

Human Rights and Decent Work

Salient Issues for the supply chain

Human Rights and Decent Work

Supplying high-quality products and services with agility is strategic for our business. Our value chain has a direct influence on the impacts we cause, so risk management is essential to ensure responsible practices that guarantee the continuity and competitiveness of our business.

What is Decent Work?*

- Respect for labor rights, especially those defined as fundamental (freedom of association, right to collective bargaining, elimination of all forms of discrimination in employment and occupation, and eradication of all forms of forced labor and child labor);
- Promoting productive and quality employment;
- Broadening social protection;
- Strengthening social dialogue.



Working without guaranteed rights is no longer decent work!

Salient issues for the supply chain

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Worker Recruitment and Broken Promises

Illegal and harmful practice used by ill-intentioned individuals during recruitment which involves situations such as: attractive job promises that are not fulfilled; advance payments and offers of transportation or accommodation, which later turn into debt for the worker; working conditions that are worse than originally presented, leaving workers vulnerable to accessing their rights. Worker recruitment restricts workers' freedom of choice, violates the rights to a safe and healthy work environment, labor rights, among others.

Absence of a work contract

The work contract is fundamental to guarantee workers' basic rights, such as minimum wage, overtime pay, paid vacations, medical leave, social benefits, among others. Without a contract, workers may be subjected to abuse and denial of these rights.

By delegating the recruitment process to a third party, the company does not exempt itself from responsibility.





Recruitment through security deposit or payment of fees

By demanding the payment of fees or security deposits, employers are unfairly exploiting job applicants. This practice is a way of taking advantage of people's need to work by subjecting them to abusive and illegal conditions.

Retaining Workers' Documentation

With the retention of documentation, workers are unable to identify themselves and access their rights. It is prohibited to retain any personal identification documents, such as the Work and Social Security Card, identity card, birth certificate, among others. Currently, various documents are available in digital format.

Lack of assistance to migrant workers

Like any other individual, migrant workers have guaranteed rights, such as access to social assistance, health, and safety. Situations such as not being native to the territory or language difficulties make migrants vulnerable to exploitation and abuse, as well as restrict access to health care and safety. A written and formalized employment contract at the origin is the best way to guarantee the rights and duties of the parties involved and avoid harm to workers.







Compensation Below The Minimum Wage Or CBA

The minimum wage represents the minimum cost of living that a person needs to survive. Compensation below the minimum wage or Collective Bargaining Agreement (CBA) results in difficulties for workers in meeting their basic living needs.

Restricting workers' compensation or indebtedness

Workers' indebtedness due to labor activities can occur from the accumulation of undue deductions, such as for food, accommodation, transportation, PPE, among others. In these situations, the deductions can exceed the amount received by the employee, resulting in debt or retaining compensation. Even when allowed, deductions should not exceed 40% of the worker's compensation.

Absence Of Overtime Registration

The absence of overtime registration results in: inadequate payment of compensation, exploitation and overwork, lack of legal protection, difficulty in proving labor rights, lack of control over one's own time. It is necessary for the

All work performed after clocking in must be recorded and considered by companies!

worker to have fair compensation for their time and effort.





Illegal Deductions From Compensation (PPEs, uniforms, training)

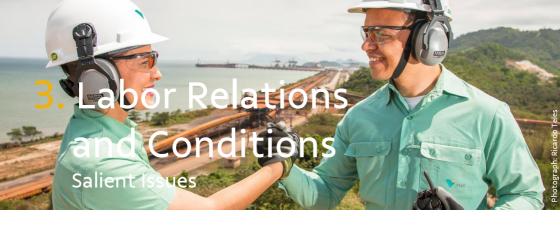
Workers forced to pay for personal protective equipment (PPE), work uniforms, or training are exposed to health and safety risks. Some workers may not have the financial means to cover these extra expenses, which can compromise their protection in the workplace. Illegal deductions from compensation are unacceptable.

Penalizing With Benefit Deductions Or Fines For Misconduct And/Or Low Productivity.

This practice can result in significant financial loss for workers. It can affect their ability to meet basic needs such as housing, food, and health care. Additionally, these penalties can lead to a decrease in net salary, causing further financial difficulties. Moreover, benefit deductions linked to absences, even when a medical certificate is presented, can lead workers to hide health problems and work sick out of fear of losing the benefit.







Exhaustive Work Hours, Frequent Overtime, And Insufficient Rest.

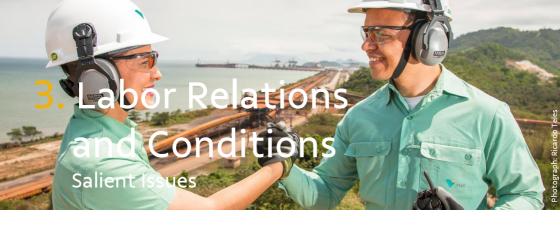
Work hours that frequently exceed the legal limit and lack of adequate time for rest and recovery for the next shift can result in chronic fatigue, decreased energy, concentration difficulties, and increased stress, leading workers to a state of physical and mental exhaustion.

