


Subject: Management of Companies and Entities of the Vale Group. 	
Identification: POL-0043-G / Version: 00.	Use: Public.
Resolution: DCA – 102/2021.	Emission on: 12/17/2021.
Responsible: Executive Management of Joint Ventures .	Review up to: 12/17/2022.

1. Objective

Establishment of guidelines and principles for the management of Companies and Entities of the Vale Group, ensuring that best Corporate Governance practices are consistently followed, as well as ensuring a lean and functional organizational structure fully adherent to Vale’s values and strategy.

2. Applicability

The guidelines and principles of this policy must be followed by the management of all Companies and Entities that Vale have complete control or in which Vale has direct or indirect participation, or influence on decisions, even in the absence of corporate participation (including, but not limited to, consortiums, and non-business entities, such as funds, associations, institutes, and foundations, maintained and managed directly by Vale and with no representativeness and institutional relationship purposes).

The Executive Committee is responsible to issue, directly or by delegation, Administrative Policy(s) or other normative management and governance documents to detail the principles established in this policy.

In this policy, the nomenclature contained in Vale's internal organization chart was adopted to facilitate the reading and understanding of policy users. Therefore, "Executive Board" is also called "Executive Committee," and "Executive Directors" are also called "Executive Vice Presidents."

Decisions prior to this policy and already implemented will be audited in accordance with the policy on force at the time.

3. References

- By-laws of Vale
- POL-0002-G – Delegation of Authority Policy
- POL-0016 G – Anti-corruption Policy
- POL-0031 G – Indemnity Policy
- POL-0041 G – Consequence Management Policy

4. Typology of Companies and Entities

4.1 Type 1 - Wholly Owned Company Non-Operational (“Holding”):

The company (a) in which Vale holds, directly or indirectly, all the shares and (b) which business does not involve industrial or commercial operations, having as its activity the investment as a pure holding company and/or finance and other related activities.

4.2 Type 2 - Wholly Owned Company Operational:

The company (a) in which Vale holds, directly or indirectly, all the shares or all quotas if the participation is held via funds (such as venture capital) and (b) which business includes industrial, marketing and commercial activities, mineral exploration, or technology development.

**4.3 Type 3 - Operated Company, with Third Party Participation (OJVs – Operated Joint Ventures):**

The company in which Vale (a) holds, directly or indirectly, less than 100% of shares and (b) controls the company's daily operational decisions, typically because of an operational agreement, shareholder agreement or other agreement between the company and Vale (for example, asset lease agreement).

4.4 Type 4 - Non-Operated Company, with Third Party Participation (NOJVs – Non-Operated Joint Ventures):

The company in which Vale (a) holds, directly or indirectly, less than 100% of shares or even in the absence of shareholding (as in the case of a consortium), (b) does not control the company's daily operational decisions because either the company has independent management under the direction of the Board of Directors and its shareholders, or the company is operated by one of the other shareholders or third party, under the terms of an agreement signed between the company and the operator; and (c) exercises significant influence on the governance of the company (for example, Vale may appoint one or more persons to the Board of Directors or equivalent body). All of the three above-listed conditions must be met to classify a company as NOJV, therefore the capacity to elect Directors due to Vale's participation will not suffice to classify the company under this type. The entry into new NOJVs, respecting the delegation limits and necessary approvals, will be strategically evaluated, especially to enter new geographies, markets and businesses, however, it may also occur for different reasons, such as accessing complementarity of competences, products, and services, gaining scale or cost synergy, learning or developing new skills, meeting regulatory requirements, sharing risks, accessing capital, asset monetization, or managing exit/acquisitions in phases.

4.5 Type 5 - Financial Investments/Minority Participations in Closed Companies:

Private companies in which Vale (a) holds directly, indirectly, or via funds, small shareholdings, or quotas (less than 20%) and (b) does not exercise significant influence on the company's governance. Examples of minority holdings include investments in (i) established companies that can aggregate new technologies or skills, (ii) innovations/technology start-ups, (iii) funds to promote research and innovations, or (iv) junior mineral exploration companies. Minority holdings generally aim to create strategic options for Vale's business. These investments/participations must be relatively small, individually limited to \$50 million (Vale's investment at historical cost).

