

About Vale

Vale S.A. (“Vale”, “we”, “us” or the “Company”) is one of the largest metals and mining companies in the world, based on market capitalization, and one of the world's largest producers of iron ore and nickel. We also produce iron ore pellets and copper. Our nickel and copper concentrates contain by-products of platinum group metals, gold, silver, and cobalt. We are engaged in greenfield mineral exploration in six countries. We operate large logistics systems in Brazil and other regions in the world, including railroads, maritime terminals and ports, which are integrated with our mining operations. In addition, we have distribution centers to support the delivery of iron ore worldwide. Directly and through associates and joint ventures, we also have investments in the energy and steel businesses.

The company, nevertheless, is preparing itself to a greater and disruptive change in course of strategy and, due to the commitment with a zero carbon mining, Vale has concluded the sale of its coal business section, in 2022, and has finished its responsible divestment by ending our activities in Mozambique and Malawi.

About our commitment

Vale contributes to address the challenges related to sustainable development. We are committed to working harmoniously with our stakeholders and aligning our activities to the best practices in the mining and metals industry, as well as international guidelines such as the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights.

Regarding Security and Human Rights, we engage with public security forces in order to promote the respect for human rights in the performance of security activities. Despite Vale becoming a member of the Voluntary Principles Initiative (“VP Initiative”) in November 2016, our security activities have been aligned to the principles since 2007, reinforcing our main value, “life matters most”. The implementation of the Voluntary Principles on Security and Human Rights (“VP”) allows a valuable peer learning experience and guidance to our human rights and security programs, procedures, and management.

About this report

This report presents the actions Vale has taken in 2021 and 2022 regarding the VP in Brazil, Canada, Indonesia, Malaysia, Oman, Mozambique, and Malawi – prioritized countries where the company had its biggest mining and logistics operations and where public governance to promote human rights can benefit more from private engagement. Such actions aim to improve Vale’s security procedures and support public practices in security, in a manner that respects human rights. As per VP’s reporting guidelines, this document is divided into four sections:

- A. Vale’s commitment to the Voluntary Principles;
- B. Policies, Procedures, and Related Activities
- C. Country Implementation
- D. Lessons and Issues

A. Commitment to the Voluntary Principles

Public Endorsement

Our endorsement of the VP is set forth in our Annual Integrated Report¹, which is prepared according to Global Reporting Initiative (GRI) directives, which aims to keep society informed of actions related to the environment and the communities in which Vale operates.

Our commitment to the VP is also expressed by our Global Human Rights Policy that establishes guidelines and principles for our actions regarding the respect for human rights in our projects and operations, throughout our activities and in our value chain.

Vale's Code Conduct defines our conduct in our business activities guided by a set of values that reflect high ethical and moral standards. It seeks to assure credibility and to preserve the company's reputation in markets in which we operate. These values are *Life matters most; Value the people who build our Company; Respect our planet and communities; Act with integrity; Make it happen.*

Engagement in the VP Initiative

In 2021, Vale attended the Annual Plenary Meeting, which was held virtually due to continued constraints imposed by the Covid 19 pandemic. Besides that, we also participated in some of VP conference calls that took place throughout the year.

In 2022, the Annual Plenary Meeting was held in Canada and Vale's International Security team attended the event, representing the company.

Promoting awareness of the VP throughout Vale and within the value chain

Vale's Human Rights Policy² states the VP as reference and sets as Vale's principles to "Respect, raise awareness, and promote human rights, prevent potential adverse impacts and potential human rights violations, and when necessary, mitigate and remedy them, in Vale's activities and throughout its production chain, through engagement with stakeholders and in accordance with [...] international principles and standards".

Concerning the company's security teams, including employees and contractors, that policy reinforces that Vale is a signatory and applies the Voluntary Principles on Security and Human Rights (VPSHR) in its activities and highlights that we must include potential human rights violation risks in our risk assessment of security requirements, as well as:

- to select employees and strictly monitor them, considering previous experience, technical capacity, and emotional stability.

