



Human Rights Guide

Mission

To transform natural resources into prosperity and sustainable development.

Vision

To be the number one global natural resources company in creating long-term value, through excellence and passion for people and the planet.

Values

Life matters most

Value our people

Prize our planet

Do what is right

Improve together

Make it happen

SECOND EDITION

Presentation

Our Human Rights Policy was created in 2009. Based on our Code of Ethical Conduct and our Values, and with national and international references, our Policy was jointly and actively created by several areas of the company. Our Human Rights Policy complies with the Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework, endorsed by resolution A/HRC/RES/17/4 of the United Nations Human Rights Council.

This Human Rights Guide, in its second edition, has the objective to make our directives and principles work, as set forth in our Policy, through effective initiatives in our corporate daily routine. As such, we believe Vale is contributing to a more focused and integrated management of human rights issues wherever we operate.

The Guide seeks to address, in an objective and informative manner, guidance and examples that will assist all, employees, suppliers, partners and clients, to understand and carry out their actions, at all times respecting and valuing our Human Rights Policy.

Only when people are aware of their rights and duties, they can work together to uphold them.

Vale

Our human rights policy

Purpose

To provide guidelines and principles for Vale's actions regarding the respect for human rights in its projects and operations, throughout the complete life cycle of its activities and in its value chain, in the regions where Vale is present.

Scope

This Policy is mandatory for Vale and must be adopted by its foundations, associations and entities, as well as its subsidiaries in Brazil and overseas, always in conformity with local legislations. Vale encourages its adoption by entities in which Vale has an ownership interest and

encourages its implementation within its entire production chain.

References

- POL-0001-G - Code of Ethical Conduct
- POL-0003-G - Sustainable Development Policy
- Supplier's Code of Conduct

Principles

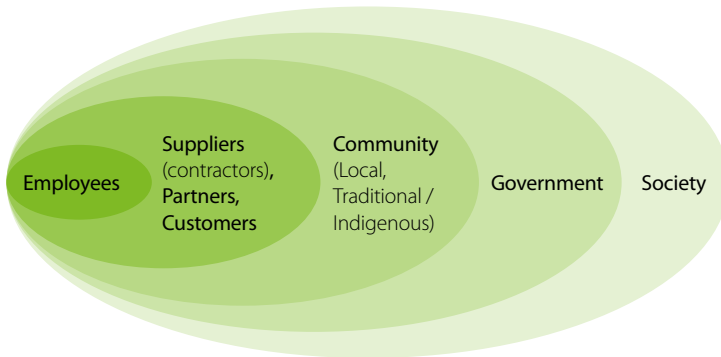
Protecting, promoting and creating awareness of human rights throughout our activities and along our production chain, in accordance with the Universal Declaration of Human Rights principles.

Operating Guidelines

Spheres of influence: we recognize that our ability to interfere with policies, procedures and practices varies based on the degree of our influence with

our stakeholders. Even in cases in which our influence capacity is not as strong, we contribute with awareness-raising actions and the promotion of Human Rights.

Vale's Spheres of Influence to respect and promote human rights



Our human rights policy

Employees: we provide respectful working conditions and seek to promote educational activities enabling professional and personal development, in order to maintain a healthy and safe place to work. We do not tolerate any type of discrimination and/or harassment of any sort whatsoever, including moral or sexual. We respect freedom of association, collective bargaining and diversity.

Security teams (employees and contractors): Rigorously select and monitor security personnel, taking into account prior experience, technical skills and emotional stability. Educate and train these professionals to perform activities in accordance with human rights principles, rejecting abuse of power, discrimination, interfering with citizens' privacy or permitting degrading and inhumane treatment. We refrain from using force, seeking appeasing solutions which ensure the physical integrity of persons, property

and information preservation and the maintenance of the production process.

