



Arrival of the first 500,000 kits for COVID-19 testing – Vale donated 5 million kits to the Brazilian Government

Vale's Performance in 1Q20

Rio de Janeiro, April 29th, 2020



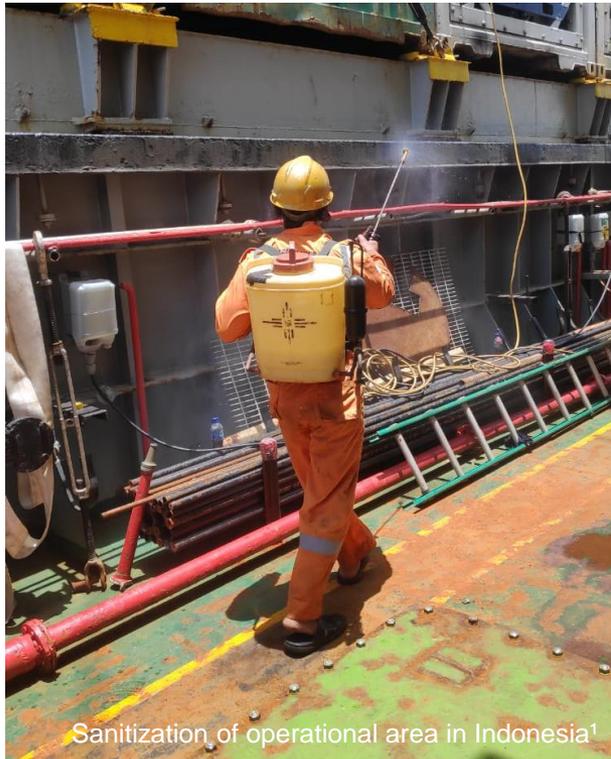
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Opening remarks

We have a solid plan to face the pandemic



Our actions prioritize:

1. The reparation of Brumadinho and dam safety
2. Health and Safety of employees and communities
3. Support to society in fighting the pandemic
4. Support to the value chain
5. Stability of our business

¹image source: Vale

Brumadinho and safety: our commitments continue

R\$ 3.6 billion in indemnifications¹

	People ¹
Emergency aid	+106,000
Civil	+5,100
Labour	+1,590

Communities of Minas Gerais receive additional support in the pandemic

Engineer of Record new function

- Additional step in the assessment of structures
- Can issue or revoke DCEs² at any time
- External to operations
- Integrated with Vale's lines of defense

Focus on continuous dam safety management

¹Approximate figures, referring to signed agreements (paid and payable, civil and labor), labor indemnification paid for collective damages and emergency aid paid, updated on April 28, 2020.

² Stability Condition Declarations.

The health and safety of our people are top priorities

We have implemented world-class safety standards in all operations to prevent COVID-19¹



Home-office regime for at-risk groups or eligibles.



Only personnel in critical roles at sites



Adjustments to procedures on sites and transport



Halting of all non-essential works



Daily checklists, case monitoring



Contact tracing in suspected cases



Scan of body temperature at entrances



Massive internal communication and 24h assistance channels

¹ Non-exhaustive examples.

We are honouring our new pact with society



- +400 hospital beds
- Renovation of local hospitals
- Construction of field hospitals
- Purchases of hospital equipment and cleaning materials (100t of hand sanitizer)
- Investments in innovation on prevention, diagnosis and treatment

5 million detection kits to Brazil

15.8 million PPEs¹ to the Brazilian government

14.5 million kits and PPEs for Brazilian States

R\$ 500 million in actions in Brazil



¹ Personal Protection Equipment.

We support our value chain for a healthy ecosystem

R\$ 900 million¹
paid in temporary aid to suppliers²

+3,000 small and medium-sized
companies with anticipated payments

85% reduction in payment terms

Support to construction companies
and contractors of suspended
projects



We are using our presence at the base of the production chain and our mobilization ability to help suppliers face the impacts of the pandemic.

