


# Administrative Policy

Subject: External Socio-environmental and Institutional Expenditures.	Cluster: Administrative 
Identification: POL-0024-G / Version: 02.	Use: Public.
Resolution: DDE - 133/2024.	Issued on: 2024/12/09
Responsible: Executive Vice Presidency of Sustainability.	Review until: 2029/12/09

## 1. General Guidelines

Establishing Guidelines for the Management of External Socio-Environmental and Institutional Expenditures  
 This document aims to establish the guidelines for the management of External Expenditures, which are defined as social, environmental, and institutional expenses of any nature (operating costs or investments) intended to meet and/or benefit society. These expenditures may be made through the transfer of financial resources, including those derived from tax waivers or incentives, the transfer of assets such as movable, immovable property and unserviceable, or the provision of services of any kind.

## 2. Classification of External Expenditures

In line with the goals and operational principles set out in the Sustainability Policy, External Expenditures are classified as follows, with the corresponding objectives:

- Discretionary Social, Environmental, or Institutional Expenditures: Actions aimed at improving lives, positively transforming territories and communities, preserving and/or restoring the environment, developing businesses, promoting culture, strengthening relationships, and engaging with society, government institutions, non-governmental organizations (NGOs), and promoting initiatives through incentivized resources.
- Mandatory Social and/or Environmental Expenditures: Actions aimed at fulfilling commitments, judicial, administrative, or arbitral decisions, and/or judicial agreements and conditions expressly formalized in Vale's Environmental Licensing Process and Commitment Terms or Conduct Adjustment Agreements. Discretionary commitments made through contracts or other instruments do not fall under this classification of External Expenditures.
- Social and/or Environmental Operational Impact Management: actions for managing social and/or environmental impacts, aimed at preventing or mitigating damage arising from Vale's production process and mineral exploration and/or research activities that are not linked to Mandatory Social and/or Environmental Expenditures.

### 2.1 Execution of External Expenditures

Donations, sponsorships, partnerships, contributions, technical and/or financial cooperation agreements, among others, are methods for executing External Expenditures. These must comply with the approval limits established in Vale's internal Normative Documents.

## 3. Scope

This policy applies to Vale and its subsidiaries, always in accordance with the Bylaws, the corporate documents, and applicable legislation.

## 4. References

- POL-0001-G - Code of Conduct.
- POL-0002-G - Authority Policy.
- POL-0005-G - Human Rights Policy.
- POL-0016-G - Anti-Corruption Policy.
- POL-0019-G - Sustainability Policy.
- POL-0041-G - Misconduct Management Policy .
- NOR-0002-G - Authority Norm.
- Electoral Manual.



## 5. Definitions

**External Expenditure Regulatory Group:** Regulatory teams from the Executive Vice Presidencies of Technical, Corporate Affairs and Institutional, and Sustainability, composed of the social, environmental, and institutional areas.

**Multidisciplinary Group:** Established during election years, this group consists of representatives from the Legal Department, Corporate Integrity Department, and other areas related to the demand.

**Electoral Blackout or Restriction Period:** The period during which no Discretionary Social, Environmental, or Institutional External Expenditures should be made, disclosed, or launched to Public Authorities, as per Vale's guidelines published during election years.

**Public Authorities:** Any supranational organization, national, state, municipal, or local government, including any court, administrative agency, or commission, comprising any entity of direct or indirect public administration.

## 6. Restrictions

The following External Expenditures are not allowed:

- Expenditures that cause harm, even indirectly, to life, society, the environment, and the reputation of Vale and entities within the Vale System.
- Expenditures that contradict the commitment to respect, inclusion, equity, and the promotion of human and cultural diversity.
- Expenditures that contradict the Ethics and Compliance Program and other Vale policies and/or applicable legislation.
- Expenditures made exclusively for advertising in any format (physical or digital) for partner or contracted entities.
- Expenditures for campaigns aimed at reducing financial debts of beneficiaries.
- Expenditures involving religious projects or assets intended to propagate the faith, values, or principles of any group, except when formally recognized as a historical, artistic, and/or cultural heritage of humanity.
- Expenditures that involve, directly or indirectly, investments in political movements, including those organized by political parties, their representatives or candidates, or investments for political use.
- Expenditures that substitute the obligations of Public Authorities, although they may complement them, provided they are not related to operational costs.
- Expenditures made to Public Authorities during the electoral blackout period. Exceptional Cases  
Exceptional cases are subject to prior evaluation by the Multidisciplinary Group, as established in the internal guidelines of the Electoral Manual.