Suppliers (contractors), partners and customers: we seek to establish relationships with entities that share the same principles and values as Vale. We also promote human rights awareness and respect along our value chain, including the adoption of contractual clauses and documentation proving legal compliance. In the event of disrespect to human rights, duly proven by government authorities and mechanisms provided by legislation, we notify the supplier/partner or the customer so they may adopt corrective measures and, in cases in which such measures are not taken, we may rescind the respective commercial relationship.

Local, indigenous and traditional communities: we seek to maintain a detailed knowledge of territories where we operate or intend to operate. We also endeavour to maintain a lasting

engagement with communities and implement social, cultural, economic and environmental impacts management, as well as contribute to local sustainable development. We promote human rights awareness-raising actions, with special focus on the eradication of forced and child labour, in addition to promoting the rights of children and adolescents.

Governments and society:

We comply with the local legislation and rules where we operate and we cooperate with the authorities in promoting internationally recognised human rights as well as in the investigation of any incidents involving allegations of disrespect of these rights along our production chain.

Relevant Issues for the mining industry:

we support initiatives recognised as seeking to improve the social, economic and environmental conditions of mining, such as those in relation to health and safety, involuntary

re-settlement as well as artisanal and small-scale mining. We also endeavour to participate and contribute to the international debate of these issues, seeking to adopt, promote and implement best practices.

Communication and prevention mechanisms:

The Reporting Channel is available on our website (www.vale.com) to receive queries and informations, including possible violations of human rights. In addition, we offer on our website a “Contact Us” communication channel, to clarify questions about human rights and other issues.

Our Human Rights Policy is available at our site at www.vale.com



Concepts

What are human rights?

Fundamental rights and freedoms to which all individuals are entitled, such as: right to life, right to equality and non-discrimination, right to work, access to education, guarantee of human dignity, health and well-being, among others. These rights are universally recognised and are officially set forth in the 30 articles of the Universal Declaration of Human Rights of the United Nations Organisation effective as of 1948.

Business and Human Rights:

The Human Rights are not responsibility of only some groups or institutions. People are increasingly addressing human rights in all social fields and in the corporative world this could not be different. We as a company have to be aware of our role in contributing to the respect and promotion of human rights.

We realise that the diversity of our activities and the cultural



¹ -The whole document may be accessed at the UN site at (www.un.org/en/documents/udhr).

differences of each locality in which we are present should be considered in all corporate decisions. That is why we endeavour to act in a responsible manner with regard to all groups with whom we have association, at all times bearing in mind due respect and attention to socio-cultural issues.

The Human Rights Policy shows Vale's clear corporate stand and guides the behaviour of all our employees and suppliers, based on the principles and values of the company; in addition to contributing to business risk reduction, as well as enhancing the reputation of the company and relationships with our stakeholders.

Furthermore, we have been systematically working in order

to avoid the occurrence of human rights violations in our activities, establishing ways to prevent, mitigate and remedy incidents of human rights.

Our beliefs in regards to human rights: respect, promote and remedy²

Vale knows that in its activities there are numerous challenges in regards to the respect of human rights. That is why the company is committed to maintain a transparent dialogue along its value chain, as well as with governments and societies in order to respect human rights.

Vale is also committed to develop and support activities that promote human rights within the company and in local communities where it operates, collaborating for the effectiveness of these rights.

2 - According to the United Nations Human Rights Council resolution of June 15th, 2011 – A/HRC/17/L.17/Rev.1 – and to the Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework of the Special Representative of the Secretary-General on human rights and transnational corporations and other business enterprises, John Ruggie

Human rights in everyday life

From our Sphere of Influence, this Guide suggests the approach and proper attitude guidance for the management of human rights in each of these groups

Employees

All rights imply responsibilities. Each of our employees should have their rights respected by the company. For example, having dignified and healthy work environments. By the same token, each employee has an obligation to adopt a daily conduct

and behaviour of observing human rights, be they of colleagues, teams or third parties. In other words, employees benefit from and are obliged by human rights principles. Below are some examples of attitudes to be adopted.