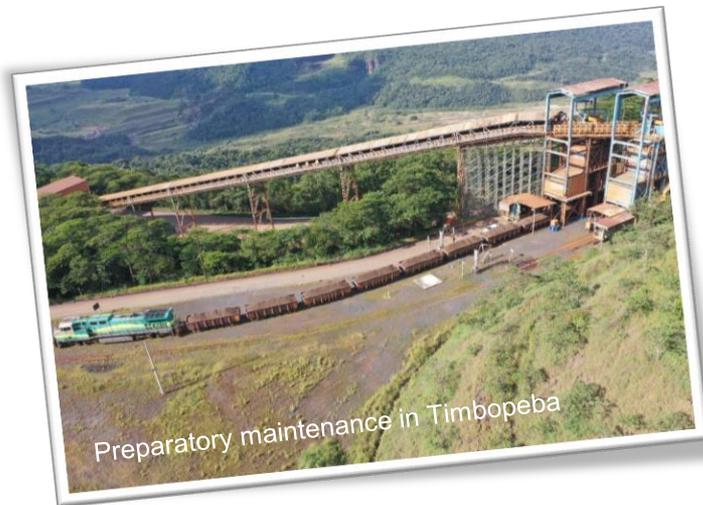
¹Approximate value.

² In Brazil, until the end of April.

We continue to stabilize production ...