Poor conditions of facilities, accommodations, and dormitories

Poor facilities, overcrowded accommodations, and dormitories in degrading conditions pose serious health and safety risks to employees.

This includes hygiene issues, lack of adequate ventilation, pest infestations, fire hazards, inadequate electrical systems, and lack of safety measures. These conditions can lead to accidents, occupational diseases, respiratory problems, allergies, and other adverse health conditions. The lack of privacy, dirty and uncomfortable conditions, and the absence of basic living standards make workers feel undervalued, ashamed, and treated without dignity.





Water and/or food not meeting nutritional or sanitary standards

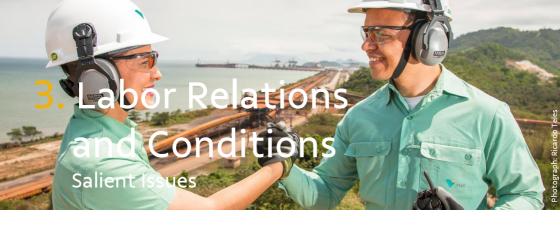
Inadequate water and/or food conditions can lead to a series of health problems. This includes food poisoning, gastrointestinal infections, waterborne diseases, and nutritional deficiencies. Workers may experience symptoms such as nausea, vomiting, diarrhea, dehydration, weakness, and malnutrition.

PPEs, uniforms, and work tools in poor condition

These items in poor condition do not provide adequate protection and compromise employee safety. If PPEs are not in good working condition, such as cracked helmets, torn gloves, or broken glasses, workers are exposed to unnecessary risks, such as accidents, injuries, exposure to hazardous substances, or occupational diseases. Additionally, rusty tools, damaged machines, or defective equipment can lead to cuts, falls, impacts, or malfunctions, putting workers in danger.

Absence of Whistleblowing Channels

Without whistleblowing channels, those responsible for inappropriate behavior can act without consequences. The lack of disciplinary actions or corrective measures can lead to impunity, encouraging repeated harmful behavior, creating a toxic work environment without accountability, and leaving workers unprotected.



Restricting collective bargaining or free association and unionization

Without the ability to negotiate collectively, workers may be subjected to precarious working conditions, low wages, exhaustive hours, lack of benefits, and unfair treatment. This can lead to greater inequality and injustice in the workplace. Collective bargaining and free association are important to ensure the protection and safety of workers.

Moral and sexual harassment and discrimination

Any behavior that causes discomfort, humiliation, intimidation, or threatens the dignity of a worker should be considered unacceptable and subject to corrective and disciplinary measures. Harassment in the workplace can take various forms, such as constant insults, humiliations, or ridicule; and sexual harassment, such as inappropriate sexual comments or jokes; unwanted sexual insinuations or proposals; display of sexual images, messages, or videos in the workplace; among others.







Poor transportation conditions

Lack of proper maintenance, lack of seat belts, vehicles in poor mechanical condition, and overcrowding are examples of situations that pose safety risks to workers. These conditions increase the likelihood of traffic accidents, injuries, and even fatalities. It is important for companies to ensure adequate and safe transportation conditions for workers.

Inadequate accessibility conditions

Lack of accessibility can exclude and discriminate against workers with disabilities. Physical barriers, such as the absence of ramps, elevators, or accessible bathrooms, can prevent these workers from fully participating in the work environment, limiting their access to areas, services, and professional opportunities. This results in unequal opportunities and unfair treatment.

Unavailability of bathrooms for long journeys

Lack of access to bathrooms can lead to health problems, such as urinary tract infections, gastrointestinal issues, and dehydration. When workers do not have the opportunity to use the bathroom when needed, they may retain liquids and toxins in their bodies, which can lead to illnesses. Additionally, the absence of bathrooms can lead workers to use inappropriate places to satisfy their physiological needs in situations where holding it is not possible.





Prohibiting or restricting totally or partially the use of any means of transportation

Restricting movement or isolation can lead to a feeling of social and emotional isolation among workers. The lack of interaction with colleagues, difficulties in finding support, and connection with others can negatively affect their psychological and emotional well-being. Transportation restrictions can make it difficult for workers to balance work and personal life. If they have difficulties in commuting, it can negatively impact their personal activities, family commitments, or leisure.