## 7. Governance of External Expenditures

Any request for External Expenditures is subject to prior evaluation by the External Expenditures Regulatory Group and the Corporate Integrity Department, according to the established process flow. The request must be discontinued if rejected by the Corporate Integrity Department.

Expenditures validated by the aforementioned areas will be submitted for approval, in compliance with the approval limits established in the Company's specific regulations.

Once approved by the competent authority, regardless of the classification of the External Expenditure, its formalization will be carried out through a specific instrument validated by the Company's Legal Department.

## 8. Responsibilities

**Executive Committee:**

- Approve this Policy and any amendments thereto.

**Executive Vice-Presidency of Sustainability:**

- Develop and propose this Policy and any amendments to the Executive Committee.



- Assist the Executive Vice Presidency of Finance and Investor Relations in preparing the External Expenditures Report.

Executive Vice-Presidency of Corporate Affairs and Institutional Relations:

- Review this Policy and any proposed amendments, guiding all involved parties on applicable legal aspects.
- Support the Sustainability regulatory areas in case of doubts or discrepancies related to commitments made with State Institutions and Governmental Entities.

Executive Vice-Presidency of Finance and Investor Relations:

- Monitor the execution of dissemination actions related to this Policy.
- Monitor the execution of dissemination actions related to this Policy. Report to the Board of Directors and the Sustainability Committee, at least semi-annually, on External Expenditures made.

Audit and Compliance Department:

- Assess the effectiveness of actions related to the dissemination of this Policy.
- Conduct a preliminary analysis of External Expenditures regarding the beneficiary and adherence of the initiative to the Ethics & Compliance Program guidelines, with the authority to reject non-compliant expenditures.

External Expenditures Regulatory Group:

- Evaluate the initiatives proposed by requesting areas for External Expenditures, ensuring compliance with the regulations from a social, environmental, and institutional perspective.

Multidisciplinary Group:

- Evaluate and, when applicable, issue recommendations regarding initiatives submitted by requesting areas for External Expenditures during the Electoral Blackout Period, assessing legal, reputational, and compliance risks.

All requesting areas for External Expenditures:

- Consult the External Expenditures Regulatory Group and/or the Multidisciplinary Group, as appropriate and depending on the assignment of the Groups.
- Establish indicators to measure, monitor, and communicate the expected results of the External Expenditure.
- Define the correct method for accountability of the External Expenditure and approve it, if applicable.
- Retain all documentation related to the External Expenditure for the legally required period, for evidence and auditing purposes.

## 9. Disclosure and Dissemination

This Policy will be filed and published by the Executive Vice Presidency of Finance and Investor Relations and made available on Vale's official repositories for internal and external stakeholders, as applicable. The Executive Vice Presidency of Sustainability is responsible for promoting the necessary actions to disseminate this Policy.

## 10. Consequence Management

Vale's Whistleblower Channel can be used by anyone, inside or outside the company, to report any suspected violations of our Code of Conduct and the guidelines of this Policy.

Non-compliance with this Policy will be subject to the terms of the Misconduct Management Policy, "POL-0041-G".

## 11. Review Period

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



## 12. Review Deadline

In case of any conflict between this Policy and Vale’s Bylaws, the latter will prevail, and this Policy will be amended as necessary. This Policy comes into effect on the date of its approval by the Executive Committee.

## 13. Approvals

Areas:	Description:
Executive Vice-Presidency of Sustainability.	Drafting.
Executive Vice-Presidency of Finance and Investor Relations. Executive Vice-Presidency of Corporate Affairs and Institutional Relations. Audit and Compliance Department.	Review / Recommendation.
Executive Committee – DDE – 133/2024	Approval.