¹ Please, refer to:
https://vale.com/documents/d/guest/vale_relatointegrado2022-en-final-1

² Please, refer to:
<https://vale.com/documents/d/guest/humanrights>

- to regularly train security professionals to carry out their activities in line with human rights principles and the proportional and progressive use of force.
- to seek peaceful solutions that ensure the physical integrity of people, as well as the preservation of assets, information, and the maintenance of the production process.
- to work in accordance with the UN Basic Principles on the Use of Force and Firearms by Law Enforcement Officials.
- to abide by the United Nations Code of Conduct on law enforcement by officials.
- to treat vulnerable people and groups with special care, especially when involving women and children.

From the fundamental principles of the company and its subsidiaries described in our Code of Conduct³, we emphasize:

- The seeking to prevent potential impacts and violations and, if necessary, working to mitigate and remedy them in Vale's activities and across our value chain. In this regard, we follow the United Nations Guiding Principles on Business and Human Rights and the laws of each country in which we operate in addition to national and international standards.

The Code of Conduct also states the following:

- Our interactions with Suppliers, which are part of our value chain, are guided by good faith, honesty, ethics and transparency, and the purpose of contributing positively to the economic and social development of the regions in which we operate;
- We seek results that align with our Values. We strive to be recognized as a socially responsible and sustainable company.

Vale's Human Rights Guide⁴ focuses on making the company's directives and principles actionable, as set forth in our Policy, through effective initiatives and examples found in Vale's institutional daily routine. The Guide refers to the VP and seeks to provide, in an objective and informative manner, guidance and examples that will assist all employees, suppliers, partners and clients, to understand and carry out their actions respecting and promoting Human Rights.

In line with the evolution of its practices, Vale has an internal norm for the treatment of human rights violations allegations that follows the steps below:



This model allows the process of handling allegations to become another tool for managing allegations of human rights, focusing on salient human rights issues.

³ Please, refer to:
<https://vale.com/documents/d/guest/code-of-conduct-1>

⁴ Please, refer to:
http://www.vale.com/EN/suppliers/code_conduct/Documents/human-rights-guide.pdf

Promoting and advancing implementation of the VP internationally

Vale believes in the value of the VP Initiative not only as a mechanism to protect and promote Human Rights in the extractive sector, but also as a unique organization to strengthen and support the global Human Rights agenda. The Human Rights theme gains even more prominence and adherence in our value chain when our financial partners, clients, vendors, and stakeholders in general converge to the same principles.

Vale maintains a multidisciplinary VP working group at corporate level that includes the active participation of internal professionals from Corporate Security, Human Rights and External Affairs. The main objective of this group is to monitor the continuous implementation of VP work plan and to propose adjustments or improvements, if necessary for Brazil, Canada, Indonesia, Malaysia and Oman, (also Mozambique and Malawi prior to the carve-out).

Vale's long-term engagement with the Voluntary Principles has along the years contributed to Company's procedures. Nevertheless, there is still room for improvement, and we look forward for the exchange and peer learning opportunities we will have with this year's engagement.

B. Policies, Procedures, and Related Activities

Relevant policies, procedures, and guidelines

The VP are incorporated into our Human Rights Policy, which together with our Code of Conduct, is the main source for our practices in the promotion and respect of human rights. Our employees are required to certify their compliance with our Code of Conduct on an biennial basis. The Human Rights Guide is also an important guiding document to clarify and further explain how to apply the expected behaviors defined by those policies. into employees' daily routine.

Vale promotes awareness of our Human Rights Policy and the VP through a variety of mechanisms, such as live and online trainings on human rights for the teams, including the area of Corporate Security. In 2021, Vale trained 74,000 employees via the two-hour online course mandatory for all its direct employees and in 2022 14,000 new employees were trained, totaling 139,000 hours of training. For new contractors, a training video is provided during onboarding, focusing on the main salient human rights issues. In addition, specific training on human rights and corporate security, according to the Voluntary Principles on Security and Human Rights, is conducted on an annual basis. In this two-year cycle, more than 4,300 contractors were trained, achieving 97% of the total workforce trained in 2022.

For engagement with public security forces, security teams follow Vale's Global Anti-Corruption Program, comprised by a Global Anti-Corruption Policy and a Global Anti-Corruption Manual, which contain the rules and procedures that must be followed in any types of relationships with government officials or government authorities, so that such relationships meet the highest ethical standards and comply with the anti-corruption legislation applicable to Vale.

