



Guide for Prevention and Combat of **Modern Slavery**







Table of Contents

Introduction to the Guide for Prevention and Combat of Modern Slavery at Vale.

- 1 What is Modern Slavery?
- 2 Consequences of modern slavery
- 3 How to prevent modern slavery at Vale?
- 4 How to report poor work situations at Vale and throughout the value chain?



We present the **Guide for Prevention and Combat of Modern Slavery** with the aim of raising awareness and training our employees and suppliers to prevent any poor work practices throughout Vale's value chain.

What is Modern Slavery?



What is Work Analogous to Slavery or Modern Slavery?

Have you ever encountered situations where you feel uncomfortable with the working conditions of other people? Well, **trust that discomfort** as it might indicate a violation of labor laws or even slavery.

Work Analogous to Slavery, also known as Modern Slavery or Contemporary Slavery, consists of subjecting people to poor **working conditions** and **extreme forms of exploitation and abuse of human rights**.

Article 149 of the Brazilian Penal Code defines Work Analogous to Slavery as:

- Submitting Workers to Forced Labor
- Submitting Workers to Exhaustive Working Hours
- Subjecting Workers to Poor Work Conditions
- Debt Bondage



Did You Know?

The term “analogous” is used to refer to the similarity with the slavery that was practiced in Brazil until 1888, when the Abolition of Slavery was signed.

Although it does not involve the legal ownership of a person as property or the use of chains and whips as in the past, work analogous to slavery is mainly identified by the **restriction or absence of freedom and dignity**, as well as various labor irregularities that result in inhumane conditions.

#slaveryisnotathingofthepast

Submitting Workers to Forced Labor

Involves forcing people to work against their will, subjecting them to exploitative conditions where they do not have the freedom to refuse or abandon the work.

These situations can include threats, coercion, physical violence, illegal retention of identification documents, or other forms of pressure that prevent people from making voluntary decisions about their work.

"Forced labor affects virtually all areas of the private economy. The five sectors responsible for the largest share of forced labor are: services (excluding domestic work), manufacturing, construction, agriculture (excluding fishing) and domestic work"

Source: ILO



How Does Forced Labor Manifest?



Human Trafficking:

Human trafficking involves the recruitment, transportation, and imprisonment of individuals through threats, deception, or coercion for the purposes of labor exploitation, sexual exploitation, or other forms of exploitation.

Debt Bondage:

People are forced to work to pay off undue and abusive costs that never decrease, such as dormitories, food, transportation, etc. The wages are insufficient to cover these costs, and workers remain bound to employers because they are unable to pay off the debt.

Document Retention:

In certain situations, employers retain the victims' identification documents, such as identity cards or passports, to hold control over them.

“There is an increasing understanding that **companies have a fundamental** role in eradicating slavery. We will hardly be able to eradicate slavery without the **participation of the private sector**. As long as there is demand and as long as there is pressure for unrealistic prices, slavery will persist.”

Maria Claudia Falcão

National Coordinator for Principles and Fundamental Rights at Work (ILO Brazil).

Source: Documentary “Precisão”. Available on YouTube.

Subjecting Workers to Exhausting Work Hours

It means forcing people to work for excessively long periods, constantly and uninterrupted, without providing adequate breaks or rest periods.

This results in significant **physical and mental exhaustion**, detrimental to the worker's health, safety, and quality of life

Exhaustive working hours can cause extreme fatigue, accidents, stress, and negative impacts on personal life, such as difficulty spending time with family, taking care of health, and participating in activities outside of work.

“It is true that most of us are exhausted!
But exhausting work goes beyond unpaid overtime. It is a distressing situation of consecutive hours of hard work that endangers the worker's physical integrity and health, as the break between shifts is insufficient for them to recover their strength.”

Source: NGO Reporter Brasil – Program “Slavery, No Way!”

What is NACT?

Vale has the Third-Party Contract Analysis Center (NACT, in Portuguese), which conducts monthly evaluations of the compliance with labor and social security obligations of selected contracted and subcontracted companies. Examples of what is monitored include timecards, payroll, leave, social security contributions, and severance funds. This is an important control for the prevention of poor working conditions at Vale.



Photograph: Daniel Mansur / Studio Pixel

In 2022, the right to a **safe and healthy working environment** was added to the ILO's Fundamental Principles and Rights at Work.

