies;

. In Carajás (PA), where the largest open pit iron mine in the world is, the company helps to protect about 8 thousand Km² of the native forests in five conservation units (Florestas Nacionais de Carajás, Tapirapé-Aquiri, Itacaiúnas, Reserva biológica Tapirapé [Biological Reserve] and Área de Proteção Ambiental (APA) [Environmental Protection Area] do Igarapé Gelado);

. The interference of Vale's areas in these conservation units corresponds to 4.15% of the total protected areas and 0.007% of high biodiversity index areas.

. In the Southeast region, Vale has areas located inside the APA of the Metropolitan Region of Belo Horizonte and the High Biodiversity Index Area of the Quadrilátero Ferrífero de Minas Gerais. The company's interference is 0.76% of the total APA area and 0.044% of the Quadrilátero Ferrífero area. In this region, Vale executes a work to unite the protection of the remaining native vegetation in 17 RPPNs (Private Natural Heritage Reserves) of its property;

. In Espírito Santo, the company maintains the Reserva Natural Vale , an area of about 220 Km2, where 2,389 faunal species and 2,625 floral species are protected. Since the reserve was created in the 1950s, 96 new plant species have been discovered.

. In 2007, water consumption was 333 million m3 against 148 million m 3 recorded in 2005. The consumption increase is due to the incorporation of data from Vale Inco in 2006, and the production growth of iron ore and pellets, with production records, and the start of new project operations, such as the iron mine of Brucutu (MG), in September 2006. Vale's water re-use rate was 65% at the end of 2006.

More information



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