


Subject: Socioenvironmental and Institutional External Expenditures	Cluster: Administrative 
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Responsibilities: Finance and Investor Relations Executive Vice Presidency Sustainability Executive Vice Presidency Safety and Operational Excellence Executive Vice Presidency Corporate and External Affairs Executive Vice Presidency	Revision until: 07/04/2027

1. General guidelines

To establish the concepts, guidelines and governance for the planning and implementation of external expenditures carried out by Vale and the entities of Vale System, which mainly benefits society.

2. Scope

This Policy applies to Vale and its wholly owned (100%) subsidiaries and shall be reproduced to its direct and indirect subsidiaries in Brazil and in other countries, always in compliance with the companies' by-laws and the applicable local legislation. The principles of this Policy should be applied, whenever possible, by other entities in which Vale has a participation interest, in Brazil and in other countries.

In the context of this Policy, the internal nomenclature contained in Vale's organizational chart was adopted to facilitate the reading and understanding of the Policy users. Therefore, "Executive Board" is internally called "Executive Committee", "President Director" and "Executive Directors" are also called "President" and "Executive Vice Presidents", respectively.

3. References

- POL-0001-G - Code of Conduct.
- POL-0005-G - Human Rights Policy.
- POL-0016-G - Anti-Corruption Policy and Global Anti-Corruption Manual.
- POL-0019-G - Sustainability Policy.
- POL-0035-G - Vale Management Model Policy - Vale Production System - "VPS".
- POL-0036-G - Diversity and Inclusion Policy.
- POL-0041-G - Consequence Management Policy.

4. Concept

External Expenditures¹ are expenditures related to social, environmental and institutional purposes of any nature (opex or investment) with mandatory, mitigation or voluntary origin whose **main beneficiary is society**. External Expenditures aim to (i) comply with legal obligations applicable to Vale; (ii) manage socioenvironmental and institutional impacts and/or repair damages stemming from Vale's economic activities; (iii) improve life, transform the future and foster sustainable and cultural development; (iv) strengthen the Company's relationship with society and governmental and non-governmental institutions; and/or (v) strengthen the Company's image.

As for the form of execution, they may be made through the transfer of financial resources, including resources from tax incentive mechanisms, donations of goods (assets, furniture, buildings, scrap) and/or services of any

¹ In the context of this Policy, benefits for employees, visits to Vale's sites, gifts, meals and entertainment, amounts deposited in court for the accomplishment of court judgments and agreements, individual indemnities originating from any repairing or mitigating action and R&D studies and other initiatives to improve Vale's production and administrative processes are not considered external expenditures. However, such expenditures must comply with other applicable regulations.



nature, sponsorships, contributions, allocation of capital resources, technical and/or financial cooperation, partnerships, among others.

5. External Expenditures classification

External Expenditures must be classified using one of the following four classifications:

Social and/or environmental voluntary investment: Comprise (i) voluntary actions to develop the autonomy and resilience of communities and/or to engage and maintain the relationship with communities, and (ii) voluntary actions for environmental protection and/or preservation, development of social impact business and cultural promotion, in order to generate a perceptible and transformative positive legacy for society. They include actions to enhance the historical and artistic heritage and transfers to third sector entities maintained and managed by Vale System for the same purposes.

Institutional voluntary relationship: Voluntary actions to engage, strengthen and maintain Vale's institutional relationship with stakeholders, government authorities and other entities, including indigenous government where recognized. They also include contributions², technical sponsorships and corporate memberships.

Social and/or environmental obligation: Mandatory actions to comply with the legal/regulatory requirements related to Vale's operation, project and/or mineral research activities. They include the compliance of conditions formally established in Environmental Licensing Processes, implementation of court decisions or equivalents. Commitments voluntarily accepted through an agreement or other legal instrument are not considered as "Obligation" in the context of this Policy.

Social and/or environmental operational impact management: Mitigating actions to manage impacts resulting from Vale's operation, project and/or mineral research activities, which are not linked to 'Obligation' expenditures.

6. Guidelines for the planning and implementation of the external expenditures

Observing the prohibitions of item 7, expenditures for **voluntary investment** should cumulatively:

- Consider and formally assess potential reputational impacts, among others, for the Company;
- Maximize value for society and for the Company;
- Be aligned with the Company's values and business strategy;
- Be aligned with the Sustainability Policy, Sustainability Strategy and the public commitments assumed by the Company and aligned with the United Nations Sustainable Development Goals (SDGs);
- Adhere to all local laws and regulations;
- Integrate with other initiatives and partners, when possible, especially in the same region;
- Contribute to the respect and promotion of Human Rights;
- Consider the active listening and participative dialogue sessions with the community, enhancing their characteristics and respecting their limitations;
- Generate social and environmental value and promote autonomous communities for sustainable development in the regions;
- Favor communities and/or areas in vulnerable situations;
- Benefit communities in the regions where Vale operates, considering open and transparent dialogue.

² In the context of this Policy, compulsory contributions related to the regulation of Vale's activities, such as financial agents' fees and professional associations are not considered as external expenditures.



Observing the prohibitions of item 7, expenditures for **institutional voluntary relationship** should cumulatively:

- Consider and formally assess potential reputational impacts, among others, for the Company;
- Maximize value for society and for the Company;
- Be aligned with the Company's values and business strategy;
- Adhere to all local laws and regulations.

Observing the prohibitions of item 7, expenditures for **obligation** should cumulatively:

- Consider and formally assess potential reputational impacts, among others, for the Company;
- Maximize value for society and for the Company;
- Adhere to all local laws and regulations.
- Whenever possible, generate social and environmental value and promote autonomous and resilient communities.

