



Objective: To establish general guidelines for the planning and implementation of socioenvironmental investments.

Scope:

This policy applies to Vale, its wholly owned (100%) subsidiaries and shall be reproduced to its direct and indirect, subsidiaries in Brazil and in other countries, always respecting these companies' constitutional documents and the applicable law. The principles of this Policy should be applied, whenever possible, by other entities in which Vale has equity interest in Brazil and in other countries.

References:

- POL-0001-G - Code of Ethical Conduct
- POL-0005-G - Human Rights Policy
- POL-0012-G - Climate Change Mitigation and Adaptation Policy
- POL-0016-G - Anti-Corruption Policy and Global Anti-Corruption Manual
- POL-0019-G - Sustainability Policy

Concepts:

In the context of this Policy and in line with the main purpose of investments, they are to be classified as follows:

Social: derived from catalyzing, preventive, compensatory and/or corrective actions related to socio-economic impacts of operations and/or projects and/or mineral exploration or from actions which foster community development and the improvement of the quality of life. Actions related to Traditional Communities and Indigenous People are included here as well;

Environmental: derived from catalyzing, preventive, compensatory and/or corrective actions related to environmental impacts of operations and/or projects and/or mineral exploration or from actions which foster the improvement of the quality and / or conservation of the environment;

Cultural: derived from actions related to cultural development, including the advancement of the cultures as per their regional and national diversity, and the protection and conservation of historical and artistic heritage;

Institutional: derived from actions focused on sectors and themes related to the businesses or other company interests, and which aim at furthering the Vale brand and the relationship with external stakeholders.

As per its origin, the investments are classified as follows:

Mandatory: originating from legal obligations, such as actions formally aimed at meeting socio-environmental programmes directly related to the compliance with conditions established in a licensing process, implementation of court rulings (or equivalent) or the force of law. They include mandatory contributions related to regulated activities. Contractual commitments, even if formalized previously to the assessment process, are not considered "Mandatory" for the purposes of this Policy;

Mitigating: originating from impacts not formalized in a licensing process or legal obligations;

Voluntary: originating from actions unrelated to the company's operational and administrative routines, and which are not considered as mandatory or mitigating. Voluntary investments may be made with the company's own resources, or stemming from tax incentive mechanisms.

¹ In the context of this Policy, socioenvironmental investments are considered as any spend (cost, investment, research & development) implemented with this purpose.



The investments should be implemented exclusively through:

- **Donations:** free transfer to third parties of, including, though not limited to: financial resources, goods and services. They also include, e.g., agreements for technical and/or financial co-operation;
- **Sponsorships:** funding to projects planned and implemented by third parties, exclusively legal entities, in return for, as a minimum, Vale brand exposure;
- **Contributions:** association with peer entities or equivalent, which presumes the need of institutional representation;
- **Services:** donations, through the utilization of spot service contracts of Vale System companies, to manage social and environmental impacts.

Principles:

Investments must comply with at least one of the following principles: (i) adhere to the guidelines of the Sustainability Policy; (ii) manage social, environmental and institutional impacts stemming from operations and/or projects and/or mineral exploration; (iii) contribute to the sustainable development in the operating territories; (iv) strengthen the company's image and its relationship with external stakeholders. Investments must not fund actions which are constitutional obligations of Government or Public Authorities, however investments which complement these constitutional obligations, are allowed.

Guidelines for the planning and implementation of the investments:

Prioritization of mitigating and voluntary investments must comply with as many of the guidelines below as possible. Specifically, actions which:

- Are aligned with the Vale Sustainability Strategy;
- Are implemented in areas impacted by Vale System businesses;
- Favour vulnerable communities;
- Respect and reinforce public policies;
- Integrate and have synergies with other actions and partners, especially in the same territory;
- Are structural and not one-off, with measurable results;
- Do not cover costs which are the responsibility of Government or Public Authorities;
- Have a defined time for completion;
- Are economic, environmental and socially sustainable;
- Contribute to the exercise and promotion of Human Rights.

Prohibitions:

Prohibited actions are those which:

- Generate potential harm to life, society, the environment and the reputation of Vale System companies;
- Are counter to the Code of Ethical Conduct and the Vale System Policies and/or current legislation;
- Are classified as voluntary and not related to the construction of positive social legacy (basic education, access to primary health care and income generation), to the enhancement of the environmental assets or which are not a priority for Vale System businesses;
- Involve projects or assets of religious nature, except when they are material assets (tangible) or expressions of an immaterial (intangible) nature which have a historical, artistic, cultural, documental and/or aesthetic meaning and importance for the community or the benefiting communities;



- Have, as a specific or exclusive objective, publicity or promotion of partners or contractors, be it in any format, physical or digital;
- Have, as an objective, fundraising campaigns for purposes not related to the Vale Sustainability Strategy, e.g., the reduction of financial debt;
- Involve, direct or indirectly through third parties, any contribution to political movements, including those organized in parties, and to their representatives or candidates.

Governance Structure for the Investments:

The Advisory Group for Socioenvironmental Investments (“Advisory Group”) will be created. As its main objective, the Advisory Group will advise the Executive Board in the decision-making process for the planning and implementation of social, environmental, cultural and Institutional investments.

All and every request for implementation must first be assessed by the technical areas of Sustainability and Institutional Relations as well as the Corporate Integrity area; the latter will analyse the investments and assess the recipient entities from the anti-corruption standpoint. Investments validated through this process will then proceed for approval in accordance with the limits established for the reporting line.

Investments with an unfavourable opinion from the technical areas of Sustainability and Institutional Relations should be analyzed by the Advisory Group, independently from authority limits, in cases where the proponent wishes to proceed with the request.

The Advisory Group will also assess and validate all transactions requiring Executive Board or the Board of Directors approval before they are submitted to the respective Boards. However, the Advisory Group will not analyze requests for ratification of actions already implemented.

The Sustainability and Institutional Relations Department will support the Advisory Group in preparing for its meetings and quarterly reporting on investments to the Executive Board, the Sustainability Committee and the Board of Directors.

General Provisions:

- Donations of goods, services, property, unserviceable and other items with a social, environmental, cultural and institutional objective must follow the guidelines of this Policy;
- The obligation of an action is originated, sole and exclusively, from its legal requirement, and not from an assessment on the eventual importance of its implementation;
- In the case of emergencies in locations under a situation of public emergency, the company may support the Government or Public Authority, complying with the approval process defined in the company’s documents on delegation of authority;
- Any violation of this Policy is considered a violation of the Code of Ethical Conduct and will be subject to the respective procedures and penalties, in addition to offenders being held accountable for loss and damage caused to Vale and third parties.