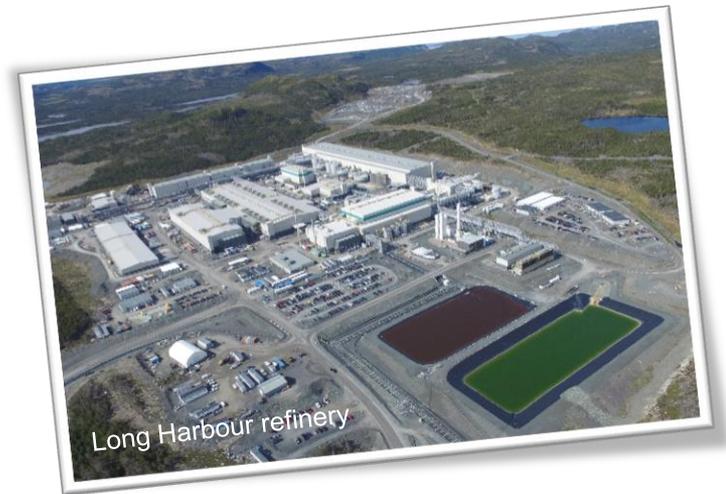
Timbopeba

Resumption in progress



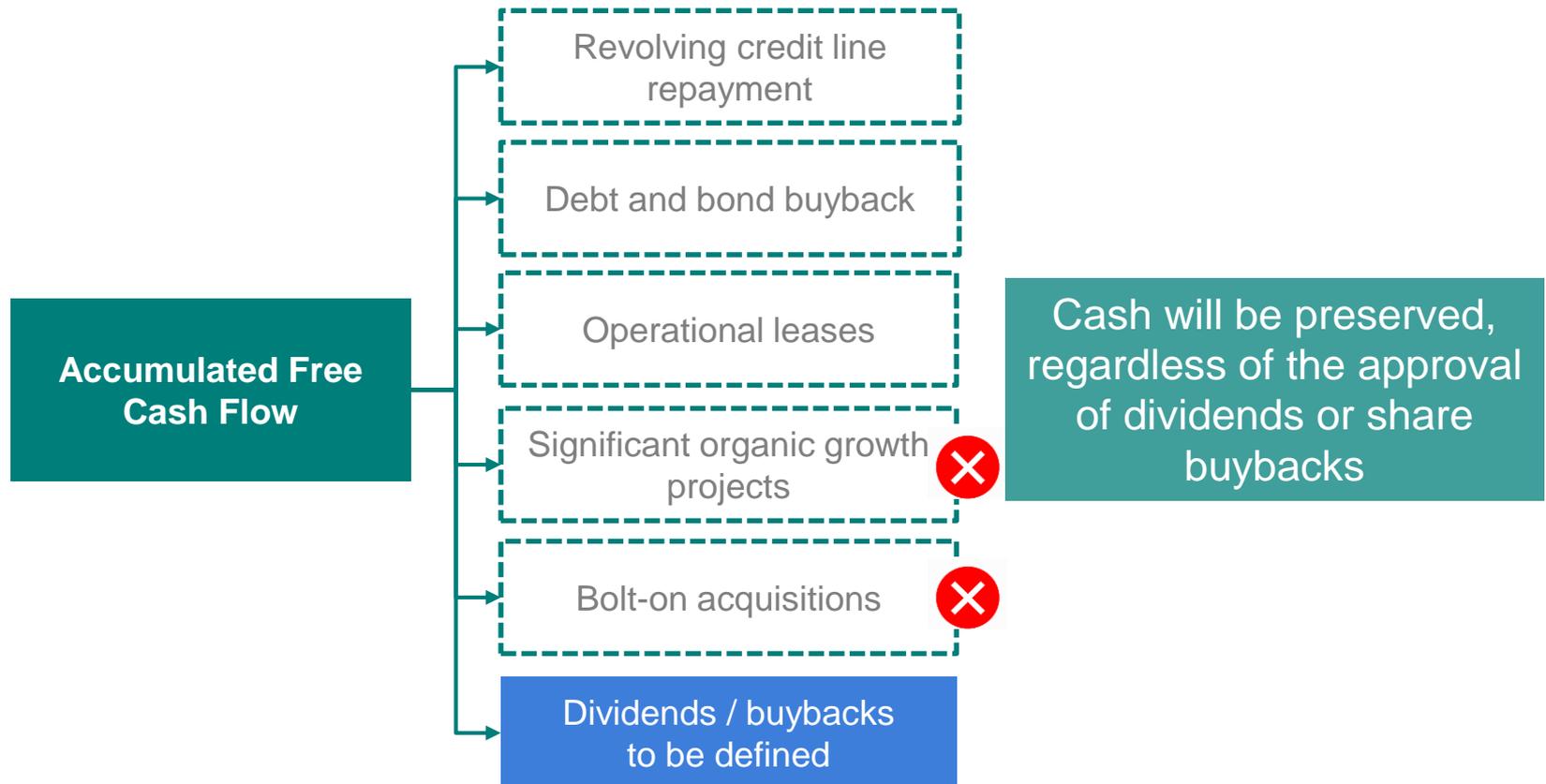
North Atlantic

Improvements in 4Q19 and 1Q20

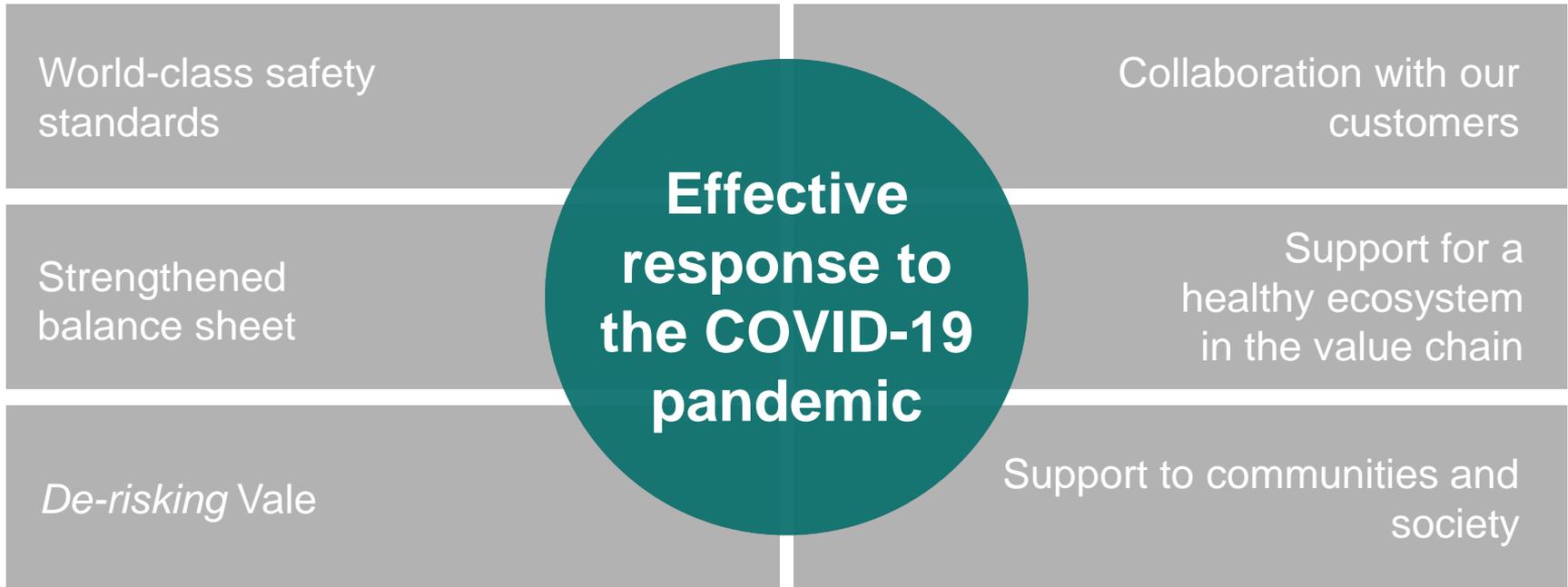


We will keep our conservative approach,
with strict safety in our operations