Favourable and Cordial Environment

The guarantee of dignified working conditions includes compliance with labour legislation – encompassing respect of working hours, workloads, offer of fair remuneration and benefits, (including equal remunerations for men and women employees performing the same function), safety norms and occupational health for workers, all the way from respect for freedom of association and pursuit of collective negotiation – up to educational initiatives focused on professional and personal development, as well as a pleasant atmosphere within the company. The objective of all actions is to continuously foster a pleasant work environment.

» Contributing to a healthy work environment in which relationships are characterised by respect, dialogue, sense of justice and the pursuit of understanding should be the goal of corporate leadership and teams.

Among managers, for instance, this means the ability to avoid that an eventual pressure for results turn into a negative stress impact for the employee. Actions based on threats, oppression, humiliation and other unaccepted attitudes are not permitted. The demand for results should not mean less respect for the team.



Beware of your tone of voice and choose the words you are going to use. Never use obscene language or rude words to call attention or refer to another member of your team or colleague.

It is important to know that communication is not only transmitted through oral language. Therefore, consider your gestures and attitudes. They truly express your actual feelings – perhaps even more – than spoken and written words.

All of us should pay attention and respect when addressing colleagues or subordinates. It is inadmissible and also discriminatory to use depreciative nicknames associated with physical traits, and behavioural or ideological aspects. Remember that jokes may be perceived as offensive and disrespectful.

Feedback

All employees must seek dialogue whenever a person's behaviour is found to be inadequate. Giving more feedback allows clarification of the occurrence and resolution of the conflict at an early stage, avoiding gossiping and misunderstandings. The conversation should be respectful and based on facts and data, never on personal perception.

These same norms also apply to feedback in relation to receiving or making an analysis on behaviour and professional performance. The task is sometimes difficult for those giving or receiving the feedback and requires preparation.

Reminder to our Managers:

remember that before giving feedback, it is important to prepare and organise your approach and the subject matter of your discussion with the employee. The most important goal at this point is not to attribute blame or "give a lecture". Aim to contribute to the employee's professional and personal growth. Identify strong points that value the employee and the aspects that need improvement. The objective is to surpass the difficulty and improve professional performance, which will only be accomplished if the employee is pleased with his work and feels valued by what he-she does.

The subject matter of the discussion should address aspects that may actually be modified and

be related to the employee's work. The way how elements of this conversation and its contents are presented and the tone applied, will make a difference in the way the employee will receive the feedback.

It is important to take advantage of feedback and use it as an opportunity to reflect and grow professionally. Do your best to understand the feedback received and identify your strong points and what can be improved. It is precisely the right time to clarify doubts with your manager and organise your work - enabling you to move forward. For more information on feedback, please check the Human Resources Feedback Guide.

Harassment

Harassment is another important aspect to be considered in relationships between managers and their teams in the workplace, both morally or sexually.

Any employee that experiences or witnesses harassment or other unlawful acts should utilise the channels made available by Vale (refer to Chapter "Communication and Prevention" on page 29).

Moral Harassment

Moral harassment is characterised by a conduct that repeatedly and systematically exposes a person to humiliating or embarrassing situations in the company. It is related to hierarchical work structures; an abusive action from a leader in relation to a subordinate. Additionally, it may also happen between a subordinate over a hierarchical higher or horizontal professional, or among colleagues who hold equivalent job levels.

Moral harassment aims at provoking instability on a person either morally or emotionally.

Managers and employees must be alert and know how to identify cases of moral harassment without trivialising occurrences of conflict within the workplace.

The consequences of moral harassment are serious. A person facing this type of situation suffers stress, loses motivation and delivers unsatisfactory results, among other consequences. The company loses talent, puts its image and reputation into jeopardy, and is affected in terms of competitiveness and productivity. Proven harassment cases may lead to disciplinary measures, up to and including dismissal.

» **Therefore, be aware:** moral harassment prevention is dependent upon relationships characterised by respect, dialogue and understanding among colleagues and managers. This means all employees must strive for and value the growth of the team, mediate conflicts by means of outspoken discussions and negotiations, and clear and open communication. Never leave an eventual undesirable

situation get worse; talk about the matter and seek help.

