Repair Report

Quarterly
January to March 2021
Minas

What are we doing to repair the environment and for people?
The Quarterly Summary of the Repair Report objectively brings together the major actions carried out by Vale’s Special Department for Repair and Development in Brumadinho, the municipalities of Calha do Paraopeba and territories evacuated after the change in the safety standards of our dams.

In this edition, we highlight the major deliveries and projects launched in the first quarter of 2021 in each of the Repair areas:

**Environment**
Actions aimed at the full recovery of the environment.

**Socioeconomics**
Progress and launching of projects that enhance local vocations and foster the development of municipalities.

**Evacuated Territories**
Update on compensation and protection actions to enable the evacuated communities to return to normal in Barão de Cocais, Conselheiro Lafaiete, Itabirito, Macacos (Nova Lima) and Antônio Pereira (Ouro Preto).

**Social**
Progress of civil and labor agreements, assistance programs for affected people and the social development of the communities.

**Infrastructure**
Delivery of urban infrastructure equipment built or renovated by Vale with a focus on improving the quality of life of communities.

In July, in the Semiannual Repair Report, you will be able to follow the progress of these actions and get to know the people and institutions involved in each one in greater detail.

Our commitment continues: to repair the damage and be accountable to society.
The agreement signed between Vale and the authorities of Minas Gerais on February 4 reinforces the commitment to fully repair the environmental and social damage resulting from the breach of the B1 dam, in Brumadinho. The mediation process was conducted by the Court of Appeals of Minas Gerais, through the Justice Center for the Settlement of Conflicts and Second Tier Citizenship. The agreement includes socio-economic and socio-environmental repair projects, to mitigate the impacts of the dam breach on the affected State and regions. With respect to the victims and their families, Vale is determined to fully repair the damage caused and remains committed to individual indemnities to those affected, maintaining the purpose of contributing to the improvement and development of the communities.

Vale replies: What will change in relation to the emergency payment with the agreement? Will there be a change in amounts and criteria?

The agreement signed foresees the creation of the Income Transfer Program for the affected population, which will be structured, implemented and managed by the Legal Institutions, replacing the emergency payment. The parties have determined a transition period, during which Vale will maintain the emergency payment for the beneficiaries and with the amounts currently adopted, for three months, counting from March (March, April and May).

During this period, the Legal Institutions will formulate and present in court the criteria for that program.

The eligibility criteria, beneficiaries and amounts of the Income Transfer Program will be defined by the Legal Institutions, without the participation of Vale.

Due to the Covid-19 pandemic, we are adopting strict prevention protocols, so that we can guarantee the continuity of our activities in a safe way for our employees and the community.
Recovery of the Paraopeba River

Over 25 billion liters of clean water have been discharged into the Paraopeba River by means of the two treatment plants installed by Vale in the Brumadinho region. The treated and clean water returned to the river contributes to the recovery of the basin quality and its biodiversity. Dredging work, which removes tailings from the river, is also part of the recovery actions.

Water monitoring

In addition to the monthly monitoring carried out by the Minas Gerais Water Management Institute (Igam), a 353-km extension of the Paraopeba river channel is monitored by Vale, including the FerroCarvão creek and 10 of its tributaries. During this monitoring, water quality parameters are analyzed, including the assessment of metals, turbidity, presence of solids, dissolved oxygen, and other aspects. Sediment analyses of the bottom of the watercourses are also carried out to deepen the interpretations. The results of the monitoring contribute to providing public agencies with information and technical data, so that they can decide on the actions that need to be implemented.

The monitoring in figures:

About **72 monitoring points**.

**14 telemetric stations** deployed for ongoing monitoring.

More than **38 thousand samples** gathered.

About **4 million results** analyses of water, soil and sediments.

About **250 professionals** engaged in this process.
The recovery of plant species is made with innovative technology

An innovative technique developed by researchers at the Federal University of Viçosa (UFV), capable of recovering DNA and creating copies of the region’s plants, began to be applied for the rehabilitation of vegetation impacted by the breach of the B1 Dam.

Seedlings, which could take more than eight years to bloom, should start this process in between six and twelve months, which will effectively contribute to speeding up the recovery of the region’s biodiversity. In March, planting of these seedlings in four pilot areas in Brumadinho started.

The project is also managed by the Society for Forestry Investigations (SIF) and is considered by UFV specialists as a landmark for the genetic conservation of plants and the reforestation of endangered species, as is the case of some in Brumadinho.

In total, genetic material was collected from 10 plants from five different species, including endangered species and protected by law.
Water distribution

The distribution of drinking water is now helped by technology to guarantee quality water for around 620 eligible households that live between Brumadinho and Pompéu. The Drinking Water Delivery and Fleet Management System was implemented; this monitors the 62 water trucks in real time that, in all, travel approximately 12,400 kilometers per day, ensuring that households receive the water on schedule and on adequate amounts.

