

Modern Slavery

Report

2024

Introduction

In alignment with the values of Vale Base Metals Limited's ("VBML") controlling shareholder Vale S.A. ("Vale"), as set out in the section entitled "Our Structure", at VBML, we believe that every person should have the right to freely choose when, where and how to work, without compulsion or coercion. We are opposed to modern slavery in all its forms, including forced or compulsory labour, bonded labour, child labour, prison labour, and trafficked labour. We expect that all of our stakeholders will take steps consistent with Vale global policies and VBML policies and procedures to prevent modern slavery. We expect that everybody who is associated with VBML will look for signs of modern slavery in our operations, supply chains, and communities, and if they suspect modern slavery is occurring, will report it. We also expect that VBML suppliers will prohibit modern slavery in their own supplier or subcontractor networks.

Reporting entities

This is a joint report prepared in accordance with Section 11 of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* ("Modern Slavery Act (Canada)"), and as a slavery and human trafficking statement published pursuant to Section 54(1) of the UK's *Modern Slavery Act* ("Modern Slavery Act (UK)"), by Vale Base Metals Limited (Company Number 14673667) ("VBML") on behalf of itself (in the case of the Modern Slavery Act (UK)) and certain of its subsidiaries listed below (together the "Reporting Entities" and together with VBML, the "Reporting Entities", "we" or "us"):

In respect of Modern Slavery Act (Canada):

- Vale Canada Limited, Business Number ("BN") 102475084;
- Vale Newfoundland & Labrador Limited, BN 896332376; and
- Vale Americas, LLC, BN 89655 4029 RT0001 (together, the "North American Operations")

In respect of Modern Slavery Act (UK):

- Vale Europe Limited, Company Number 00137114 (together with VBML, the "UK Operations")

This joint report outlines the steps we have taken during the reporting year January 1, 2024, to December 31, 2024, to ensure that slavery and human trafficking is not taking place in any of our supply chains and in any part of our own business, and to prevent and reduce the risk of forced labour or child labour in the Reporting Entities' operations and supply chains.

Our structure, activities and supply chains

Our structure

Vale, the Rio de Janeiro, Brazil-based controlling shareholder of VBML, is one of the world's leading producers and suppliers of iron ore, and is publicly traded on the Novo Mercado of the Sao Paulo Stock Exchange ("B3"), the New York Stock Exchange ("NYSE"), and the Madrid Stock Exchange ("Latibex"). VBML is one of the world's leading producers and suppliers of nickel and copper, as well as gold, silver, platinum group metals ("PGMs") and cobalt as the byproducts of nickel and copper. VBML's global headquarters are in London, United Kingdom. Vale Canada Limited, Vale Newfoundland & Labrador Limited, Vale Americas, LLC, and Vale Europe Limited are the controlled subsidiaries of VBML.



Our activities and people

The Reporting Entities focus on the production and responsible sourcing of base metals such as nickel, copper, cobalt and PGMs, which are critical minerals essential for the renewable energy transition. Our operations include offices, plants, ports, underground mines, and exploration sites.

Canadian operations

Vale Canada Headquarters
Toronto, Ontario

Vale Canada Technology Development Centre
Mississauga, Ontario

Eastern Canada Corporate Affairs and Operations Office
St. John's, Newfoundland and Labrador

Mine Complex
Sudbury, Ontario
* inclusive of five mines, a mill, a smelter, and a refinery

Raw Material Port and Refinery
Port Colborne, Ontario

Hydrometallurgical Processing Plant
Long Harbour, Newfoundland and Labrador

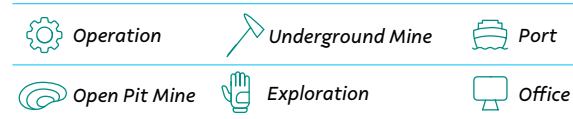
Nickel-Cobalt-Copper Mine and Concentrator
Voisey's Bay, Labrador

Thompson Nickel Belt Mine and Exploration Site
Thompson, Manitoba

* Thompson Nickel Belt Mine or the Thompson Mine Extension Project (TMEP) includes two mines, T1 & T3



Legend:



UK operations

Vale Base Metals Limited Headquarters
London, United Kingdom

Raw Materail Refinery
Clydach, Wales



Our people

As of December 2024, Vale Canada workforce:

7,262

direct

1,879

third party

Vale Canada workforce



- 79% direct employees
- 21% third party contractors

As of December 2024, Vale UK workforce:

198

direct

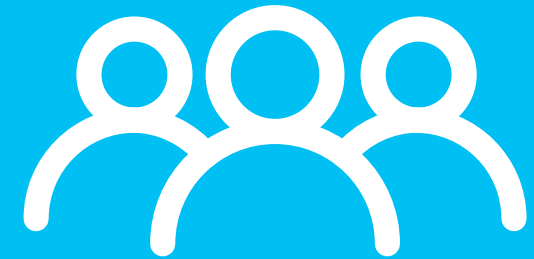
30

third party

Vale UK workforce



- 87% direct employees
- 13% third party contractors



Our supply chains

In 2024, the majority of the Reporting Entities' total annual spend on goods and services was with suppliers and contractors in Canada and Brazil (55% and 34% respectively). 2.5% of annual spend was with suppliers in the United States, 1.5% with suppliers in Finland, 1.2% with suppliers in Switzerland, 1.1% with suppliers in Great Britain, and 1.1% with suppliers in Indonesia.

The remaining spend was with suppliers in Singapore, Germany, Austria, India, Chile, Australia, Japan, China, Spain, Denmark, the Netherlands, Italy, Taiwan, Israel, and South Africa. Additionally, the Reporting Entities procured goods and services from France, Barbados, Sweden, New Zealand, Ireland, South Korea, Belgium, the United Arab Emirates, Thailand, Hong Kong, Mexico, and Luxembourg, but this was less than 0.05% of total annual spend.

Goods and materials sourced by the Reporting Entities make up approximately 59% of the overall spend. This includes:

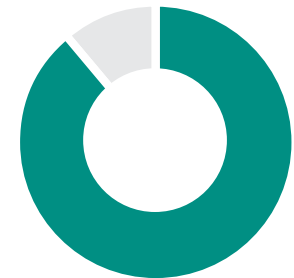
- Heavy Machinery & Equipment (including transportation components, mining and quarrying equipment, foundry machines, and construction machinery)
- Commodities (including metals, minerals, and ores)
- Construction Materials
- Petroleum & Fuels
- Facility Supplies
- Tools & Equipment (including bearings, automation control devices, hand tools, industrial pumps, etc.)
- Chemicals (including adhesives, sealants, and compounds)
- Electrical Equipment & Supplies
- Computer Equipment & Communications Devices

Overall spend



Services procured by the Reporting Entities make up approximately 41% of the overall spend. This includes:

- Mining Services (including extraction and mine exploration)
- Professional Services (including management advisory, professional engineering, legal, insurance, financial, and medical services)
- Construction Services & Contractors (including land preparation services, contractors, and technology)
- Electric, Oil & Gas Utilities
- Commercial Services (including facilities maintenance and hospitality)
- Transportation
- Manufacturing Support
- Healthcare Services
- Telecommunication Services
- Waste Management



89%

of our total annual spend on goods and services was with Canadian (55%) and Brazilian (34%) suppliers and contractors

Policies and due diligence processes

Vale has robust global policies and global due diligence processes that apply to the Reporting Entities and prevent and reduce the risk of modern slavery and human trafficking, including the use of forced labour or child labour, by the Reporting Entities and the Reporting Entities' suppliers. This includes the integration of responsible business conduct into policies and management systems, identifying, assessing and mitigating adverse impacts, tracking and communicating implementation and results, and pre-positioning ourselves to cooperate in remediation should that become necessary.

Policies and supporting documents

Vale's **Global Human Rights Policy** applies to the Reporting Entities and outlines human rights requirements and principles for all operations, subsidiaries, and stakeholders. The policy prohibits the use of child labour and any form of labour relations that may be interpreted as equivalent to forced labour or modern slavery, and is aligned with international standards, including the:

- Universal Declaration of Human Rights ("UDHR");
- United Nations Guiding Principles on Business and Human Rights ("UNGPs"); and
- Organization for Economic Co-operation and Development's ("OECD") Guidelines for Multinational Enterprises on Responsible Business Conduct.

It is approved by Vale's board of directors and reviewed every five years. More details on the Reporting Entities' approach to human rights, including child labour, forced labour, and modern slavery, are provided in Vale's **Global Human Rights Overview**.