However, do not mistake management and organisation at work with moral harassment. Follow-up and achievement of goals, as well as the need to respect internal policies, procedures and practices are behaviours expected from any employee!

Some examples:

Manager to Employee

- **Disrespect:** treat the employee without respect or expose them to ridicule in front of colleagues.
- **Threat:** constantly doubt, without grounds, the work or capacity of the employee, including threatening with dismissal.
- **Persecution:** transfer an employee from one position or location to another or to different work shifts, in addition to debasing the employee without any apparent motive.
- **Censure:** prevent a person from expressing their opinion or isolating the employee from their colleagues.

Employee to Manager

- **Insubordination:** systematically not accomplish work assigned by the manager and/or, incite the group of colleagues to harm the manager or even provoke the manager's dismissal.

Employee to Employee

- **Obligation:** compel a colleague to agree with the opinion of the majority, as well as force a colleague to put into practice the objectives of another employee or group.
- **Disloyalty:** jeopardise the performance and team interaction of a colleague on a same hierarchical level with the objective of attaining a higher position in the company.

Sexual Harassment

Sexual Harassment at work is always related to abuse of power, especially from a superior, through the use of a sex-based behaviour that is unwelcome and offensive to its recipient. The behaviour that qualifies sexual harassment can be verbal, non-verbal, physical and through gestures.

Men can also be victims of sexual harassment practiced by women and other men.

The International Labour Organization characterizes sexual harassment at work when at least one of the following situations occur: **1)** to clearly be a condition to give or maintain a job; **2)** influence in promotion and/or the career; **3)** affect professional performance and **4)** to humiliate, insult or intimidate.

It is important to underline that sexual harassment is not about flirting and what characterizes it is the desire and will of power emanating only from one person. It is always associated to a bargain, a demand of a sexual favour in exchange of a guarantee or protection at work.

The company explicitly condemns behaviours of this nature and there are legal provisions that address

sexual harassment in the workplace in many countries where Vale operates.

Diversity

The appreciation of diversity, respect to differences and competitive inclusion are directives to be observed on a day-to-day basis at Vale.

Diversity encompasses aspects such as race, ethnicity, origin, sex, sexual orientation, religious creed, trade union affiliation, social stratum, mental or physical disability, age and ideology among others.

Any discriminatory conduct due to the conditions or personal options mentioned above should be condemned and banned by managers and employees as well. Remember that, besides being a form of moral harassment, discrimination hurts and disrespects the other person in his/her identity. Prejudice and discrimination are examples of cruel forms of human rights violations.

The company also condemns forms of discrimination against employees that are HIV positive.

Affirmative policies* foreseen in the law should be complied with. In selective processes and work routines, a fair and equitable behaviour shall prevail.

* **Affirmative policies** are special and temporary measures taken or determined by the State, voluntarily or mandatorily, with the objective of warranting equal rights of opportunities and treatment, as well as to offset losses resulting from discrimination and marginalisation due to racial, ethnic, religious, gender and other natures.

Here are some of the more common forms of discrimination and prejudice that currently can be seen in the world:

Gender: When it comes to gender equality what is sought is that women and men can be equal in terms of legal rights, political participation, remuneration and in their personal relationships. The quest for gender equality is not only incumbent on women; men should also strive for gender equality in all social spaces.

Colour and Ethnicity: Such discrimination occurs when an inferior condition is attributed to a certain group of people, according to the difference of the colour of their skin and due to some specific physical characteristics. In many countries this kind of prejudice can be observed at the labour market, in education, in access to the health system and in other social spaces.

Indigenous Groups: discrimination against indigenous groups is

characterized by disrespect to their beliefs and culture.

Sexual Orientation: prejudice and discrimination that occurs against those who have a different sexual orientation from the socially accepted standards. Homophobia is a hostile way of discrimination and prejudice against homosexuals.