All trucks are cleaned on a monthly basis by specialized companies and, before each delivery, Vale measures chlorine in the water, which is collected already treated by Copasa, in two treatment plants, in Juatuba and Curvelo.
Sheltering

Families directly affected by the collapse of Dam I or who have been evacuated from their homes due to the dam emergency level continue to be sheltered and assisted by the Referência da Família (Family Referral) program. These people receive psychosocial assistance by specialized professionals in a systematic and ongoing way. Currently, about 2 thousand people, belonging to 673 families, are being monitored by the program team.

Health

Primary health care in Brumadinho, Mário Campos, Sarzedo, Inhaúma, Paraopeba, Pará de Minas, Pompéu, São Joaquim de Bicas, Barão de Cocais, Itabirito and Nova Lima (Macacos) continues to be reinforced through the Ciclo Saúde (Healthcare Cycle) program. The Municipal Health Departments and the teams of 126 Basic Healthcare Units (UBSs) are trained in topics of care, prevention and health promotion, in addition to receiving, so far, over 3,200 instruments and items of furniture.
Through art

In March, the Semeando Esperança (Seeding Hope) project received new students. Now, 57 participants are learning the technique of embroidery via virtual workshops. Vale Foundation’s initiative, together with the Antônia Dumont Cultural Institute, has contributed to the symbolic revival and the resignification of grief.

Also through techniques of art therapy, the loss and mourning have been approached in Arte da Ponte workshops, a methodology created and taught by Frenchwoman Annie Rottenstein, geared to family members of victims and also to professionals from the public and private network of Brumadinho, such as social workers, psychologists, acupuncturists, and others. During the pandemic, workshops and lectures have been held remotely.

Indemnities

So far, about 5,000 civil and labor agreements have been signed, involving over 10.1 thousand people. In addition to financial compensation through indemnities, the Comprehensive Assistance Program for the Affected (PAIA) offers support so that the affected families can better organize themselves in the face of new economic and socio-environmental conditions, according to their wishes and choices.

Community Center

In February, a Community Center was delivered to the Association of Family Members of Victims and Affected People due to the Breach of Córrego do Feijão Dam - Avabrum. A space designed by the association for the relatives of the 270 victims of the tragedy to get together to have moments of exchange, mutual help, establish bonds and participate in courses and workshops aimed at resignifying their grief, such as art therapy, and other Complementary Integrative Practices (PICs), such as yoga.
Memorial

In March, the company begun communication on the pre-construction stage with the community of Córrego do Feijão to start earthmoving and pile digging activities for the Memorial project that will honor the victims of the breach of Dam I, in Brumadinho. The works are scheduled to be completed in the second half of 2022.

Service and open dialogue

Since 2019, Vale has maintained service desks for the population of Brumadinho and the surrounding region with specialized teams to shelter affected people. During the pandemic, care service has been provided in a swift manner and, mostly, through a free service channel by calling 0800 031 0831. More than 96.5 thousand demands were received, 99% of which have already been answered.
Território Parque (Park Territory) Project

As of January, residents of Córrego do Feijão have easy access to information on Parque Território Project. From Monday to Friday, everyone can visit the Information Desk to see the physical scale models and get answers to questions related to the progress of the works. The water reservoir at Praça Central (Town Square) has already been put in place, and the foundations for the square and the Community Market have already been built.

Yara Tupynambá Project

Another class with 40 residents of Parque da Cachoeira completed, in March this year, the professional qualification course in Gardening held by the Yara Tupynambá Institute. In total, 144 residents of Parque da Cachoeira and Córrego do Feijão communities took the Civil Construction Officer and Gardening courses. The project also includes the renovation of residences and gardens chosen by the students themselves, as part of its practical classes. It will be 230 houses and 230 gardens revitalized by the end of May.
Tourism Fostering

The Brumadinho Sustainable Tourism Fostering Program has just been launched. Developed since 2019, it is based on PIAT (Integrated Tourism Plan) and dialogues with the local tourist trade. The program lasts for three years and seeks to put in place structuring actions to strengthen the industry, from tourism governance of the territory to the design of itineraries for tourist experiences, including rural and quilombola producers.

Horizonte Project

Over 470 people signed up for the Horizonte Project, launched in March, which encourages social entrepreneurship in the territories of Barão de Cocais, Itabirito, Macacos (Nova Lima) and Antônio Pereira (Ouro Preto). Local entrepreneurs will be encouraged and trained to develop profitable businesses that have a positive impact on their locations.