Vale's **Global Human Rights Guide** applies to the Reporting Entities and was created to help our

employees, suppliers, and others understand and incorporate the Global Human Rights Policy and its principles into day-to-day activities. We expect that all employees, contractors, and suppliers will follow Vale's policies and procedures, including taking steps to identify, prevent, report and address child sexual exploitation, child labour, modern slavery and human trafficking. Suppliers and partners are also expected to apply equivalent principles to those of the Global Human Rights Policy in their own operations and supply chains.

Vale's **Global Principles of Conduct for Third Parties** requires Reporting Entity suppliers, customers, and partners to be familiar with Vale's Human Rights Policy and Human Rights Guide and adopt standards in line with best international human rights practices, including prohibition of modern slavery, human trafficking, forced labour, child labour and child sexual exploitation. As part of Vale's Global Supplier Registration Portal ("GSRP"), all vendors are required to review and acknowledge the Global Principles of Conduct for Third Parties.

Due diligence processes

Vale's Global Human Rights Policy subjects all suppliers, including those of the Reporting Entities, to human rights due diligence assessments, from supplier registration through to contract management. This is operationalized through Vale's **Global Third Party Due Diligence Procedure**, which includes clear roles and responsibilities, a multi-step due diligence process, monitoring mechanisms, and decision matrices dependent on supplier risk levels. These risk levels are assigned during the vendor on-boarding process, and child and forced labour are specific 'red flags' or 'risks' that are considered. Due diligence is updated regularly in accordance with assigned risk classifications as shown in the table below, and suppliers can be blocked from entering into or continuing business with Vale companies, including the Reporting Entities, based on child and forced labour violations, as outlined in Vale's global **Supplier Registration Management Procedure**.

Frequency of third-party due diligence assessments of active suppliers

Risk Classification	Frequency of Assessment
Low	24 months
Medium	18 months
High	12 months

The Reporting Entities have implemented additional due diligence processes applicable to mineral feed suppliers to supplement Vale's global processes through our **Vale Base Metals Responsible Sourcing Standard**. All mineral feed suppliers are required to complete a **Responsible Sourcing Questionnaire**. They are assigned 'sensitivity' and 'vulnerability' classifications based on human rights criteria, including child and forced labour, as well as by supplier

category, service location or material origin, and use of subcontractors or third parties. Enhanced measures to mitigate identified risks could include additional training, contract clauses, engagement, certification, or action plans. Due diligence on high-risk mineral feed suppliers is conducted bi-annually, and annual reviews of Conflict-Affected and High-Risk Areas (CAHRA) is also undertaken.

The Reporting Entities deploy **external human rights due diligence assessments** by third-party experts across operations and critical projects, in cycles of three to five years. The process is run independently through document verification and on-site condition inspections, as well as through interviews and focus groups with employees and contractors, community members, and representatives from government, academia, and civil society. The results are integrated through corrective actions, with monitoring and reporting on the treatment of risks and impacts detected.

In 2024, VBML commenced **Human Rights Impact Assessments** (HRIAs) across the North American Operations' six sites in Canada. The HRIAs follow international standards to identify and prioritize potential and actual human rights impacts, including child and forced labour. Through external research, document review, community visits, and interviews with the workforce, affected communities, and third parties, the likelihood, severity, and saliency of these impacts will be assessed, as well as the effectiveness of our existing controls. Subsequent action plans in 2025 will then seek to further prevent and mitigate impacts and strengthen our human rights due diligence approach.

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To the best of VBML's knowledge, there have been no occurrences of child labour, forced labour, modern slavery, or human trafficking involving the operations and suppliers of the Reporting Entities in 2024.

Risks of modern slavery

In 2024, the risks related to the possibility of child labour and forced or compulsory labour were mapped in Vale and all of VBML's subsidiaries' global projects and operations and for international suppliers, including our projects and operations in Canada and the UK. Human rights are also included in VBML's materiality matrix and Integrated Risk Map, which are evaluated and validated annually.

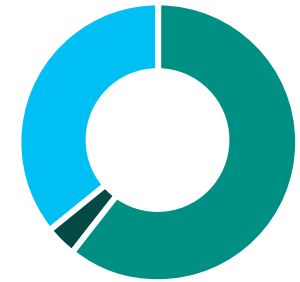
The Reporting Entities also conducted an initial scan of our 2024 direct supplier data that considers geographic, industry, and product or service risks of child and forced labour, using information from international organizations that are reputable, publicly available, and regularly updated. Based on these initial results, we consider the risk of modern slavery in our operations and supply chains to be low.

