

Vale's Just Transition Approach

Just Transition position statement

Mining and the Just Transition

The mining activity can play a pivotal role in supporting a global transition to a low-carbon economy, acting both as a driver of decarbonization and a source of potential disruption¹.

Vale recognizes the importance of moving towards a low-carbon economy while also creating shared value for society, aligned with the Company's purpose to improve life and transform the future, together.

Our commitment to a Just Transition

At Vale, while we endeavor to support the central goal of the Paris Agreement to keep global temperature rise to well below 2°C, with efforts to limit the increase to 1.5°C, we seek to leverage opportunities to advance the socioeconomic conditions in the communities in which we operate and to enhance positive impacts for ecosystems and biodiversity. We are committed to transitioning towards a net zero emissions business in an ethical and sustainable way: fair, inclusive and respecting human rights.²

Vale believes in a fair transition, one in which financial, material, and people resources are considered essential in a low-carbon economy that works for people and the planet. Our approach to a just transition in our own operations, across our value chain, and the territory in which we operate follows directives set forth in our Sustainability, Climate, and Human Rights Policies.

Through our Just Transition Principles, Vale will continue to work toward a transition that builds shared value for people, nature, and climate, aligned with the Company's values.

For more information regarding Vale's policies and initiatives, please see the [ESG Portal](#).

¹ ICMM. [Achieving a just transition: Human rights, justice, and equity](#)

² ILO. [Just transition](#)

Vale's approach to a Just Transition

The following Just Transition Principles are built from the foundation established by our Human Rights and Climate Change Policies and are guided by science- and best practice frameworks.

1. Net zero pathway for people and planet

We are leveraging our scale, competencies, solutions-based portfolio, and partnerships aiming to support the transition to net zero emissions³ within our operation and value chain, while also seeking to create shared value for society. In this sense, we are working to develop just transition plans aimed at supporting our stakeholders throughout our decarbonization journey.

We intend to advance climate mitigation and adaptation strategies aiming to enhance community resilience, protect ecosystems, and preserve water resources, by applying a holistic approach that balances climate, nature, and social outcomes and promotes respect for human rights across our operations and value chain.

2. Empowering our workforce

We are committed to providing decent work and inclusive economic growth in a changing industry. We recognize that workforce displacement is a risk of the low-carbon transition, as new technologies and changing demand may shift roles within our operations and supply chain. We seek to identify and mitigate these impacts by providing re-/up-skilling opportunities, internal mobility, and other support measures, so that employees and contractors may transition effectively into different roles.

Our decarbonization efforts aim to focus on generating benefits for society by creating and supporting green and decent jobs. We believe that meaningful social dialogue is central to a just transition approach and is in line with our commitment to uphold freedom of association by respecting union rights and collective bargaining. This includes endeavors to collaborate with labor organization representatives on workforce adaptations, such as job transitions, retraining, reskilling, and social protection programs.

3. Engaging with society

Vale recognizes that the risks arising from climate crises can impact the ways of life and rights of local communities, especially the most vulnerable. Respecting Free, Prior, and Informed Consent (FPIC) and co-designing initiatives that support local resilience, shared benefits, and existing stakeholder priorities allow

³ For Scopes 1 and 2, Vale aims to reduce absolute emissions by 33% by 2030 (base year 2017) and achieve net zero emissions by 2050. Regarding Scope 3, the goal is to reduce net Scope 3 emissions by 15% by 2035 (base year 2018).

communities to adapt to the new realities that emerge from the transition to a net zero economy.

Vale seeks to establish meaningful engagement with employees, contractors, customers, suppliers, partners, Indigenous Peoples, and local communities about its low-carbon transition. The goal is to better understand how these groups could be affected by our transition strategies and address impacts.

4. Collaborating to decarbonize our operations and the value chain

We aim to support our business partners across our value chain in the just transition, including our suppliers, joint ventures, and customers. Vale also seeks to leverage partnerships, from business partners to local governments, to contribute to the development of policies, standards and practices aimed at enabling a just, inclusive transition to a low-carbon future.

Through industry associations, policy forums, and multistakeholder initiatives, we seek to establish greater collaboration and support transparency and coordination of regulations and standards in the context of climate efforts. Consistent with our transparency commitment, we will keep assessing and reporting any major gaps between Vale's climate stance and the positions of our industry associations.

5. Governance and accountability

The iterative and dynamic nature of transition plan development entails ongoing monitoring and adjustments. Therefore, while Just Transition principles are considered in Vale's core management processes, the Company recognizes the importance of embedding just transition elements into its risk management, capital allocation, corporate policies, and corporate governance processes, as well as promoting senior level awareness, engaging on these issues at the highest levels of Company decision making.