Disabled Persons: the disabilities of a person can be physical, visual, mental and of hearing. It is important to be aware that conviviality with persons with disabilities should not be permeated by assistentialism, pity or compassion.

Remember: they want an equal treatment and also equal opportunities.

The Inclusion of Disabled Persons

With respect to inclusion of a person with disability, Vale has in place



an Inclusion Program for Disabled Persons with Disabilities that recruits and prepares candidates to work in operational and administrative areas. The company maps jobs, including technical and high-level positions that may be held or adapted to work conditions for persons with disabilities.

The company's facilities are gradually being adapted to accommodate persons with disabilities and enable accessibility. This includes, among other actions, visual and tactile signalling of the spaces adapted to impaired people and the adequacy of accesses for persons with any locomotion impairment. Some examples of this process are the construction of ramps, adaptation of bathrooms, installation of lifts and easy-to-open doors, the creation of designated parking spots and the instalment of emergency sound, light and vibration alerting devices. Therefore, if your area is undergoing any renovation work, remember to consider the accessibility aspects of the project.

Managers, for more information on the subject, attend lectures on the Inclusion Program for Disabled Persons or contact the Human Resources Area for support.

Corporate Security Brigades

Our security brigades, employees and outsourced, work to warrant the employee's physical integrity, preservation of corporate property, protection of information and maintenance of corporate production processes.

While they should have their rights respected, security brigades are strategic agents in the promotion of human rights, given that they deal with situations of conflict and they should primarily use peaceful solutions. The use of force must be avoided.

» It is incumbent on all of us, and particularly on these brigades, to always work bearing in mind that human rights must be respected. In other words, never abuse power or practice discrimination, repudiate interference with the privacy of citizens and ban degrading or inhumane treatment.



Selection and Training

The company managers must be aware of the selection process of professionals to work in this area (Corporate Security), be they hired or outsourced. It should be rigorous and consider prior experience, technical skills and the candidates' emotional stability. All employees hired to perform a role in corporate security must undergo specific training prior to working in this capacity.

Reminder to our managers:

If you have security brigades under your responsibility – or outsourced personnel in your area –, be sure their members receive periodic training and refresher courses. These courses address a range of information imperative for these professionals, such as international human rights standards, ethics, conflict management, the use of force and relationship with the community. Refresher courses should be offered at least every two years.

Peaceful Solutions

Security officers must remember that conflicts should not be resolved by using force beyond the necessary to neutralise a threat. The use of force, if inevitable, must be directly proportionate to the situation at hand, respecting at all times local legislation, and must never be unhuman or degrading.

In case of any queries, contact the Security Department.

Suppliers, Partners and Customers

We seek to establish commercial relationships with entities that share the same principles and values as Vale.

Reminder to our Managers:

Before establishing a commercial partnership, be sure that the company or entity shares Vale's values and human rights principles. Agreements negotiated with third parties should adopt proven clauses and legal conformity documentation related to labour rights – which means, among other factors, the non-utilisation of child or forced/ compulsory labour.

Some global sources of information may help in the risk analysis of violation of human rights, in particular of child and/or forced or compulsory labour, by country (region) and activity. Some examples:

The Danish Institute for Human Rights

<http://humanrights.dk>

Maplecroft (Risk, Responsibility and Reputation)

<http://maplecroft.com>

It is also possible to investigate if a potential partner is involved in cases related to child or forced labour.



In Brazil, the Ministry of Labour and Employment offers two mechanisms useful for this inquiry:

1- A listing, updated every six months, is available at www.mte.gov.br, with names of employers and establishments known for exploiting slave labour.

2- The Information System on Child Labour Locations (SITI) has an Internet page at <http://siti.mte.gov.br>, in which one may find names of companies known for using child labour.

In the event of disrespect to human rights, duly proven by government authorities and mechanisms and provided by law, the supplier/partner or the customer is notified so that it may adopt corrective measures. For cases in which such measures are not taken, the commercial relationship may be legally rescinded.