Geographic risks

75.5% of the Reporting Entities' direct suppliers are located in Brazil and Canada (39% and 36.5%, respectively). The remaining suppliers are located in the United Kingdom, Indonesia, the United States, Australia, Germany, Chile, the Netherlands, Singapore, China, Switzerland, Japan, Finland, Spain, India, Italy, the United Arab Emirates, Austria, Belgium, France, Sweden, Taiwan, Denmark, South Africa, and Ireland. The Reporting Entities also procured goods and services from suppliers located in Mexico, New Zealand, Barbados, Hong Kong, South Korea, Luxembourg, Israel, and Thailand, representing just 0.2% of suppliers.

- **16 of the 34 countries we procure from are considered low risk** across several modern slavery indicators and represent 60.7% of total 2024 spend. (These countries are Canada, Finland, Switzerland, the United Kingdom, Germany, Austria, Australia, Japan, Spain, Denmark, the Netherlands, France, Sweden, Ireland, Belgium, and Luxembourg).
- **8 of the 34 countries we procure from are considered medium risk** due to a combination of factors, including a lack of prohibition on hazardous work for children, the compulsory age of schooling not aligning with the minimum age of employment (UNICEF), the risk of human trafficking (US Department of State), the percent of employees working over 49 hours a week (ILOSTAT), the risk of modern slavery (Walk Free's Global Slavery index), and potential infringement on personal autonomy and individual rights (Freedom House). These countries are the United States, Singapore, Chile, Italy, Taiwan, Israel, New Zealand, and South Korea. They represent 3.7% of total 2024 spend, with the majority in the United States (2.5%).
- **The 10 remaining countries we procure from are considered high-risk** due to a combination of the factors above and the prevalence of child labour (UNICEF), risks to the rule of law (World Justice Project), and poverty rates (World Bank). These countries are Brazil, Indonesia, India, China, South Africa, Barbados, the United Arab Emirates, Thailand, Hong Kong, and Mexico. They represent 35.6% of total 2024 spend, with the majority in Brazil (34%).

2024 spend distribution by risk category



- 60.7% low risk
- 3.7% medium risk
- 35.6% high risk

Risk distribution by geographic location



- 47% low risk
- 24% medium risk
- 29% high risk

Sector risks

We also recognize that, while not specific to VBML's subsidiaries' operations, there are general industry-level risks of forced or child labour.



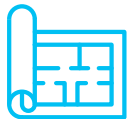
- The **mining and metals industry**, which is a significant spend category across materials and services, has high risks of forced and child labour. However, this is mainly linked to artisanal and small-scale mining (ASM), an issue we do not consider material to the Reporting Entities' operations. Large-scale, commercial mines carry fewer risks, although a reliance on migrant or temporary workers and the presence of contractors and recruiters can introduce additional complexity into the supply chain and increase the risks of modern slavery and human trafficking.



- The **construction industry** has widespread use of contractors and subcontractors, who often rely on the use of vulnerable workers, such as migrant workers, day labourers, or temporary workers, who are more susceptible to trafficking and discrimination, excessive recruitment fees, and withholding of documents. The International Labour Organization estimates that the construction industry is responsible for approximately 16% of forced labour exploitation cases worldwide, and is one of the most hazardous sectors for workers. Additionally, common materials used in construction have been linked to forced and child labour by the US Department of State.



- The **manufacturing industry** includes a range of skilled and low-skilled positions; low-skilled labour has an increased risk of human trafficking, as many workers lack other employment options. They also lack the leverage to negotiate higher wages and are vulnerable to significant job insecurity. Manufacturing may occur in regions with fewer or weaker labour regulations, potentially exposing workers to human rights and health and safety violations in manufacturing facilities.



- The **commercial and professional services industry** includes external consultants and engineering firms, which are considered low risk, but also facility services and maintenance, hospitality, catering, and security services, which are linked to higher risks of forced or child labour. These services often rely on recruiting through contractors and subcontractors and employ vulnerable workers, such as migrant or temporary workers.



- The **transportation industry**, especially ocean freight, can have high risks of modern slavery as workers can be deprived of their rights to annual or shore leave and repatriation, and may be forced to continue working beyond the terms of their employment contracts. Similarly, warehousing services are increasingly outsourced to third-party logistics companies, often relying on temporary or subcontracted labour with higher risks of exploitation or hazardous work conditions.



