



**Objective:** to establish guidelines to ensure that sanctions imposed against countries, entities and individuals by the main international rules and regulations are globally complied by Vale in conducting its business.

## Application:

This Policy applies to Vale and its wholly owned subsidiaries and must be adopted by its direct and indirect controlled entities in Brazil and in other countries, always in compliance with these entities' documents of incorporation and applicable laws. Adoption of this policy is encouraged in other entities in which Vale has a participation interest in Brazil and in other countries.

All Employees and Executives of Vale and its controlled entities must be committed to the rules established in this Policy and are responsible for disseminating and following the guidelines contained herein.

All Clients and Providers, including other Partners of Vale, must know and observe this Policy in order to guide their conduct and avoid conflicts and violations.

The guidelines established in this Policy must be applied globally, even if the respective local legislation has more lenient rules and accepts and/or tolerates some conducts provided for herein.

## References:

- POL-0001-G – Code of Conduct.
- POL-0005-G – Human Rights Policy.
- POL-0009-G – Risk Management Policy.
- POL-0019-G – Sustainability Policy.

## Definitions:

**Clients:** any client, including intermediaries thereof, of products or services of Vale and its controlled entities.

**Employees:** any employee, either permanent or not, intern and/or trainee of Vale or its controlled entities.

**Executives:** any member of the Board of Directors, Advisory Committees and Board of Executive Officers of Vale or its controlled entities, or member of any other statutory or similar position, according to applicable law in the jurisdictions in which Vale and its controlled entities operate.

**Partners:** any entity (association, institution, organization, etc.) with which Vale (or its controlled entities) has a commercial, technical, social or institutional partnership, among others, and which is not a Client or a Provider.

**Providers:** any goods supplier or services provider, including consultants, agent, commercial representative, forwarding agent and intermediary, among others.

**Sanctions:** restrictions applied by countries or international organizations in connection with certain countries, territories, entities or individuals, consisting of asset blockages and/or commercial restrictions, whether in a comprehensive or selective manner, in order to achieve foreign policy or national security objectives, or the objectives of members of the sanctioning international organization. In this sense, it is important to consider the countries involved in the transactions (i.e. origin and destination of the product or service, location of the business or entity, among others)

**Sanctions Due Diligence:** research process completed prior to or during a transaction in which individuals, businesses and/or entities that have any interest in the transaction are reviewed, contributing to mitigation of reputational risks and of the risk of Sanctions violations.

**Red Flags:** are news, indications, conducts or facts that indicate that a transaction violates or has the potential to violate Sanctions.



## Principles:

- Vale complies with the laws and regulations to which it is subject, including Sanctions and import and export controls legislation regulated by certain countries and international organizations.
- Vale must, as a matter of principle, prioritize risk management and safeguard its reputation.
- The enforcement of Sanctions regulations also reinforces Vale's commitment to the United Nations' guidelines for maintaining or restoring international peace and international safety and fighting human rights violations.

## Performance Guidelines:

In order to comply with the main Sanctions rules and regulations issued by the **United States of America** (including, but not limited to, those issued by the Office of Foreign Assets Control - OFAC and the Bureau of Industry and Security - BIS), the **United Nations**, the **European Union**, **Switzerland** and **Canada**, Executives and Employees must:

- Before undertaking any commercial transactions with Clients, Providers or Partners, seek to know the risks and the most relevant aspects of the transaction, with the aim of identifying potential Red Flags;
- Ensure that Sanctions Due Diligence is duly carried out;
- Ensure that Vale does not deal with Clients, Providers or Partners listed as sanctioned entities or individuals in the aforementioned Sanctions rules and regulations;
- Immediately suspend all activities and negotiations in progress in relation to a Provider, Client and/or Partner, whenever there are Red Flags as to the possibility of Sanctions violations, and forward the matter to Vale's General Counsel;
- Ensure in a contractual instrument that Clients, Providers and Partners represent that they are not subject to and do not and will not violate Sanctions;
- Watch for Red Flags throughout the course of the business relationship;
- Immediately report to Vale's Ombudsman or to the General Counsel or through the channel of Vale's Ethics and Conduct Office any suspected or potential violation to Sanctions or to this Policy.

## Governance:

Vale's General Counsel will be responsible for determining the guidelines for the performance of Sanctions Due Diligence and other requested analyses, as well as establishing guidelines and conducting training necessary for compliance of this Policy. Vale's General Counsel will also be responsible for the management of Sanctions violation risks, including establishing necessary measures to prevent and mitigate such violations to be followed by other business areas of Vale and its controlled entities.

## General Provisions:

Violation of the principles and rules established in this Policy subject offenders to disciplinary measures that may include warning, suspension or dismissal for Employees, and termination of contract for Clients, Providers and Partners. In the enforcement of these measures, the nature and severity of the infraction will be considered in compliance with Vale's Human Resources guidelines and applicable law.

Furthermore, Sanctions violations may also subject the offender, Vale and its controlled entities to civil and criminal sanctions, including fines and imprisonment. Vale treats this issue very seriously and requires that its Executives, Employees, Clients, Providers and Partners do the same.

Vale's General Counsel shall be responsible to indicate whether other international rules and regulations related to Sanctions shall be complied by Vale.