



ARTICULAÇÃO DOS POVOS INDÍGENAS DO BRASIL

APOINME – ARPIN SUDESTE – ARPINSUL – Comissão Guarani Yvyrupa - Conselho do Povo Terena - ATY GUASU – COIAB

Brasília, January 11th, 2021

Dear Mr. Fink,

Greetings from the Association of Brazil's Indigenous Peoples (APIB), a nationally recognized and representative organization that convenes Brazil's Indigenous movement with the purpose of promoting and defending Indigenous rights in coordination with ally organizations from Brazil and across the world.

We write to you today because it has now been nearly a year and a half since we first communicated with you, your top staff, and your board of directors about the impacts of BlackRock's investments in companies operating in the Amazon rainforest. We thus find it necessary to publicly document the breadth of the impacts of BlackRock's investments on Indigenous peoples and the Amazon. Those impacts include illegal deforestation and human rights violations, land grabbing, and increased carbon emissions from fires. Finally, we write to reiterate our call for BlackRock to adopt a comprehensive Forests and Indigenous Rights policy.

At BlackRock's annual meeting of shareholders in May 2019, I have addressed you and those gathered, on behalf of APIB. As I explained at the meeting, the over 900 thousand indigenous people that reside in Brazil – including 115 groups living in voluntary isolation in the Amazon rainforest – were experiencing a sharp uptick in illegal “slash and burn” deforestation promoted by agribusiness development interests, namely the beef and soy industries, which are the primary drivers of the ongoing violence and destruction faced by our peoples.¹

Just weeks later, the Amazon erupted into flames. After global attention and outrage was generated by the 2019 fires, and in response to a letter of our Executive Coordinator, Sônia Guajajara, sent to you in October that year, members of your staff contacted us for a meeting. A very brief phone call occurred in December 2019, in which your staff assured us changes were coming within BlackRock. We agreed to hold an in person meeting, which was scheduled for March 2020, with Michelle Edkins, Managing Director of Investment Stewardship, and Barbara Novick, then Global Head of Investment Stewardship.

That in-person meeting never happened. Nor did any follow up communication from your staff. While we recognize that COVID-19 caused serious disruption for all of us, we note that the original reason for your staff's postponement of the meeting was the retirement of Ms. Novick. We find the lack of any effort to reschedule this meeting, despite efforts to do so by our allies at

¹ For more information, see: *Complicity In Destruction II: How northern consumers and financiers enable Bolsonaro's assault on the Brazilian Amazon*, Amazon Watch and APIB, April 2019: <https://amazonwatch.org/news/2019/0425-complicity-in-destruction-2>



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Amazon Watch, to be very disrespectful.

The fires in 2019 set records, but tragically, fires in 2020 far surpassed them. In only the first ten months of the year, 2020 exceeded the total number of fires for all of 2019. Estimates say that nearly 5.4 million acres (2.2 million hectares) of Brazil's Amazon standing rainforest burned this year — an area roughly the size of the country of Wales in the United Kingdom. Many of this year's fires are understood to have been set intentionally as a means of converting protected rainforest to pasture and cropland.

These fires have seriously threatened Indigenous territories in which isolated uncontacted Indigenous groups make their homes. They add up to the threats posed by illegal and industrial mining, megaprojects for energy production and distribution, and as mentioned above, agribusiness, as we show in our most recent report, *Complicity In Destruction III: How global corporations enable violations of rights of indigenous peoples in the Brazilian Amazon*, shared with your staff a week before the publication date of October 27th, 2020. **In this report, we showed that BlackRock is financially enabling at least nine companies directly or indirectly implicated in land grabbing and other abuses of Indigenous peoples' land rights in the Amazon:** Anglo American, Cargill, JBS, Vale, Belo Sun, Cosan, Energisa, Equatorial and Eletrobras. We note that these impacts contravene the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Mr. Fink, you have spoken at length about the social responsibility companies have in the communities where they operate and in the need to address climate change. And just last week, BlackRock announced it will release new information on its approach to deforestation and biodiversity in January 2021. In Brazil the operations of corporations like the ones we mention above, into which BlackRock directs substantial investments on behalf of clients, have profound negative impacts on our communities, our forests, and the climate. Any company engagement approach or policy that seeks to address biodiversity and deforestation must be centered on upholding the rights of Indigenous peoples; forests are our ancestral homes, and we prove over and over again to be the best stewards of the Amazon, as do our relatives in other parts of the world.

Given the lack of response to our efforts to dialogue with you about the violent destruction of ecosystems and Indigenous peoples currently unfolding in Brazil, we issue this public call to BlackRock to take responsibility for the impacts of its investments.



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We call on BlackRock to:

- Commit to a Forests and Indigenous Rights policy. Such a policy should include, but not necessarily be limited to, the following elements²:
 - Respect for Indigenous Peoples' rights, land rights, and self-determination;
 - Requirements that companies consult with and obtain Free, Prior, and Informed Consent from Indigenous peoples and other traditional and local communities before engaging in any business activity that would impact them;
 - Clear criteria and standards for time-bound engagement with investee companies and, if engagement does not result in concrete changes in company behavior and operations, a process for exclusion of companies in both active and index funds based on these specific criteria and standards;
 - Zero tolerance for attacks against land defenders
 - No deforestation, peat, or exploitation permitted in any company supply chain;
 - Disclosure on emissions coming from the supply chains or financial flows (Scope 3 emissions);
 - Water and soil contamination protections.
- Vote in favour of shareholder resolutions that may be presented in support of greater transparency in and respect for human rights and forest protection, and vote against board members who refuse to implement deforestation and Indigenous rights measures.
- Publicly condemn the clear and direct attacks by the Bolsonaro administration on Indigenous peoples and his administration's attempts to permit the full deforestation of the Amazon rainforest.

We look forward to the opportunity to discuss concrete measures BLK can take to develop such a policy - at this point, our only interest in opening a dialogue with BLK rests in developing a policy, not helping BLK check a box on consultation with Indigenous people.

BlackRock's investments have an impact on our lives and our communities, and you therefore have a responsibility for our future. And if the Amazon is destroyed, the future of the entire planet is at risk.

Sincerely,

Luiz Eloy Terena

Member of the Executive Coordination of APIB

² For more details on these elements, please see information from our partners at the BlackRock Big Problem campaign: <https://www.blackrockbigproblem.com/post/forests-and-human-rights-principles-for-asset-managers>