Observing the prohibitions of item 7, expenditures for **operational impact management** should cumulatively:

- Consider and formally assess potential reputational impacts, among others, for the Company;
- Maximize value for society and for the Company;
- Adhere to all local laws and regulations;
- Be conducted exclusively in the regions where Vale operates;
- Consider the perception of communities for collective construction, whenever possible, of actions/initiatives aiming at prevention and mitigation, control and compensation for socioeconomic impacts;
- Reestablish, whenever possible, at least the pre-impact status of the situation.

7. Prohibitions

Prohibited external expenditures are those which:

- Generate potential harm, even if indirectly, to life, society, the environment or the reputation of the Company and/or Vale System companies;
- Violate the commitment to respect, inclusion, equality and valuing human and cultural diversity;
- Violate the Ethics and Compliance Program and other Vale regulations and/or local laws and regulations;
- Have, as a specific or exclusive objective, advertising or promotion of partners or contractors, in any format, physical or digital;
- Have, as an objective, campaigns for the reduction of financial debt (personal or organizational) of the beneficiaries' organizations;
- Involve projects or assets of religious nature for the purpose of spreading faith, values and principles of any group, except when they are formally recognized as a historical, artistic and/or cultural heritage;
- Have direct or indirect contributions to political parties, including those organized in parties, and for their representatives or candidates, as well as contributions for political use;
- Assume or replace obligations of a Government Authority to fund operational expenses of public infrastructure or equipment (utilities such as cleaning, electricity, gas etc.), human resources expenses (including public sector wages and benefits) and administrative costs;
- Are carried out for the Government Authorities during the electoral blackout period, without the prior analysis and recommendation of the Legal Department.



8. Governance and responsibilities for the execution of the external expenditures

Every external expenditure request is subject to prior assessment according to the flow established by social, environmental and institutional normative areas and by Corporate Integrity. These normative areas are responsible to evaluate the initiative merit and its adherence to this Policy, and the analysis of Corporate Integrity is restricted to evaluate the integrity of the counterparty and adherence of the initiative to the Ethics and Compliance Program. The process must be discontinued if a request is rejected by Corporate Integrity.

Expenditures validated by the areas mentioned above will proceed to approval, respecting the limits and authority levels established in the specific normative documents of the Company.

Vale has an Advisory Group for External Expenditures (“Advisory Group”) whose main objective is to advise the Executive Committee in the process of deliberating the planning and execution of the expenditures, according to specific regulations.

After approval by the competent authority, the formalization of the external expenditure, regardless of its classification, will be made through a specific legal instrument validated by the Company's Legal Department.

Finance and Investors Relations Executive Vice Presidency is responsible for sending the expenditure report to the Sustainability Committee and to the Board of Directors, at least quarterly.

The requesting area is responsible for (i) the correct and unequivocal description in the documents and forms related to the governance of external expenditures, (ii) the evaluation of indicators for measurement, monitoring and communication of expected results, as well as (iii) the archiving of supporting documentation.

9. Definitions

Allocation of capital resources: allocation of capital resources in external entities to leverage business and impact investments carried out with the intention of generating positive and measurable social and environmental impacts, as well as financial return for businesses and investors (Vale and entities of the Vale System).

Autonomous communities: communities that have access to health, education and conditions to generate income, exercise social control over public policies, are capable to generate skills to respond and adapt positively to changes they are subjected to, and in which Human Rights are fully respected.

Electoral blackout period: period stipulated by the Legal Department when donations or other external expenses for direct or indirect Government Institutions shall not be made, as a precaution.

Environmental licensing process: administrative procedure by which the competent government institution licenses the location, installation, expansion and operation of projects and activities that use environmental resources, considered effectively or potentially polluting or those that, in any way, may cause environmental degradation, considering the legal and regulatory provisions and the technical norms applicable to the case.

Government Authority: any supranational, national, state, municipal or local government entity, including any court, administrative agency or committee, comprising any entity of direct or indirect public administration.

Government Institutions: public entities and institutions related to local, regional and national government authorities, including indigenous government where recognized.

Positive Legacy: benefits arising from Vale's activities and its external expenses that, during their execution and after their conclusion and/or closure, last and/or are positively enhanced, continued or transformed and recognized by society.

Regions where Vale operates: locations where Vale has activity, including operations, projects, mineral research or administrative units. Regions can be delimited by communities, biomes, municipalities and states/provinces of a country.

Social impact business: enterprises that have the clear intention of addressing a social and environmental problem through their main activity, whether their product/service and/or their way of operation. They act according to the market logic, with a business model that seeks financial return and measures the generated impact.



Technical sponsorships: sponsorships that contribute to the theoretical evolution and practice of knowledge aimed at sectors directly linked to the Company's business and other areas of institutional interest.

10. Policies Disclosure and Dissemination

This Policy will be archived and disclosed by Process Governance, Business Risks and Internal Controls areas, in Vale's official repositories, in attendance to the internal and external public, as applicable.

The Finance and Investor Relations Executive Vice Presidency must develop training plans to disseminate this Policy.

11. Consequence management

Any violation of this Policy will be subject to the terms of Consequence Management Policy, "POL-0041-G".

12. Deadline for revision

This policy must be revised within a maximum period of 5 years, or whenever necessary to keep its content updated.

13. General provisions

In cases of emergencies to reverse damage caused by natural phenomena or to provide humanitarian aid, to a location in a situation of declared public calamity, Vale may support the Government Authority, respecting the approval delegation of authority process established in the Company's normative documents.

14. Approvals

Area	Description
Finance and Investors Relations Executive Vice Presidency	Preparation
Sustainability Executive Vice Presidency Safety and Operational Excellence Executive Vice Presidency Corporate and External Affairs Executive Vice Presidency Compliance	Review / Recommendation
Executive Committee - DDE – 136/2022.	Approval