Sharing Values

Our Suppliers' Code of Conduct (available at Vale website) has guidelines and values that must

be adopted. The document encourages partnerships that contribute to sustainable business management and respect for human rights throughout the entire production chain.

The Code clearly states the need to include and comply with contractual human rights clauses. In addition to following Vale guidelines, suppliers should follow the applicable labour legislations of each country, promote the health and safety of its employees and respect the environment.

Relationship with Customers

Cases of disrespect to human rights, such as the exploitation of forced or child labour or the use of charcoal from non-certified wood, in Brazil, are also monitored together with our customers. All employees should be aware of these issues.

» In the event of non-compliance, the customer should be notified so as to rectify the irregularity. This is how we will warrant human rights practices throughout our entire production chain.

Local and Traditional Communities

In general, our activities require interaction with communities. These relationships stand to be more harmonic and fruitful when the company understands the places in which it operates or intends to operate.

Integrated Territorial Diagnostics on Socioeconomics, developed by Vale Foundation/Community Relations Department, in partnership with the operational areas, are examples of tools that make this knowledge possible.

Engagement with Communities

Relationships with communities should be long lasting through the phases of project implementation, operations and the completion of activities.

For efficient relationship management, the company should clearly state to the community its processes and dialogue channels.

Engagement with local communities should be based on the adequate management of positive and negative impacts of our activities, the establishment of a dialogue and the creation of common positive long-term goals, capable of contributing to a legacy of sustainability in the regions we operate.

It is through dialogue that we establish and build relationships of mutual trust.



Reminder to our managers:

At all times pay attention to the following points: identify the stakeholders engaged; identify relevant discussion themes and evaluate how they should be addressed. The Socioeconomic Diagnostics will be an important tool to assist identifying the players and strategic themes.

» Gather information that might be of help during your discussions. Remember that the tone should be one of dialogue, which implies talking and listening. Share ideas and build common projects. Try to understand what is already being accomplished in each locality and contribute to the management and identification of new opportunities, which should at all times be aligned with local priorities.

To help you accomplish this task, remember that you have the Community Relations Department, Regional Communications Department and Vale Foundation to support you, which have experience with dialogue and partnerships with communities. These areas may support you with tools and guidelines for community engagement.

Traditional Communities

We live together with indigenous people, traditional communities and tribal people in many territories.

When relating with these communities, we must aim to establish a constructive relationship of mutual benefits, with respect to the cultural diversity and rights of these populations, aligned with the concepts and guidelines of good international practices.

According to the guidelines of the Global Reporting Initiative (GRI), “indigenous communities are comprised by people whose social, cultural, political and economic conditions set them apart from other sectors of the dominant national community”. Indigenous people are also those who descend from “populations who inhabited the country or another geographic region to which the country was a part at the time of conquest, colonisation or the delimiting of the current country borders and which, regardless of their current legal status, maintain total or part of their own social, economic, cultural and political institutions”.

It is important that any impact evaluation process of our enterprises

GRI – Global Reporting Initiative: an international non-governmental initiative headquartered in Holland, whose mission is to develop and spread guidelines around the world for the elaboration of reports on sustainability used voluntarily by companies worldwide.

(impact studies and licensing processes, among others) of these communities be mindful and respectful of their cultural aspects, their relationship with the land and natural resources, in addition to social, economic and environmental interests, besides the rights provided for in legislation of the countries where Vale operates.

Dialogue with these communities should be in line with their socio-cultural characteristics. In the event it should be necessary to formalise agreements, mitigation or compensation actions for the impacts generated, it is important that these be conducted in a transparent and participative manner, prioritising structuring actions that contribute to the strengthening of the knowledge, initiatives and cultural heritage of these communities.

Reminder to our Managers:

Seek support from the Community Relations Department, where you will find professionals qualified to guide relationship options with these communities and also with government agencies responsible for the topic.