The contractors and subcontractors performing activities hired by Vale must abide by our values and the principles contained in our Code of Conduct and Global Human Rights Policy. In addition, the Principles of Conduct for Third Parties explain how we implement our values at Vale and apply these values to our relationships with third parties. We seek to work with third parties - suppliers, customers and other types of partners - that understand and comply with all applicable laws and are committed to operating their businesses in a responsible and ethical manner. Suppliers working under contract for Vale must also respect Vale's regulations and procedures as established by the Corporate Security Department, when accessing Vale's sites.

Vale also promotes human rights awareness and respect along our value chain, including the adoption of legal contractual clauses on the theme. Contract managers are required to ensure that suppliers comply with Vale's policies (such as Vale's Human Rights Policy, Sustainability Policy, Principles of Conduct and the legislation of countries where they operate, including verification of adequate workload, remuneration and other legal labor obligations in addition to complying with the Universal Declaration of Human Rights.

In case of potential misconduct of any supplier, partner or customer, we notify the counterpart with requests for additional information on the suspect practice and for the adoption of applicable corrective measures. If the counterpart fails to comply with any of the requests, Vale is entitled to rescind the respective contractual relationship. Violations of human rights are reported to the authorities and contracts with Vale are terminated.

Also, in order to standardize the individual and collective conduct of Corporate Security, covering its own employees and contractors, in situations where there is a need for intervention or contact with people, the Executive Management of Corporate Security in Brazil revised the Engagement Rules for Corporate Security Actions, an internal document which:

- Establishes the fundamental concepts, principles and guidelines for the proportional use of force, allowed when strictly necessary and only for self-defense against unjust attacks, by security guards and other own agents and contractors that integrates Corporate Security teams;
- Defines, based on the severity of the occurrence, which one of the levels of service and proper types of equipment shall be applied, according to the available teams;
- Prioritizes prevention actions to avoid conflicts, values proportionality and reasonability as central principles, and guides all procedures by respect, empathy, dialogue and Vale's value, "*Life matters most*";
- Establishes internal requirements for Corporate Security Actions, defines roles and responsibilities, requires periodical training, and reinforces the observance of legal requirements related to Corporate Security Actions, referring, especially, to Brazilian laws, such as:
 - Federal Constitution
 - Penal Code
 - Civil Code
 - Privacy legislation
 - Any other applicable standards

- Establishes mitigatory actions and crisis management orientations;
- Establishes analysis and register procedure of the occurrences.

Vale's security and human rights risk assessment

Vale's Corporate Risk Management Policy establishes guidelines and guidance for corporate risk management at Vale, while the Planning, Development and Management Standard defines the global risk measures and the main responsibilities to be applied for Non-Operational Risk Management.

The corporate risk management strategy is to promote the integrated management of all risks to which Vale is exposed, pursuing zero harm to employees and communities, and leaving a positive social, economic, and environmental legacy in territories in which we operate. Socio-environmental diagnostics are carried out to assess potential impacts of risk events, including those related to human rights.

100% of Vale's operations⁵ have assessed the risk of human rights violations and monitored them periodically along with other business risks. In addition, our operations have adopted prevention and mitigation control measures for these risks and conducted tests to ensure their effectiveness. When it comes to the area of Corporate Security specifically, more than 40 risk controls were implemented in Brazil and internationally, all of them with the objective to mitigate the risk of human rights violation.

For salient issues, such as forced labor, child labor, sexual exploitation of children and adolescents, and human trafficking, risk management processes are determined at all life cycle stages of Vale's ventures. We also mitigate these risks through an ongoing engagement process with our communities, and partnerships with Childhood Brasil and InPacto that help us take preventive and mitigating action.

In 2021 and 2022, there were no records or allegations of occurrences of child or slave labor involving Vale's operations, however we recognize the fragility of the theme in our value chain and we are acting to minimize these impacts.

Engagement with public security forces

The VP implementation plan includes actions to engage with governments to promote best practices and standards of security and human rights, support government efforts and civil society organizations to strengthen public institutions to ensure accountability and respect for human rights and manage interactions with public forces in accordance with VPs, including holding structured meetings to discuss security and human rights.