4.6. Type 6 - Financial Investments/Minority Participations in Listed Companies:

Companies listed on the stock exchange in which Vale (a) directly or indirectly holds a small shareholding (usually less than 20%) and (b) does not exercise significant influence on the governance of the company, even when it may elect one or more members of its administrative bodies.

4.7. Type 7 - Non-business entities (Entities)

Third sector entities institutionalized and constituted according to civil law, non-profitable, established to support the society with social, humanitarian, and environmental development matters, such as associations, institutes, and foundations, maintained and managed directly by Vale. It does not include entities where Vale is associated with for representation and institutional relationship purposes, such as class representation associations, industry associations, and others.

5. Concepts

Governance Agents: individuals involved in the governance system of Companies and Entities, such as directors, executives, administrators, and members of advisory committees.

Governance Bodies: Boards of Directors, Executive Boards, Advisory Councils, Deliberative Councils, Advisory Committees, Tax Councils or any other deliberative or advisory bodies, statutory or not of Companies or Entities.

Administration and Supervisory Bodies: Boards of Directors, Executive Boards, Deliberative Board, Fiscal Councils, or any statutory deliberative bodies of the Companies or Entities.



Technical or Advisory Bodies: Advisory Councils, Advisory Committees, or other advisory bodies, statutory or otherwise of Companies or Entities.

Companies: wholly owned companies (non-operational and operational), companies with third-party shareholding (operated or not operated by Vale), as well as financial investments/minority holdings, are considered.

Entities: non-business entities are considered, as defined in item 4.7 of this Policy.

Accountable Executive: single focal point, an employee of Vale, or one of its wholly owned companies, responsible for monitoring the strategy, performance, and risks of each Company or Entity under its responsibility. In the case of Joint Ventures, it is recommended that the Accountable Executive be a member of the Board of Directors of the Company or a direct report as a member of the Board. She/he will be the executive responsible for managing the internal and external relationship, seeking to maximize the long-term value for Vale.

Asset Manager: employee of Vale, or a fully controlled company, responsible for Vale's daily efforts to manage the strategy, performance, and risks of the Company or the present Entity, working closely with and under the direction of the Accountable Executive. The Asset Manager must carry out governance and compliance activities and maintain internal and external relationships to maximize Vale's long-term value.

Asset Management Team: a multifunctional team that, under the leadership of the Asset Manager, supports the daily efforts to monitor the strategy, performance, and risks of the Company or the present Entity. The structure of this team and its size and competencies should reflect the value and risk profile of the asset.

6. Principles and Guidelines

6.1 General Principles and Guidelines

This Policy assigns mandatory attributes and desired attributes, depending on the type of Company or Entity, in addition to the observation of all legal aspects involved. The failure to observe or the non-compliance of mandatory attributes, such as described in this Policy, requires the approval of the Board of Directors.

The creation or entry into a Company or Entity by Vale, as well as the maintenance of participation, through shares or not, in a Company or Entity by Vale, must comply with clear objectives, derived from Vale's Strategic Plan, as well as that provided for in this Policy, and the adherence to the objectives must be tested at least every 3 (three) years. All of Vale's Companies and Entities must be classified in the types presented in item 4 above.

Vale aims to operate with the simplest and most functional corporate structure possible. Therefore, Vale's stakes in Companies that do not meet the above concept should be eliminated, whenever feasible, through sale, merger, incorporation, liquidation, or another applicable mechanism. The maintenance of Companies without adherence to Vale's objectives requires the approval of the Board of Directors, except when the elimination is not feasible (for example, for prohibitive direct or opportunity costs) or is ongoing.

Vale's investments to promote research, innovation, new technologies, new skills, product development, or mineral exploration to create strategic options for Vale's business may occur under any Companies described in this policy. The Executive Committee may submit to the deliberation of the Board of Directors an alternative proposal with simplification of Vale's set of administrative rules and policies to be adopted by the Company, even if these investments are made through whole owned subsidiaries but managed segregated from Vale's business units.