Qualification

Managers, if your job and/or team have interaction with indigenous communities, seek and/or promote adequate qualification to properly relate with this community.

Promote awareness-raising programs on human rights, in particular, in regions that are vulnerable to child or slave labour.

Avoid prejudice and learn about traditional communities.



Governments and Society

In recent years the corporate world began to understand the importance of its collaboration and action in the development and implementation of sustainable practices in partnership with governments, through social responsibility actions and direct contributions to the enhancement of consciousness and promotion of human rights.

In its relationships with governments Vale seeks to understand the context and how human rights issues are treated in the countries where it operates; Vale seeks to identify which are the risks involved in activities regarding these issues, and analyses

how the relationships with partners and suppliers can collaborate or jeopardize the protection and respect of these rights.

International Cooperation

Vale participates in pacts and associations that guarantee human rights and its founding principles, such as the United Nations Global Compact, the Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria (GBC) and the International Council on Mining and Metal (ICMM), among others.

For more information on Vale practices on human rights and its participation in representative bodies on the theme, access the Sustainability Report – available at our intranet and in our website.



Risk Analysis and Human Rights Impacts

When beginning an enterprise cycle it is important to analyse the risks involving human rights violations and establish a plan of action to avoid that they may occur. Some of those human rights violation risks are:

- risks related to the country or region where the enterprise will take place;
- risks due to the sector activities (mining, energy, logistics and others);

- risks related to the phase of the enterprise life cycle (implementation, operation or mine closure);
- risks regarding stakeholders vulnerabilities and/or vulnerable groups that can be affected by the activities being developed, specially traditional, indigenous and local communities.

The action plans must include strategies and action proposals to avoid and mitigate human rights impacts that were identified during the risk analysis.

The Community Relations Department has a human rights risk analysis tool that is available for all operational areas.



Critical Issues of the Mining Sector

Child Labour and Forced or Compulsory Labour

We do not tolerate child or forced/ compulsory labour. At Vale it does not exist. Minimum employment age to work for Vale is 18 years old or between 16 and 18, provided it is legal government (Youngsters Professional Education Programs) and that they are assisted by the responsible parties. At Vale, labour clauses are strictly followed and respected, and our company endeavours to have a dignified work environment. Nevertheless, our commitment goes beyond: we are committed to contribute to eradication of these practices from our value chain.

Therefore, the relationship with our partners – suppliers and customers – requires special attention.

Reminder to our managers: Seek to maintain commercial relationships with partners that share the same principles and values as Vale.

Gather information on a potential partner. There are official mechanisms available for public consultation on the subject (details on page 19).

Agreements with our suppliers and customers are important instruments to warrant respect to human rights. The Legal and Supply Departments have a standard contractual clause on the theme. Therefore, when you sign a contract, be sure that it meets Vale policies and the Suppliers' Code of Conduct. These documents address issues related to child and forced labour. Agreements should include termination clauses addressing irregularities if corrective measures are not adopted.

What is child labour?

Any and all forms of work performed by children and adolescents aged below the minimal legal age for work, as per the legislation of each of the countries.

What is forced labour?

According to the International Labour Organization (ILO), forced or compulsory labour is a form of coercion exerted onto a person to carry on certain forms of work in which punishment is imposed in the event of non-performance.

The term defines a work relationship in which people are coerced to carry on certain activities against their will by the threat of misery, imprisonment, violence (including death) or other extreme hardship to themselves or members of their families. Many of these forms of work may be covered by the term “forced labour”, although the latter term tends to imply forms based on violence. Forced labour includes all forms of slavery. Although serfdom and slavery are technically forms of forced work, these terms normally and solely apply to pre-modern societies.

Informal and/or Small Scale Mining

Informal and/or small scale mining is responsible for the generation of work and income to thousands of families worldwide and plays an important role in the socioeconomic environment in several countries and regions.

This practice is more relevant in activities related to the extraction of gold and diamonds. At Vale,

however, other forms of informal and small scale mining were identified in other mineral extraction activities, such copper and cobalt, either in internal or adjacent areas to our operations.