Source: brasil.un.org



Photograph: Márcia Foletto

Subjecting Workers to Poor Working Conditions

Poor working conditions occur when workers are forced to perform their activities in environments where their health, safety, and dignity are at risk. The conditions are so degrading that they violate human dignity.

Examples of poor environments and conditions include:

- Poor dormitories/accommodations;
- Lack of drinking water;
- Inadequate food;
- Inadequate sanitary and comfort conditions;
- Serious disregard for health and safety regulations.

Did You Know?



Harassment and discrimination are considered degrading working conditions. They can include moral or sexual harassment, or discrimination based on race, gender, religion, or other personal characteristics.

Personal Protective Equipments (PPEs) are essential to prevent accidents and injuries in the workplace, which is fundamental to avoid exposing workers to degrading conditions resulting from injuries or disabilities. PPEs are crucial for performing work activities in a safer and more dignified manner.



Photograph: Daniel Mansur / Studio Pixel



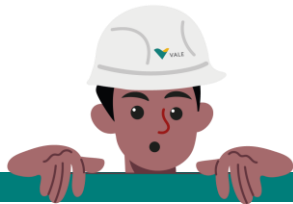
“The desired conditions by contracting companies, regarding the activities developed by contractors, can only be accurately assessed if contract monitoring can promote verification of factual conditions through on-site inspections of ongoing work. Document compliance checks alone will never be sufficient to ensure that contractors fully meet their employer obligations as stipulated by law and contract.”

Alcimar Candeias
Regional Superintendent of Labor – ES



Debt Bondage

Debt bondage refers to situations where workers' freedom of movement is restricted due to illegal and abusive charges for items provided by the employer. In these situations, workers, victims of deception and exploitation, acquire products and become involved in debts they cannot repay, and these debts are used by the employer as a tool of blackmail or coercion to prevent the worker from leaving the workplace.



Did You Know?

Dictionary
Definitions from Oxford Languages Learn more

due dil-i-gence

noun **LAW**
reasonable steps taken by a person in order to satisfy a legal requirement, especially in buying or selling something
• a comprehensive appraisal of a business undertaken by a prospective buyer, especially to establish its assets and liabilities and evaluate its commercial potential.

Vale conducts **Human Rights Due Diligence** in its operations and suppliers.

Human Rights Due Diligence aims to verify, through external and independent risk analysis, if the company's activities are **carried out respecting the Human Rights** of employees and communities.

As a result, **action plans** are developed to strengthen our commitment to respecting and promoting Human Rights.

#juntosparatransformar
[#togethertotransform]



Vale is an associate of the National Pact for the Eradication of Slave Labor Institute – InPACTO. A non-profit organization created to prevent and eradicate slave labor, child labor, and promote decent work in the supply chains present in Brazil. InPACTO monitors the compliance with the commitments made in the National Pact for the Eradication of Slave Labor, identifying challenges, progress, and assisting companies in developing action plans to promote best practices.



Photograph: Ricardo Teles



Did You Know?

#juntosparatransformar
[#togetherto transform]

Improperly Retaining Workers' at the Workplace



Forcing people to remain at the workplace against their will, preventing them from returning home or going anywhere else, may constitute modern slavery.

Examples of improper retention of workers at the workplace:

- Preventing workers from using transportation to keep them from leaving the workplace.
- Monitoring workers to prevent them from leaving the workplace.
- Confiscating or retaining workers' personal documents or belongings to prevent them from leaving the workplace.



#juntosparatransformar
[#togetherto transform]

Brazil acknowledged to the UN
the presence of Modern
Slavery in its territory in 1995.

Since then, over 63,000 people
have been rescued from
modern slavery conditions in
the country.

Source: Labor Inspection Portal, 2024

In Brazil, an average of 2,105 people
are rescued per year from modern
slavery conditions.

Source: Observatory for the Eradication of
Slave Labor and Human Trafficking, 2024

Main Indicators of

Inducing workers to perform **excessive overtime** beyond legal limits and incompatible with their physical and mental capacity.



Non-occasional suppression of break periods during and between work shifts.



Recruiting or keeping workers in service through **threats, fraud, deceit, coercion, or other means.**

Non-occasional suppression of paid weekly rest periods. suppressing of vacation rights.



Worker restricted to the workplace or accommodation, when the location is in an isolated and hard-to-reach area, not regularly served by public or private transportation, or due to barriers such as lack of knowledge of the language, customs, absence of personal documents, social vulnerability, or non-payment of wages.

Restriction on the use of sanitary facilities to meet the worker's physiological needs.