The Executive Vice President of Strategy and Business Transformation should prepare a report about Vale Group companies and Entities for the People, Compensation and Governance Committee and to the Board of Directors, annually, containing at least the information below:

- Executive Summary;
- Classification of each Company and Entity with the typology defined in this Policy;
- Description of the Governance Structure, with its justification and assessment, identifying the Accountable Executive and the Asset Manager, as well as their main Governance Agents;



- Movements on the list of Companies and Entities (entry, exit, types) occurred in the period, with their justifications;
- Adherence of the Entities to the Strategic Plan and Framework Plans, when necessary, including ongoing eliminations;
- Potential non-compliance with the mandatory attributes;
- Evolution of the most relevant Companies, including those with decisions invoked by the Board of Directors, if applicable.

The Report must be a management tool for the Vice President for Strategy and Business Transformation, and for monitoring by Vale's Board of Directors and Advisory Committees.

The other Vice-Presidencies must provide the necessary information about the Companies or Entities that are in their respective portfolios.

6.2 General Mandatory Attributes

- Classification of all Companies and Entities in a single category described in this policy;
- Indication of an Accountable Executive for each Company or Entity;
- Definition of the Vice Presidency responsible of each Company or Entity;
- Minimum training done by Governance Agents nominated to work in the OJVs and NOJVs (for agents indicated for other Companies and Entities the training is optional).

6.3 Mandatory Attributes and Desired Attributes by Entity

Type 1 - Non-Operational Wholly Owned Company:

(a) Mandatory Attributes

- Adoption of Vale's Policies, Norms, Code of Conduct, and Ethics and Compliance Program.
- Process, control systems, auditing, risk management, and integrity integrated into Vale's systems.
- Timely provision by the company of accounting information for the consolidation into Vale's financial statements, except when the information is already consolidated into Vale's systems.
- Compliance with the principles of the economic substance, non-abuse of treaties (treaty shopping) and absence of abusive tax planning and business purpose, as mentioned in various OECD documents, in addition to strict compliance with each relevant local legislation.
- Governance bodies reduced to the necessary and required by law. The Governance Agents will be Vale employees, except for compliance with local regulations, such as the need for residence.
- Annual assessment of the need to stay in the organizational structure of the Vale Group.

Type 2 - Operational Wholly Owned Company:

(a) Mandatory Attributes

- Adoption of Vale's Policies, Norms, Code of Conduct and Ethics and Compliance Program, except in specific cases, subject to approval.
- Process, control systems, auditing, risk management, and integrity integrated with Vale's systems and the other systems in Vale's value chain, except when not applicable or with adequate approval, due to specificity of the business.
- Timely provision by the company of accounting information for consolidation into Vale's financial statements, except when the information is already consolidated into Vale's system.
- Business plan consolidated into Vale's strategic planning and budget, when applicable due to the strategy and financial materiality of the company.
- Governance bodies reduced to the necessary and required by law. The Governance Agents will be Vale employees, except for compliance with local regulations, such as the need for residence.



Type 3 - Operated Company, with Third Party Participation (OJVs – Operated Joint Ventures):

(a) Mandatory Attributes

- Timely provision by the company of accounting information for consolidation into Vale's financial statements, where applicable.
- Governance bodies with the leanest possible structure, observing the by-laws and any Shareholder Agreement or equivalent documents, to respect the rights and preserve the monitoring capacity of the partner(s).
- Accountable Executive or someone with direct reporting, acting as a member of the company's Board of Directors.
- Business Plan consolidated into Vale's strategic planning and budget.
- Conduct audits to ensure compliance with local policies, standards, and code of conduct.

(b) Desired Attributes

- Formal indication of Asset Manager and Asset Management Team to support the Accountable Executive when there is complexity in the relationship with the partner(s).
- Governance Agents appointed by Vale will preferably be Vale employees. The appointment of external members must occur due to the justified need for qualification, independence, or diversity, in accordance with the Company's governance objectives.
- Adoption of Vale's policies, norms, Code of Conduct, as well as the use of Vale's systems, except if conflicting with its constituent documents, Shareholder Agreement and/or right(s) of the third party(s), when it becomes mandatory to influence the adoption of policies, standards, and Code of Conduct materially equivalent or similar in principle to those of Vale.
- In addition to the minimum training defined by Governance Agents, they should seek training in negotiation and influence.