Vale's Security team maintains close contact and cooperation with public security forces in Brazil and Indonesia – and previously also in Mozambique and Malawi until operations were sold. For example, when public security forces are deployed to respond to events related to our company,

⁵ Considers as operations the risk management areas that contemplate the Company's business.

Vale's Security team assesses the at-risk situation and reinforces to law enforcement personnel the need to respect human rights principles.

In 2021, the Memorandum of Understanding (MoU) settled by Vale and the public security forces in Indonesia and Mozambique were renovated under the condition of respecting and engaging security agents to comply with Vale's commitment to Human Rights when acting on behalf of the company's interests.

Vale's procedures regarding private security providers

Vale's due diligence process, which is applied to any potential providers - including those for private security, follows the Code of Conduct and the Human Rights Policy and is conducted in compliance with local legislation. That screening aims to find out any evidence of human rights violations, among other misconducts (fraud, corruption etc.), globally.

Due diligences are conducted not only for the bidding process, but along the contract's term. Results serve as inputs for building the Supplier Performance Index ("IDF"), Vale's main tool for assessing providers across our operations worldwide. That procedure is applicable to all of our providers in Brazil, Indonesia, Malaysia and Oman – also Mozambique and Malawi, until 2021 when operations were sold.

Grievance mechanism

Vale encourages employees, third parties, members of communities, suppliers and any other stakeholder to report incidents related to security and human rights.

Vale's Grievance Mechanism is composed of several listening channels, which are the structures responsible for managing community manifestations. Stakeholders can contact and interact with the company through these channels (i.e. phone, letter, email, among others). In addition, our Grievance Mechanism is governed by the UN Guiding Principle on Business and Human Rights and complies with the local privacy and data protection laws.

In 2021, 11,069 community manifestations were registered, of which we answered 98.9% and fulfilled 82.7%. The main issues were related to support for social projects (1,316); access, highways and roads (1,200); and involuntary resettlement (862). As of 2022, there were 11,085 community manifestations registered, of which 99.4% were answered and 84.2% attended to. Of this total, 43.6% were complaints related to accesses, highways and roads, dust, and weeding and pruning.

Considering Corporate Security's activities, incidents are recorded on the "Stakeholders, Demands & Issues" (SDI) system and assessed, treated (preventive and corrective actions) and reported at corporate level and to the local and/or federal authorities, if applicable.

C. Country Implementation

Vale has promoted awareness of our Human Rights Police and the VP through a variety of mechanisms across the world.

In Brazil, in 2021, we revised a specific training about Human Rights and Security, mainly related to the Engagement Rules for Corporate Security Actions (the internal document aforementioned). The objective of this training was to guarantee, especially to contractors, the proper acknowledgement of Human Rights concepts, legal and mandatory internal requirements for security actions, also to share good practices and lessons learned, through an interactive theoretical discussion, sharing cases that were widely reported by the media and hypothetical ones about the theme.

Moreover, aligned to Vale's commitment with the promotion of Human Rights and the prioritization of life, Corporate Security increased the efforts to prevent, instead of responding, to threats, allowing for a more predictable and effective processes. The same way, there were investments in Security's technology park, capacity building, and continuous improvement.

In addition, in 2022 we developed a new tool for our security guard teams in Brazil. It is a daily checklist that must be answered by security guards before the beginning of each journey. The main objective is to promote a self-reflection in each of our partners, especially about their mental health state and real capability to safely execute their tasks that day. The tool also helps to define standards and to verify all the personal protective equipment needed. Also, if one of the mental or physical aspects is not considered safe by them, the contractor shall exercise their right of refusal and do not carry the activity. All of this according to our key-behaviors "Open and transparent dialogue" and "Obsession with safety and risk management".

Engagement with stakeholders on country implementation

Our strategy prioritizes: (i) the definition of terms and agreements for a joint action with public security forces that allows mutual support, the dissemination of respectful practices and clear roles and responsibilities; and (ii) the engagement with NGOs or other potential partner, essential to work with both governments on building capacity for public security authorities.