Unavailability of transportation, restriction of movement or worker isolation

Worker isolation can occur in many ways, whether due to remote working conditions, lack of social interaction, or disconnection from the community. Prolonged isolation can have harmful impacts on workers' mental and physical health. Loneliness and lack of social support can lead to increased stress, anxiety, depression, and other mental health issues. Restriction of movement is inhumane treatment and constitutes modern slavery.







Child Labor

Child labor refers to the participation of children and adolescents in economic activities or paid work, at an age that they are still in a developmental phase, and should focus on their education, health, and well-being.

It is crucial to distinguish between child labor and helping the family to protect children's rights. Helping the family is a practice where children assist with household chores or family work within a safe and healthy environment. These activities may include performing light and ageappropriate tasks, such as helping with household chores, taking care of younger siblings, or assisting in family businesses. Family support should not jeopardize the child's well-being or development.

Using services performed by children and adolescents, such as: car wash, car mechanics and food

It is important that companies monitor situations that indicate the presence of child labor in the supply chain of goods and services, such as in car wash, mechanical workshops, restaurants,

and others. Any suspicious situations should be reported.

The entire society is responsible for ensuring the protection and respect for the rights of children and adolescents.

In Brazil, adolescents from the age of 14, enrolled and attending school, can work through the Apprenticeship Program (Act 10,097/2000)





Dormitories and housing near vulnerable communities

Vulnerable communities are characterized by precarious socioeconomic conditions, lack of access to basic services such as education and health, as well as a weakened social context. The proximity of dormitories and housing near vulnerable communities can create conditions conducive to workers engaging in sexual activities with children and adolescents in exchange for money, favors, or any other form of benefit.

Misconduct by transportation service providers

Transport service providers are often exposed to social vulnerabilities that unfortunately lead to the exposure of children and adolescents to sexual violence. Adopting misconduct by workers can lead to condemnable situations as follows:

Sexual abuse of children and adolescents: using children or adolescents for any act of sexual nature. This may involve threat or seduction and may occur with or without physical contact. Sexual exploitation of children and adolescents: occur when adults pay (money or some benefit) to engage in any form of sexual interaction with children and adolescents. This mainly occurs in context of large construction projects, highways, or tourism.







Impact on housing access

Companies can impact on housing access for communities in various ways. For example, the massive presence of companies and high occupancy rates can drive up property prices, resulting in local communities losing access to housing they can no longer afford. In some situations, the impacts of a company's activities can affect the availability of basic services such as access to clean water, sanitation, electricity, transportation, and other essential services necessary for adequate housing.

Impacts on access or overload of public services

A company's activities can lead to a sudden increase in the population in the region, whether due to migrant workers or people seeking job opportunities. This population increase can overwhelm public services, such as health care, education, public transportation, and security, making them insufficient to meet the needs of the communities. The additional demand caused by companies may exceed the capacity of these services, resulting in inadequate access for the local population.





Traffic Accidents

Traffic accidents caused by companies can result in serious injuries and even deaths of drivers, passengers, pedestrians, or cyclists involved in the incidents. These tragedies have a significant impact on the lives of the victims and their families, causing physical, emotional, and financial suffering. Moreover, the increased flow of vehicles, machinery, and other equipment in circulation increases the safety risks for communities. Therefore, it is crucial for companies to be aware of these risks to prevent and mitigate impacts on the community's safety.

Generation of noise, particulate matter, vibration, etc.

Continuous exposure to noise can lead members of communities to health problems such as stress, sleep disorders, hearing loss, and cardiovascular issues. Airborne particulate matter can be inhaled and cause respiratory problems, especially in people with pre-existing conditions such as asthma or lung diseases. Excessive vibration can also negatively affect health, causing discomfort and circulatory problems.

The company's actions must always be guided by the recommendations of Vale's community relations team operating in the territory.





Disproportionate use of force by private security

Disproportionate use of force occurs when the amount of force employed exceeds what is necessary to deal with the threat, or even when it is employed without real need regarding the situation at hand. This means that the response or action taken goes beyond what is proportionate and justifiable to restrain or limit the conflict (real or imminent).

Disproportionate use of force by security violates rights and can contribute to increased violence and aggression. Instead of promoting security and peaceful conflict resolution, excessive force can lead to confrontations and tensions among those affected. This behavior infringes upon fundamental principles of human dignity and equality under the law.



7. Support Channels

Whistleblowing Channel

Established for anyone, whether inside or outside the company, to report suspected violations or misconduct in accordance with our Code of Conduct. Operated by an independent company and forwarded to the appropriate investigative team. Site: https://vale.com/en/whistleblower-channel

To report a situation, call:

1-844-450-500

+55 21 3485 - 3000



Visit to learn more

Respect Channel:

Created to listen, support, and guide Vale's employees and third parties experiencing sexual harassment or discrimination. Operated by a specialized and independent team. To report a situation, call:

1-833-361-1055





Visit to learn more



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