... and with discipline in the allocation of capital



We are in a solid position to face this scenario



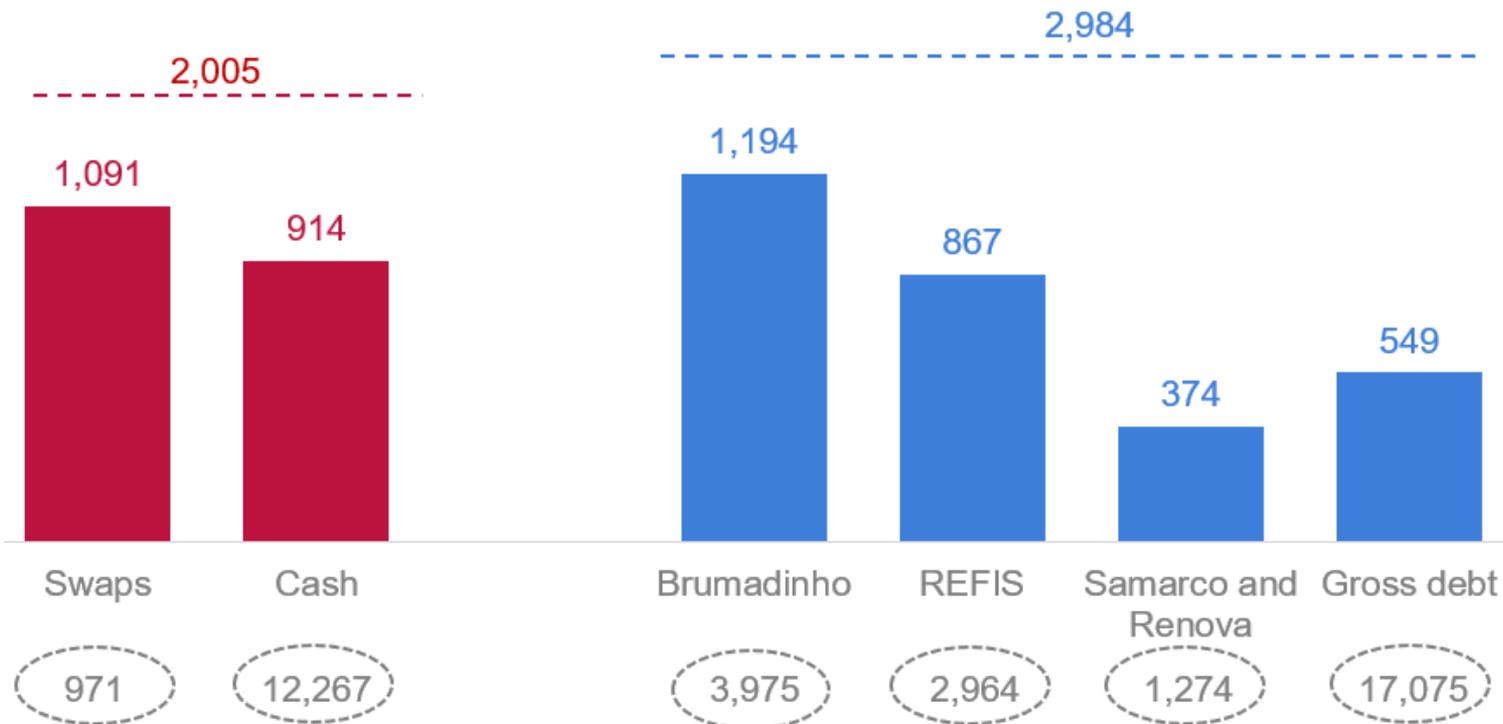


**Highlights of Vale's
performance in 1Q20**

Vale hedges part of its Brazilian real commitments through the use of derivatives and holding cash locally in Brazil