In this regard, we highlight the following actions carried out:

- Revision of operational standard for engagement and collaboration with public security entities;
- Memoranda of Understanding (MoU) between PT Vale Indonesia and public security forces in Indonesia; and Vale Mozambique and public security forces in Malawi and Mozambique for joint action, previous to the coal business carve out;
- Training on "proportional use of force" for public and private security agents;
- Expansion of the scope of a grievance mechanism in Indonesia, Malaysia, and Oman – Malawi and Mozambique already had one in place;
- Updated security and human rights risk assessment;
- Increase in the number of female security officers to promote gender equity;

- Implementation, in 2021, of Anti-corruption and Sanctions clause on agreements firmed with public security in Brazil, promoting the good faith, and reassuring the observance of the Code of Conduct in the relationship with public agents,
- Inclusion of the Human Rights, Information Security, Diversity and Inclusion Policies and Conduct Code as inseparable parts of the contractual term on agreements firmed with public security in Brazil, to reassure Vale's commitment, and guiding all the contractual relationship with public organisms by the best practices standards in those agendas;
- Agreement signed with public security in Brazil in 2022, predicting, among other subjects, the availability of materials to promote awareness in disarmament campaigns and other civil duty actions, besides the availability of educational material to support public security institutions in other kinds of awareness campaigns.

D. Lessons and Issues

We acknowledge that our ability to interfere with policies, procedures, and practices varies according to the degree of our leverage *vis-a-vis* our stakeholders; however, even in cases in which our leverage is not strong, we contribute with awareness-raising actions and sharing of good security and human rights practices.

Mining and its value chain imply a high level of interaction with neighboring communities, employees, contractors and stakeholders in general. Therefore, incidents of violence or human rights violations may happen, despite all Vale's efforts and commitments to good corporate practices. In all cases, Vale works to act on them in a manner to mitigate impacts and to prevent new events, in a process of continuous improvement.

Marabá (PA State, Brazil) incident

During a security occurrence, in Marabá, triggered by the local community members voluntary complaints regarding possible criminal offenses, a third-party security guard shot the leg of a man supposedly involved on continuous theft of railway materials. According to the obtained testimony, given by the third-party security guard himself, the injured man ran away in response to that warning shot – as he called it. After activating the help chain and also emergency and public security services, searches were carried out around the incident area and later the same day the man was found dead with one of his legs apparently injured.

We are fully committed to our key-behavior "*Life matters most*", with human rights' best practices and with the VP initiative's guidelines. For this reason, we disclosed our position about the Marabá incident. Vale is completely committed to contributing to the investigations and police inquiries until the proper solution of the case, giving all the needed support and available information, cooperating with local police and judicial authorities. Besides that, all the administrative measures were taken with the security provider company involved. Vale reinforces that acts in compliance with its Code of Conduct and Human Rights Policy, and also that expects the same from its service providers, all in conformance with legislation, legal agreement and continuous capacity building of the third parties' teams.

In addition, as result of the lessons learned, we developed action plans with measures to mitigate impacts and prevent future events, such as:

- Detailed analysis of the incident, determining causes identification and the revision of operational procedures and technical specification, to continuously improve our processes of planning security actions;
- Reinforcement of internal procedures, especially about the necessity, legality and proportionality, when applied, of the use of less lethal ammunition;
- Enhance awareness building events and dialogues to foster the organizational culture of the respect to the Voluntary Principles on Security and Human Rights and human life preservation.

B1 dam failure - Brumadinho

Vale continues to prioritize fully repairing and compensating for the damage caused by the failure of dam B1 in Brumadinho, specifically by implementing the Judicial Comprehensive Reparation Agreement.

We also have a series of other initiatives underway on the water supply, treatment, and monitoring fronts, along with social projects and support for those affected, the support of socioeconomic development, social works, and urban infrastructure.

The search for the victims of the dam failure, carried out by the Fire Department of Minas Gerais, continues with the participation of the Civil Police, through the Forensic Medical Institute, teams from Vale and family members of the victims. Of the 270 fatalities (including two pregnant women), three have yet to be located.

The extrajudicial individual civil and labor indemnifications reaffirm Vale's commitment to quickly and definitively compensate all those who suffered damage. More than 13,600 people have already signed the indemnity agreement, which represents a value of BRL 3.1 billion.