Stay alert to any signs of degrading work!



Degrading Work = Violated Rights

Work Analogous to Slavery:

Non-provision of **drinkable water or food**, or provision in unhygienic conditions or insufficient quantity for the worker's consumption at the workplace or accommodation.



Lack of an adequate place for **storing or preserving** food and meals; and lack of a place for **preparing and eating meals**, or providing inadequate places without hygiene and comfortable conditions.



Hiring conditioned on payment by the worker for the job vacancy.

Workers' transportation from their place of origin to the place of service provision funded by the employer or representative and to be deducted from the due compensation.



Worker induced or coerced to purchase goods or services from an establishment determined by the employer or representative, or under conditions that create debt for the worker with loans at abusive interest rates.



Non-provision of beds with mattresses in accommodations/dormitories, or provision without minimum hygiene, safety, and adequate standards.



Decent Work = Respected Rights



VALE

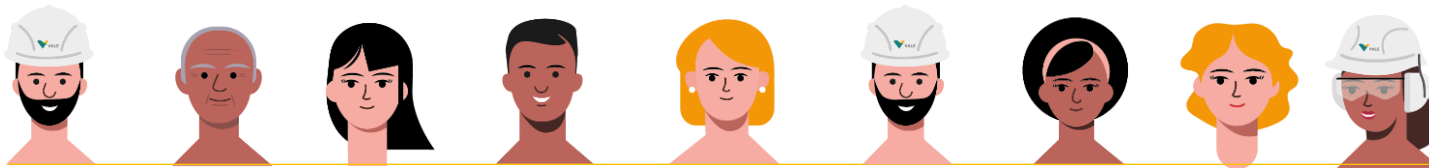
Consequences of Modern Slavery?



Consequences of Work Analogous to Slavery:

#juntosparatransformar
[#togetherto transform]

Impacts on Human Rights



Company's inclusion on the "Dirty List" (Brazil).

Association of image, name, and brand with Human Rights violations.

Application of sanctions for breach of contractual clauses and suspension of commercial relations.

Infraction notices; Legal actions; Civil and criminal liability.

Supply disruptions, strikes, stoppages. Worker turnover.

Did You Know?

The "**Dirty List**" is the popular name for the Register of Employers who have subjected workers to Conditions Analogous to Slavery in Brazil. It is published by the Ministry of Labor and Employment and is one of the main instruments of public policy to combat modern slavery. **Vale continuously monitors the Dirty List** in Brazil and does not allow any employer charged with modern slavery to be linked to our company.

How to prevent Modern Slavery at Vale?



How to prevent Work Analogous to Slavery at Vale?

Preventing modern slavery at Vale and throughout its value chain requires integrated and multifunction efforts, with a special focus on protecting and defending workers' rights.

Below are some preventive actions to identify and address degrading situations in our company:

- ❑ Monitoring the working conditions, accommodations, and other employee facilities;
- ❑ Monitoring labor and social security aspects and risks;
- ❑ Monitoring occupational health and safety aspects and risks;
- ❑ Dialogues on Human Rights topics with the workforce;
- ❑ Provision and dissemination of a Whistleblower Channel.

#juntosparatransformar
[#togethertotransform]



How to report poor work conditions at Vale?



How to report poor work conditions at Vale and throughout all of the value chain?

Reporting cases of modern slavery is essential to protect workers' rights and combat this illegal practice. If you suspect that any worker, whether direct or contractor, is a victim of poor work conditions, report it!

Leadership Support:

Leadership will be available to support you if you feel comfortable.

Vale's Whistleblower Channel

<https://vale.com/en/whistleblower-channel>

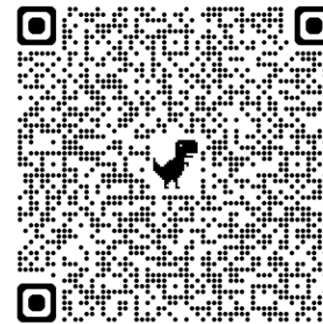
INSERT LOCAL PHONE



Principles of Conduct for Third Parties

#juntosparatransformar
[#togetherto transform]

Vale places people at the center of decisions and believes that everyone has the right to a **safe and healthy environment**. We seek to work with third parties – suppliers, customers, and other partners – who understand and comply with all applicable laws and are committed to operating their businesses responsibly and ethically.



[Vale.com/forneedor](https://www.vale.com/forneedor)

Visit our Third-Party Conduct Principles to learn more about how Vale's values apply to our partners.