In international forums (ICMM/CASM), large-size mining companies are seen as important agents to pass on good environmental, health and safety practices to workers, mainly in developing countries.

In cases of informal and/or small scale mining in internal or adjacent areas to our operations, the company should verify if the activity has or has not been legalised.

In cases of legalised activities, the Company should seek to promote a friendly atmosphere, potential training/qualification opportunities and the adoption of the best social, environmental and economic practices.

In case of illegal mining, Vale shall involve the responsible governmental bodies to undertake the necessary measures and, when possible, support the regularization of the activity

within those agencies with the objective to contribute for the exchange of good practices.

Involuntary Resettlement

We know that sometimes resettlement of communities is necessary for the implementation of our projects and enterprises.

Whenever necessary, relocation initiatives should be aligned with Performance Standard 5 (called “acquisition of land and involuntary relocation”), established in the International Finance Corporation (IFC) – a branch of the World Bank active in the private sector’s sustainable investment in developing countries.

According to IFC, the major goals are the following:

- Avoid, or at least minimise, involuntary relocation whenever feasible, exploiting alternative project conceptions;
- Mitigate the negative economic and social impacts resulting from the acquisition of land or restrictions to the use of land of the affected people by means of compensation for the loss of assets priced at replacement cost; and guarantee that relocation activities be implemented with appropriate disclosure of information, meetings for deliberation and informed participation of the affected people;
- Improve, or at least restore, survival means and standards of living of the relocated people;
- Improve the conditions of life among the relocated people by supplying adequate housing and guaranteed possession of the relocation plots of land.

Communication and prevention

Respect and protect human rights also mean making available a proper reporting channel in the event of violations.

Therefore, Vale makes available for its employees and the external public a whistle-blowing channel, which addresses the necessary guidance for submitting information of such nature.

Vale through this channel wants to solve at a non-judicial sphere conflicts and situation where human rights violations occur, always guided by our Human Rights Policy and granting the right of freedom of expression recognized by the Universal Declaration of Human Rights.

You may use the Reporting Channel available on our website at www.vale.com and talk directly to President of Vale's Board of Directors who will then send the case to be analysed by the company's internal auditing.

The Reporting Channel is available at all countries in which Vale and its controlled companies operate, at all times, in conformity with local laws and enforcing procedures that warrant secrecy and the protection of the informant; the right to response of the suspect of having committed irregularities; transparency along the entire grievance process; the independence and autonomy of structures/people that will participate at the grievance process; equality of access to the parties for sources of information during the process. This whistle-blowing channel is one of Vale's commitments to respect human rights.

Vale also offers a communication channel for submitting other information, queries and opinions. It is also available on our website at www.vale.com.

References



Associations, commitments and international standards

**Global Business Coalition
on HIV/AIDS, Tuberculosis
and Malaria - GBC**

www.gbciimpact.org

**GRI – Global Reporting
Initiative (G3 Guidelines)**

www.globalreporting.org

**International Council
on Mining and Metals - ICMM**

www.icmm.com

**International Finance
Corporation - IFC**

www.ifc.org

**International Labor
Organization - ILO**

www.ilo.org

**Universal Declaration of
Human Rights – UDHR - UN**

www.un.org

**Voluntary Principles on Security
and Human Rights - UN**

www.voluntaryprinciples.org

**Security, Respect and
Remediation: A model of Human
Rights in Businesses - UNO**

[www.business-humanrights.org/
Documents/RuggieHRC2008](http://www.business-humanrights.org/Documents/RuggieHRC2008)

**United Nations Global
Compact (UNGC)**

www.unglobalcompact.org

Credits

General Coordination

Community Relations Department

Support

Human Resources and Governance Department

Health & Safety and Security Department

Legal Department

Corporate Communication Department

Strategic Procurement Department

External Affairs Department

Internal Audit Department

Vale Foundation