US\$ million

■ Hedge and cash ■ BRL commitments ○ Balance 31mar2020

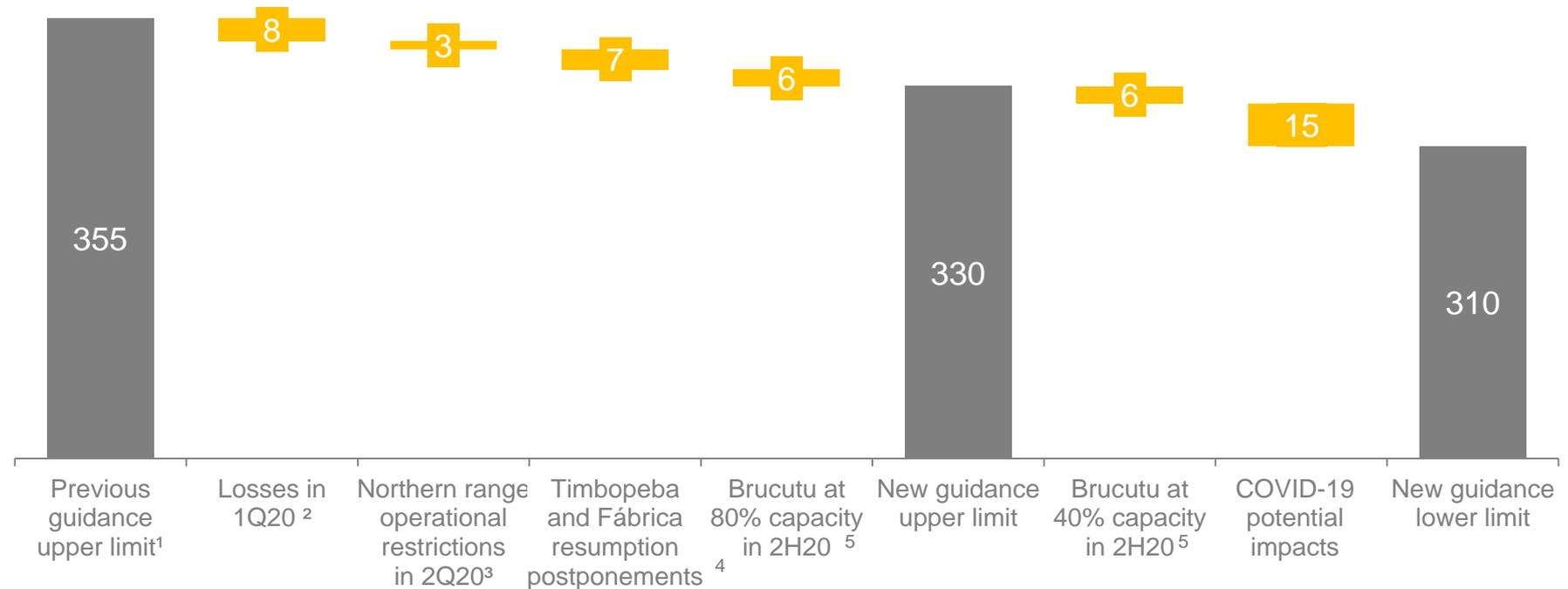




**Additional
Information**

Vale's iron ore production guidance for 2020 changed to 310-330 Mt

Iron ore fines production guidance changes Mt



¹ Previous guidance was 340-355 Mt.

² Comparing with upper limit of 63-68 Mt guidance in 1Q20.

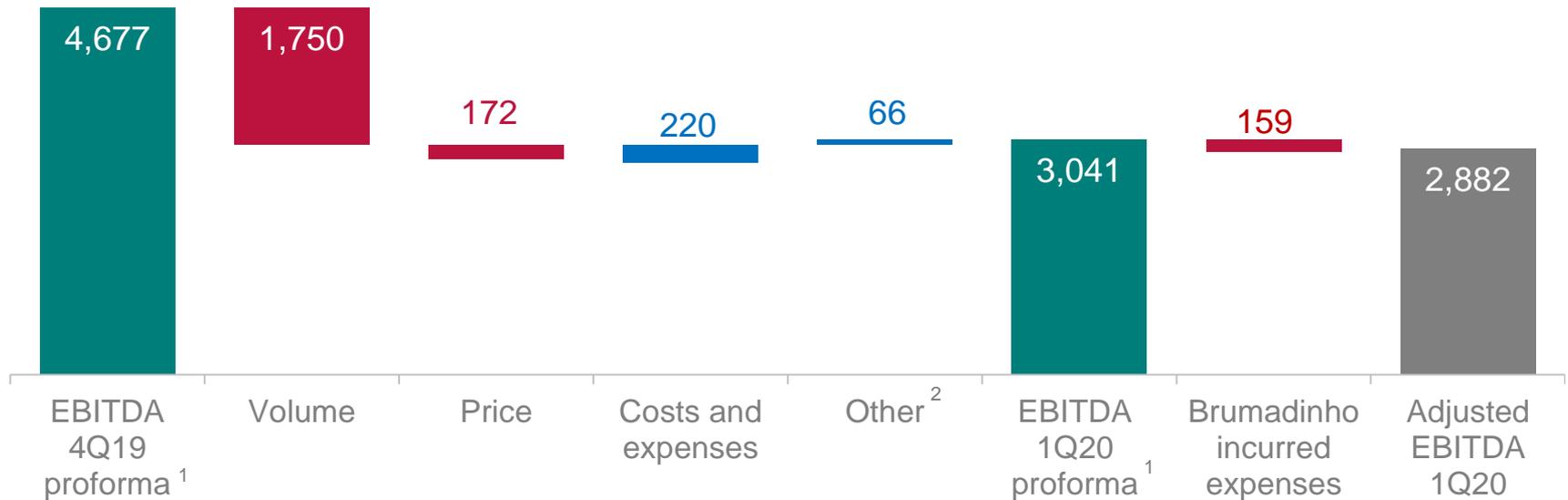
³ Associated with the delay of Morro 1 mining section start up.