- The **waste management industry** has high risks of forced labour, as the industry often relies on temporary workers or migrant workers recruited by sub-contractors who are more vulnerable to exploitation and abuse, including human trafficking.

We have robust mitigation measures in place to address these country and sector level risks, which are summarized throughout this report.

Assessing and managing risks

Training

All of Vale's and the Reporting Entities' employees are required to complete a two-hour **human rights training**, which covers child and forced labour, sexual exploitation, grievance mechanisms, and the Whistleblower Channel. VBML's training system tracks completion of the course, with the training program overseen by the Executive Vice President of Sustainability. 95% of the Reporting Entities' employees completed human rights training as of 2024, which included child and forced labour.

VBML and the Reporting Entities also provide annual **responsible sourcing training** to designated personnel with specific responsibilities, which covers risk identification and management, CAHRA identification and review, and OECD guidance and tools. Completion is tracked and reported.

Vale's global Human Rights Policy and Guide requires that all **contractors complete a mandatory human rights training** video, which is provided during onboarding in local languages, and references international standards, internal expectations, and specific issues such as child and forced labour, child sexual exploitation, labour rights, and fair working conditions.

Remediation

Vale's **Global Listening and Response Mechanism** applies to the Reporting Entities' operations and establishes defined channels through which any stakeholder, including suppliers and contractors, can submit information, requests, or complaints. These publicly available reporting channels include social media, telephone, and face-to-face options, and are based on the effectiveness criteria of the UNGPs. Contact details are provided in the policies and guidelines that reference child and forced labour specifically, including the Global Principles of Conduct for Third Parties, Global Human Rights Guide, and Global Human Rights Overview. They do not prevent complainants from accessing other judicial or non-judicial mechanisms, and intimidation and retaliation is prohibited.

A five-step process is used to receive and respond to complaints, and initial responses are provided within ten calendar days. Grievances are recorded and measured against standard performance indicators to assess effectiveness of response and identify opportunities for improvement.

Vale's **Global Allegation Treatment Process of Human Rights Violations** applies to Reporting Entities' operations and business partners and requires remediation action plans to be implemented in response to violations, with accompanying monitoring. At VBML, we use our leverage, involve stakeholders, and cooperate with relevant authorities in remediation efforts, along with our suppliers who are expected to remedy violations in line with the



95%

of the Reporting Entities' employees completed human rights training as of 2024, which included child and forced labour.

Assessing and managing risks (cont'd)

Global Principles of Conduct for Third Parties. The Reporting Entities can conduct due diligence on suppliers and require corrective and remedial actions if any human rights related non-conformances are identified. As part of our services contracts, we can also terminate a contract if a supplier is found to be violating human rights, including the use of forced or child labour.

Vale's **Whistleblower Channel** is also available to anyone inside or outside the company (including the Reporting Entities) who wants to report a suspicion or violation of Vale's Code of Conduct, legislation, or internal rules. The Whistleblower Channel is managed by an independent third party to ensure confidentiality and anonymity, and provides a dedicated portal and telephone numbers for making reports. Whistleblowers are assigned a unique protocol number to enable them to follow-up and track the status of their report.

In 2024, VBML did not identify any occurrences of the loss of income to vulnerable families resulting from the Reporting Entities' measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

Termination of agreements

The Reporting Entities do not tolerate child and forced labour, and services contracts include termination clauses that can be activated as a measure of last resort if there are child labour, forced labour, or other labour rights violations, and if supplier mitigation efforts have not proven effective. This approach is reinforced by options to temporarily cease engagement or block suppliers, in line with the Reporting Entities' Third Party Due Diligence Procedure, Responsible Sourcing Standard and Vales Supplier Registration Management Procedure.

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To the best of VBML's knowledge, there have been no grievances related to child labour, forced labour, modern slavery, or human trafficking involving the Reporting Entities' operations and suppliers in 2024.