Cultivar Project

Mario Campos farmers are participating in the Cultivar Project, established in a partnership with the municipal administration and the rural producers themselves. Participants are receiving resources and technical support to resume, improve and diversify their crop growing activities.
Pipeline of the Pará River

The new Pará River pipeline was delivered in February to the Águas de Pará de Minas Concessionaire and the City Hall. Still under assisted operation, the new pipeline is part of a series of actions to guarantee supply to Pará de Minas. The streamflow to be caught is 284 l/s (just over 1 million liters every hour), the same streamflow that the municipality had from a grant in the Paraopeba River. When the catchment in the Paraopeba river is released, the new pipeline will help double water catchment capacity, helping the population to feel greater peace of mind.
Daycare Centers and Family Healthcare Center: officially delivered

Spacious, colorful and furnished to receive children, two of the daycare centers built in Brumadinho were officially delivered by Vale, in February, to the city hall and communities in the Cohab and Parque da Cachoeira neighborhoods, which also were given a Family Healthcare Center. The delivery of these units, built on the basis of a dialogue with communities and the municipal administration, reinforces our commitment to contribute to improving the quality of life and well-being of the residents of Brumadinho.

Renovation and expansion of public lighting in Pires concluded

Pires community, in Brumadinho, started the year with new public lighting. The initiative, established jointly with residents and the municipal administration, is part of the compensation actions carried out by Vale to improve safety and quality of life.
Macacos (Nova Lima)

São Sebastião Chapel Renovation

In January, the Macacos community had their São Sebastião Chapel completely renovated. R$ 1.4 million was invested in the renovation, which respected and maintained the original features of the chapel, built in 1718 and listed by the Historical Heritage of Nova Lima. The works was closely monitored by the Archdiocese of Belo Horizonte and local residents.

Indemnities

Macacos residents impacted by the rise in the emergency level of the B3/B4 dam, of Mar Azul mine, now have specific parameters for negotiating individual indemnities. The Letter of Intent signed between Vale and the Minas Gerais Public Attorney Office, in March, will contribute to making the process of reparation for damage to property, economic damage and pain and suffering even clearer to the community.

Mrs. Iraci, a resident of Macacos, before the restored Chapel.

Vale Replies

Is it good for those who have already been indemnified or only for new cases?

Eventually, if any indemnity was not in line with the executed Letter of Intent, there is a possibility of reassessment.
Renovation of the football field

In March, the residents of Capela Velha neighborhood met and approved the project to renovate the community’s football field. The works is scheduled to start in the second half of 2021.

Itabirito

Public inquiry in São Gonçalo do Bação

More than 90% of the 326 people who participated in the public inquiry held in February voted in favor of continuing the paving of the MG-030 highway access stretch to São Gonçalo do Bação, Itabirito county. The works will begin after the completion of the soldier wall of the Forquilhas and Grupo dams. The delivery is scheduled for July 2021.

Renovation of sports courts in Itabirito

When it becomes possible to resume face-to-face activities after the pandemic, the more than 600 students from the Natália Donada Melillo Municipal School, in Itabirito, will get to know, up close, the new sports court, which has been roofed and completely renovated. The renovation and roofing works of the sports courts of the Municipal Schools José Ferreira Bastos and Ana Amélia Queiroz will be concluded still in this first semester.
Barão de Cocais

Social Participation

In February, the residents of Socorro, Piteira, Tabuleiro and Vila do Gongo participated in a survey to help draft the Self-Rescue Zone Repair and Compensation Plan (ZAS). Priority actions were determined, in which Vale should invest to provide social well-being, foster local economic sustainability and contribute to a reparation effort that values the history and the social, traditional and affective ties of the impacted communities.

Antônio Pereira
(Ouro Preto)

School remodeling

More than 600 elementary school children will benefit from the complete remodeling of the Daura de Carvalho Neto State School, which started in January. The works, carried out in a partnership with the Minas Gerais Department of Education, received an investment of R$ 1.9 million and should be completed in June this year.

Preventive relocations

In compliance with the new recommendation of the auditing company of the Minas Gerais Public Prosecutor’s Office (MPMG) of February 2021, we started, in February, the removal of the 34 families residing in the so-called polygonal area, which was incorporated into the Self-Rescue Zone (ZAS) of Doutor dam. The action complies with all recommended health and safety protocols in the face of the Covid-19 pandemic.
Quarterly report on Vale’s repair and development actions in the areas impacted by the breach of B1 Dam and in the evacuated territories.

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OFFICIAL CHANNELS
Use these channels to clarify doubts and keep informed on the repairing actions:

www.vale.com/reparacao
Customer Service Channel: 0800 031 0831
Aô Indenizações: 0800 888 1182

Face-to-face service is suspended due to the new coronavirus pandemic. During this period, demands are received via digital channels or via the Call Center.

Service to the Community

Service to communities continues to be carried out via the 0800 031 0831 number. Community Relations Professionals also have direct contact with families, remotely. And, whenever necessary, in person, with all due care to combat the Covid-19 pandemic.

Offices - Indemnities

During the pandemic, negotiations for individual indemnity proceedings are taking place online. Meetings can be scheduled via the following contact numbers:

Brumadinho
(31) 99600-7242, (31) 99648-6483 or (31) 98445-8059

Belo Horizonte, Betim and Macacos
(31) 99983-9076

Barão de Cocais
(31) 99944-6773

Ouro Preto
(31) 99830-5886