Type 4 - Non-Operated, with Third Party Participation (NOJVs – Non-Operated Joint Ventures):

(a) Mandatory Attributes

- Accountable Executive or a direct report, acting as a member of the company's Board of Directors.
- Formal appointment of Asset Manager and Asset Management Team to support the Accountable Executive unless the company has low management complexity.
- The strategic guidelines and governance plans (including, for example, the composition of the Board of Directors and Advisory Committees) of the relevant NOJVs for Vale should be submitted annually as part of the annual report to the People, Compensation, and Governance Committee. The materiality of the NOJVs will be based on strategic materiality (strategic fit and connection with Vale assets) and financial materiality (based on Vale's annual EBITDA and Capex portion), and the list of NOJVs should be disclosed to each report.
- Preparation of documents by the Asset Management Team to assist in managing the material NOJVs, including strategies for the company, influence plan, risks assessment, and/or opportunities assessment.
- Pay attention to the rights established in shareholder agreements or other agreements that the powers of each party.
- Ensure that the Board of Directors, or equivalent body, act effectively in strategic decisions, board monitoring and be the guardian of the governance system, without being substituted by other forums created among shareholder's representatives.

(b) Desired Attributes

- Timely provision by the company of accounting information for consolidation into Vale's financial statements, where applicable.
- Development of a matrix of competencies and criteria for the composition of the Board of Directors.
- Governance Agents appointed by Vale will preferably be Vale employees. The appointment of external members must occur due to the justified need for qualification, independence or diversity, in accordance with the Company's governance objectives.



- Governance agents indicated by Vale should influence the adoption of a Code of Conduct and policies related to risk management, internal controls, health, safety and environment, communities, competition law, compliance and anti-corruption program, data privacy, among other relevant topics, with similar relevancy and approach taken by Vale.
- Audits to ensure the effectiveness of the normative system.
- Access to the processes and results of the audit, risk management, integrity initiatives, and all corporate information of the company.
- In addition to the minimum training defined for Governance Agents, training in negotiation and influence should be seek.

Type 5 - Financial Investments / Minority Participations in Closed Companies:

(a) Mandatory Attributes

- Do not apply rigid governance structure and management processes that disincentivize the intended Research, Development, or Innovation, given all legal aspects involved are observed.
- Perform careful selection, according to criteria defined in another regulation, for the indication of Governance Agents, given that these representatives will be the only channels of influence to ensure best governance practices.

(b) Desirable Attributes

- Timely provision by the company of accounting information for consolidation into Vale's financial statements, where applicable.

Type 6 - Financial Investments in Listed Companies

(a) Mandatory Attributes

- Assessment of the need to remain in the organizational structure in the Vale Group, at least annually.
- Provide independence to the day-to-day management of the company. Governance should focus on ensuring that the minimum requirements for Vale's participation will be maintained.
- Careful selection, according to criteria to be defined in another regulation, for the indication of Governance Agents, given that these representatives will be the only channels of influence to ensure best governance practices.

(b) Desirable Attributes

- Timely provision by the entity of accounting information for consolidation into Vale's financial statements, where applicable.
- Develop a matrix of competencies and criteria for the composition of the Board of Directors and influence the adoption of this matrix by the company, as in common in publicly traded companies or in the process of going public and prioritize the appointment of independent directors.

Type 7 - Non-business entities:

(a) Mandatory Attributes

- Timely provision by the entity of accounting information for consolidation into Vale's financial statements, except when the information is already consolidated into Vale's system.
- Provide Independence for the daily management of the entity.
- Basic structure of compliance practices.

(b) Desirable Attributes

- Realize careful selection, according to criteria to be defined in another regulation, for the appointment of Governance Agents, given that these representatives will be the only channels of influence to ensure best governance practices.



- Governance Agents appointed by Vale will preferably be Vale employees. The appointment of external members must occur due to the justified need for qualification, independence or diversity, in accordance with the Entity's governance objectives.
- Advisory positions, disconnected from the entity's administration, should be held by members of Society.
- Have the right to audit.

7. Delegation of Authority

7.1 Transactions and Voting Guidance

The approval of transactions in Companies and Entities, of any kind, will follow the specific Bylaws or equivalent, constitutive document, and any Shareholder's Agreements. For decisions that are under the delegation of the Board of Directors or equivalent bodies of the Company, Vale's representative in that body will have the fiduciary duty to act in the best interest of the Company or Entity, without the need for Vale's voting guidelines.

