

April 12, 2023

To
Business and Human Rights Resource Centre

Re: Trend Asia's "Workplace Accident: Neglect and Violation of Employee Rights in Indonesia Nickel Industrial Areas"

Vale appreciates the opportunity to respond to the article 'Workplace Accident: Neglect and Violation of Employee Rights in Indonesia Nickel Industrial Areas' from March 13, 2023, published by Trend Asia.

The article brings about the unsafe working conditions in smelters of Chinese companies in Indonesia and places the PT Vale Indonesia ('PTVI' or 'the Company') in a table at the end of the article, indicating a fatality, which occurred between the 2015-2020 period.

Firstly, Vale clarifies that PTVI operates under high environmental and social standards and the Company prioritizes the safety of people and the environment, acting with respect, care and integrity for our employees, contractors, and community members. One of its values 'Life matters most', Vale places life as more important than material results and goods and incorporates this vision in its business decisions.

The incident alluded to by Trend Asia concerns a chainsaw operator, a contractor of PT Bintang Utama, who passed in September 2015 after being hit by a falling tree in the Konde Central area, Sorowako, Indonesia. After conducting a thorough investigation, the cause of accident was attributed to lack of compliance with work standards.

After this fatality, PTVI operated safely without any fatal incidents, within the period covered by the article, and to avoid the recurrence of such incident, the Company took preventive measures and made improvements that focus on the risk substitution, as follows:

- Changing the tree cutting activity in the mine with the use of equipment to eliminate the risk exposure to employees.
- Conducting tiered evaluation on the implementation of Contractor Safety Management System (CSMS).
- Increasing supervision at critical activities, both to the employees' behavior to ensure compliance with work standards and work locations.
- Ensuring the competence of inspectors (line supervisors, middle, and managers).

Vale has a commitment to and obsession with safety and emphasizes these ensuring its employees work under a safe, healthy, and secure environment. Since 2020, Vale has adopted [10 Golden Rules](https://vale.com/documents/d/guest/vale_golden_rules)¹ which its employees and suppliers must follow, in addition to internal safety programs and campaigns. Moreover, PTVI encourages the active involvement of employees and partners in creating safe work culture through the Contractor Safety Management System (CSMS) and the Contractor Safety Forum which convenes on a monthly basis. The company also supports the implementation of the Leadership in the Field program (LIF), which enables leaders to show their leadership and engage directly with the employees to prevent work incidents.

Sincerely,
Vale, SA.

¹ https://vale.com/documents/d/guest/vale_golden_rules