Assessing effectiveness

Governance

The Vale S.A. and VBML boards of directors and senior management teams provide oversight of and have ultimate responsibility for the Reporting Entities' approaches to human rights, child labour, forced labour, and modern slavery. Two advisory committees share specific responsibilities:

Committee Responsibilities

Committee	Responsibility
VBML Sustainability Committee	An advisory committee to the VBML board of directors, responsible for overseeing and recommending guidelines and principles related to the VBML human rights strategy, guidelines, and strategic planning.
Vale Audit and Risks Committee	A statutory advisory committee to the Vale board of directors, responsible for regulatory standards, adequacy of risk management processes, monitoring the activities of internal and independent auditors, the evolution of the global Audit and Compliance department's initiatives, the Ethics and Compliance Program, the effectiveness of the Whistleblower Channel, and management of misconduct.

The Sustainability Committee has annual workplans and self-evaluation processes. Global Audit and Compliance department initiatives related to the Reporting Entities' are supervised by the Vale Audit and Risk Committee, and are also reported directly to the VBML board of directors. An Integrated Risk Map is evaluated and validated annually by the Vale and VBML boards of directors.

To effectively manage human rights across the organization and supply chain, we utilize a **Three Lines of Defense Model**:

Three Lines of Defense



Performance tracking and disclosures

The Reporting Entities' **record keeping** system ensures that we store the results of our third-party due diligence assessments for five years or longer dependent on legislation. The Reporting Entities' risk management platform records human rights risks and associated assessments, guided by Vale's Assessment of Risks in Human Rights Procedure, including child and forced labour risks. Completed training, community interactions, and reports received through the Listening and Response Mechanism are captured and recorded in our System of Stakeholders, Demands and Issues ("SDI").

Vale and the Reporting Entities' **track indicators** such as occurrences of child or forced labour, grievances received and resolved, and levels of employee awareness on human rights. All key performance indicators can be found in the ESG Databook and GRI Content Index of Vale's global [Annual Integrated Report](#) (which includes the Reporting Entities), and are externally assured. Additionally, Vale reports annually on human rights and child and forced labour within Vale's Reference Form, [Form 20-F](#), and [Global Human Rights Overview](#).

Through the third line of defense, internal audits of key risk areas are conducted to evaluate and improve the effectiveness and efficiency of our governance, risk management and internal controls.

Future commitments

We are committed to proactive identification, prevention, mitigation and accounting of risks of modern slavery, human trafficking, child and forced labour within our operations and supply chains and intend to continue our momentum throughout 2025 and beyond.

In future reporting periods, the Reporting Entities intend to take steps to align our reporting and other practices with the updated statutory guidance issued by the UK Home Office on 24 March 2025, insofar as it relates to the Reporting Entities' continued compliance with Section 54 of the UK Modern Slavery Act.

2025 Commitments and targets

Topic area	2025 Commitments
Improvement in Human Rights Management Process by 2025	Disseminate a revised VBML Human Rights Standard to all employees; incorporate human rights content in existing procedures; and provide human rights training to leaders, employees and contractors.
2030 ESG Gap Action Plan	Continue formal supplier monitoring programs to address human rights and supply chain risks.
Child and forced labour risk assessment	Conduct a follow-up risk assessment of the North American operations and suppliers to confirm levels of risk of child or forced labour by geography, industry and product/service.
Child and forced labour training	Review and enhance the training provided to VBML Canadian employees on child and forced labour.

Consultation and requesting information

Vale Base Metals Limited consulted with the Reporting Entities on the development of this report.

Requests for both general information and information relating to the Reporting Entities' operations, supply chain, or business practices for both Canada and the UK can be requested through the following channels:

Toronto Office:

200 Bay Street, Royal Bank Plaza, Suite 1500, South Tower, Toronto, Ontario M5J 2K2
Phone: +1.416.361.7511 Email: reception@vale.com

London Office:

Rex House, Level 7 4-12 Regent Street, St James's London, SW1Y 4RG United Kingdom
Phone: +44.204.534.7357

Approval

In accordance with the requirements of Section 54(6) of the UK's Modern Slavery Act, this report was approved by the board of directors of VBML, on behalf of itself and Vale Europe Limited, on May 31, 2025 .

Mark Cutifani

Chairman of the Board of Directors
Vale Base Metals Limited

Signature: _____

Attestation

In accordance with the requirements of Section 11 of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, I, in the capacity of Chief Executive Officer of VCL, attest that I have reviewed the information contained in the report on behalf of the governing body of each of the North American Operations. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed within this report.

Shaun Usmar

Chief Executive Officer, Vale Canada Limited
May 31, 2025

Signature:  _____

I have the authority to bind Vale Canada Limited and each of the North American Operations