It will be the Executive Committee's responsibility to issue specific normative document or to include in an existing normative document, if deemed relevant, requiring orientation of vote on specific items that are within the responsibility of the Board of Directors of the Companies.

For decisions within the delegation of the General Shareholders' Meeting or equivalent bodies, in which the position is of the shareholder Vale, the representative of Vale or the Accountable Executive, or the Asset Manager in the Company must seek voting orientation from Vale.

The voting orientation scope must comply with the provisions of Vale's Delegation of Authority Policy, and the transaction is allocated within the delegation of Vale's Executive Committee or Board of Directors, according to the value of the financial exposure object of the deliberation, adjusted by the percentage of shareholding held by Vale in the Company. The value of the financial exposure should consider the contingent capital or cash flow assumed by the exposure created, such as derivatives, guarantees, and others. Omitted cases must be framed in "Other transactions" of Vale's Authority Delegation Policy. The voting orientation in non-business entities, whether at the General Shareholders' Meeting or Board of Directors of the Entity, or equivalent bodies, for the approval of transactions with a portion to be borne by Vale in an amount greater than US\$ 50 million, is the exclusive competence of Vale's Board of Directors, with the amounts up to this limit being delegated to Vale's Executive Committee.

Capital contributions, increases or reductions, including advances for future capital contribution (AFAC), resources for the execution of the Geological Research Investment Program abroad, and those where unbalanced obligations foreseen in agreements with partners, in Companies or Entities in which Vale participates directly, indirectly or via funds, are delegated to Vale's Executive Committee, up to the annual budget approved by Vale's Board of Directors.

Vale's Executive Committee may delegate voting guidance to the limits of its delegation.

Voting guidance for changes in Bylaws, Shareholder Agreements, Consortium Contracts or Agreement between Partners or equivalent agreements in Companies and Entities in which Vale participates directly or indirectly are delegated to Vale's Executive Committee, provided that the additional obligations or reduction of rights held by Vale or Companies and Entities in which Vale participates do not exceed US\$ 50 million. Otherwise, the competence is of the Board of Directors.

Notwithstanding the delegations granted to the Executive Committee, the Board of Directors remains with the right to invoke for itself, in part or in full, the monitoring and decision-making process of any Company or Entity. Any revocation of delegation must be recorded in minutes of the Board of Directors, as well as in Vale's normative documents, when applicable.

7.2 Indications of Governance Agents

The choice of Governance Agents should prioritize the selection of internal candidates, especially the Accountable Executive and the Asset Manager. External candidates (not employees of Vale or its full subsidiaries) may be considered due to local or contractual requirements, convenience of independent members, or in the absence of internal candidates compatible with the required competencies. Internal or external candidates must have appropriate competencies to the strategic challenges of the Company or Entity, be aligned with Vale's values and



culture and be trained in governance and compliance topics. Vale should encourage the creation of a Competence Matrix in Joint Ventures, aligned with its strategic objectives, to guide the selection of directors and the composition of the Board of Directors holistically.

It is the responsibility of Vale's Executive Committee to deliberate on the appointment of people to integrate the Governance Bodies, of the Company or Entity, with prior opinion from the Human Resources and Corporate Integrity areas. Vale's Executive Committee must inform the Board of Directors of Vale about the appointment of external candidates to act as Governance Agents, with their justifications, at least annually. The first appointment of a person who has worked at Vale as an executive (grades 1 to 5) requires the approval of Vale's Board of Directors. The re-election of these members is delegated to the Executive Committee.

Vale's Executive Committee may delegate voting guidance to the limits of its delegation.

8. Disclosure and Dissemination of Policy

This Policy will be filed and published by the Area of Business Risk, Internal Controls and Processes Governance, in Vale's official repositories in service to the internal and external public, as applicable.

The Executive Management of Joint Ventures and the Mergers and Acquisitions Department shall develop training plans for the dissemination of this Policy.

9. Deadlines for Policy Revisions

This policy must be revised up to the first year of its issuance to incorporate improvements and thereafter, at least, every 5 (five) years or whenever necessary in order to keep its content up to date.

