

Response from HSBC to items about letters from 86 organizations raising concerns about the impacts and human rights violations related to the Mina do Feijao dam disaster on 25 January 2019, in Brumadinho, Brazil

2 April 2019

The Business & Human Rights Resource Centre invited HSBC to respond to the following items:

- [“Brumadinho dam: NGOs urge companies and investors to use leverage and require Vale to remedy the situation”](#), 86 NGOs, 21 February, 2019
- [“Joint Letter by Civil Society Groups to Companies Linked to the Activities of Vale S.A”](#), 86 NGOs, 21 February, 2019

HSBC sent the following response to the Resource Centre:

Thank you for your letter of 19th February 2019 to HSBC Group Chief Executive John Flint concerning the devastating events at Brumadinho. I am pleased to respond on his behalf.

For reasons of client confidentiality, HSBC does not and cannot discuss individual customers, nor do we confirm whether an individual or business is or has been a customer. I am therefore unable to discuss any of the specific companies named in the letter.

Whilst recognising that more remains to be done, we note from publicly available data (<http://www.vale.com/EN/aboutvale/news/Pages/overview-of-measures-taken-until-3-15.aspx>) that progress has already been made to deal with some of the concerns raised in the letter.

HSBC takes human rights issues seriously and our [Mining and Metals policy](#) has made reference to human rights impacts since 2007. In October 2016 we revised this policy and it explicitly states that our global business must undertake additional due diligence in certain circumstances.

We always investigate any allegations of companies operating in breach of our policies that are brought to our attention. In mining we prefer to use our influence and work with clients who meet our sustainability standards – including those relating to human rights – and clients who are making credible progress towards meeting them. Where clients are unwilling or unable to meet our standards, we end the banking relationship as soon as contractually possible.

HSBC is a supporter and member of ResponsibleSteel, the emerging certification system for steel manufacturing. As well as looking at the social, labour and environmental issues of steel making itself, the draft Standards also cover the raw material supply chain, and specifically reference mine tailings dams. We expect the Standards to be approved and for the first steel making sites to be certified later this year. When operational we believe that ResponsibleSteel certification will provide visibility and an assurance that the Standards are being achieved along the entire value chain.

Thank you again for giving us the opportunity to comment.