Credits

Organized by

Executive Vice Presidency of Sustainability

Content and Integrated Graphic Editorial Project

Executive Sustainability Directorate
Human Rights Management

Published in March 2024

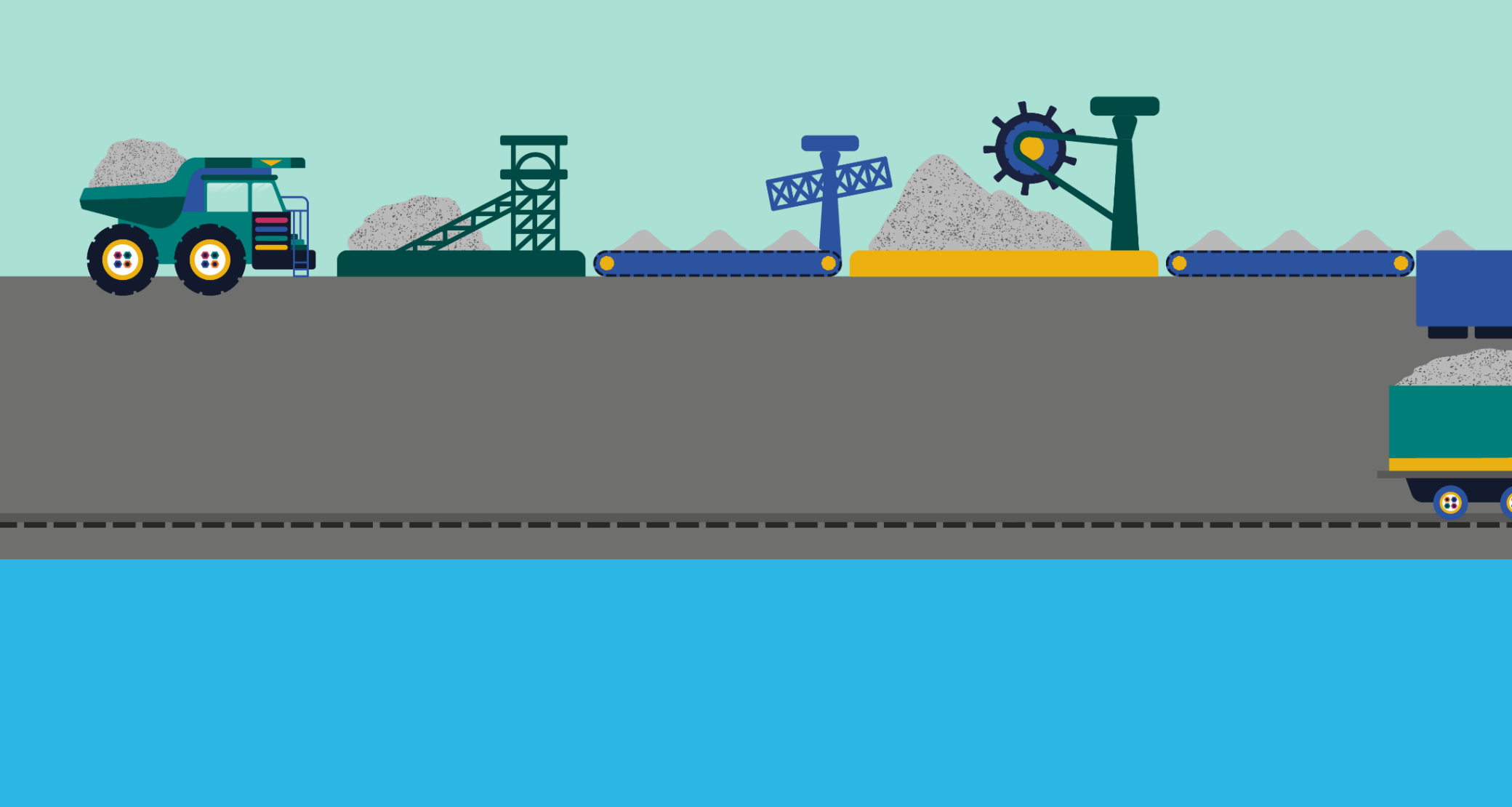
Photography

Vale Image Bank | Credits in Photographs

All photographs used are approved for internal and external use, including in advertising.

We thank all Vale areas that contributed directly or indirectly to the preparation of this guide.

Main external contributor Alcimar Candeias (STR – ES).



Together to



transform!