10. Responsibilities

Board of Directors:

- Approve voting guidelines at general shareholders' meetings or equivalent in Companies and Entities not delegated to the Executive Committee;
- Approve exceptions, according to the annual proposal presented by the Executive Vice President of Strategy and Business Transformation, for the maintenance of Companies or Entities that do not meet Vale's objectives, defined in item 6.1 of this Policy;
- Approve exceptions for the compliance with mandatory attributes;
- Approve the first nomination of external candidate who has worked as executive at Vale;
- Invoke, in part or in full, the monitoring and decision-making process of any Company or Entity;
- Review annually the report on the Companies and Entities of the Vale Group, prepared by the Executive Vice President of Strategy and Business Transformation;
- Review strategies for relevant NOJVs;
- Approve simplification of Vale's set of administrative rules and policies to be adopted by Wholly Owned Operational Company, constituted for the development of new businesses;
- The responsibilities of the Board of Directors will be exercised upon recommendation by the People, Compensation and Governance Committee.

Executive Committee:

- Approve the voting guidelines at general shareholders' meetings or equivalent in Companies and Entities, within the limits of its delegation;
- Approve the nomination of governance agents, reporting, at least annually, to the Board of Directors the nominations of external candidates, with their respective justifications;
- Establish and approve norms to unfold the management of NOJVs and OJVs of the Vale Group, observing the principles of this Policy and Vale's other Corporate Policies;
- Establish the Executive Vice Presidency responsible for the management of each Company or Entity.



- Propose simplification of Vale's set of administrative rules and policies to be adopted by a Wholly Owned Operational Company, constituted for the development of new businesses.

Executive Vice-Presidencies:

- Manage the portfolio of Companies and Entities under your responsibility, including maintaining in the area a manager responsible for the management, coordination and control of the Companies and Entities of the related Executive Vice Presidency;
- Designate a Responsible Executive and an Asset Manager for each Company or Entity in its portfolio;
- Prepare documents to assist in the management of material NOJVs, which may include strategies for the company, influence plan, risk assessment and/or opportunity assessment.

Executive Vice Presidency of Strategy and Business Transformation

- In addition to the generically provided for all Executive Vice-Presidencies, disseminate the applicable requirements to the NOJVs and OJVs in specific normative document(s);
- Present, annually, to the People, Compensation and Governance Committee, for later submission to the Board of Directors, a report on the Companies and Entities of the Vale Group, with the support of the other Executive Vice-Presidencies.
- Present an annual proposal, with the support of the other Executive Vice-Presidencies, for the maintenance or divestment of Companies and Entities that are not meeting Vale's principles and guidelines, defined in item 6.1 of this Policy.

Human Resources Department

- Check the professional history of the candidates indicated as Governance Agent in Companies and Entities;
- Coordinate, together with the Responsible Executives, the process of appointing members of the Board of Directors to NOJVs;
- Incorporate into the performance analysis of the career and succession cycle and employee development plan participation as a Governance Agent, using inputs from Responsible Executives.

Corporate Integrity Department

- Perform background check of candidates appointed as Governance Agent in Companies and Entities.
- Implement the Ethics and Compliance Program, if applicable to the Company or Entity, being responsible for training, communication, policy making, operation of the reporting channel, and annual internal audit plans.
- Deploy consequence management, depending on the Company or Entity.
- Ensure compliance with the Consequence Management Policy, if applicable to the Company or Entity.
- Auditing, either to ensure the effectiveness of the normative system or any other applicable topic.

11. Consequence Management

Failure to comply with this policy will be subject to the terms of the Consequences Management Policy.

12. Final Provisions

In the event of a possible conflict between this policy and Vale's Bylaws, the latter will prevail, and this policy should be amended as necessary.

This policy enters into force on the date of its approval by the Board of Directors.

13. Approvals

Area	Description
Executive Management of Participations	Elaboration



DCA 0XX/2021

Version: 00- 12/17/2021

POL-0043-G

PUBLIC

Executive Vice Presidency of Strategy and Business Transformation	Recommendation
Legal and Tax Vice Presidency	Revision
Compliance Board	Revision
Executive Management of Business Risk, Internal Controls and Process Governance	Revision
General Secretariat of Corporate Governance	Revision
People, Compensation and Governance Committee	Revision
Board of Directors (DCA – 102/2021)	Approval