⁴ Resumption of halted operations was expected to add 15 Mt in 2020. Due to postponements, it is expected to add 8 Mt.

⁵ In the former upper scenario, Brucutu was expected to produce 24 Mt. New upper production scenario is 18 Mt (running at 40% capacity in 1H20 and 80% in 2H20) and new lower scenario is 12 Mt (running at 40% capacity in 2020).

In 1Q20 EBITDA proforma decreased mainly due to lower sales volumes

US\$ million

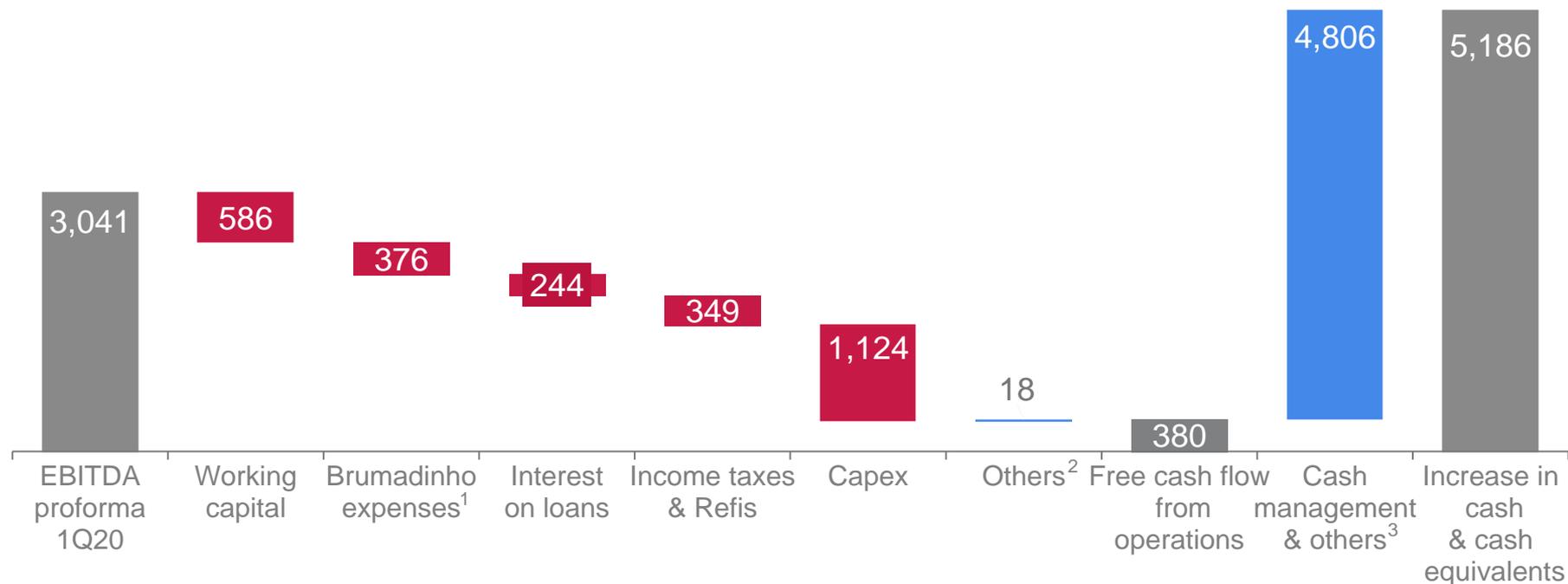


¹ Net of Brumadinho provisions and incurred expenses

² Including US\$ 113 million of dividends received and US\$ 179 million of foreign exchange effect

Vale increased its cash position significantly as a result of the US\$ 5 billion disbursement of revolving credit lines

US\$ million



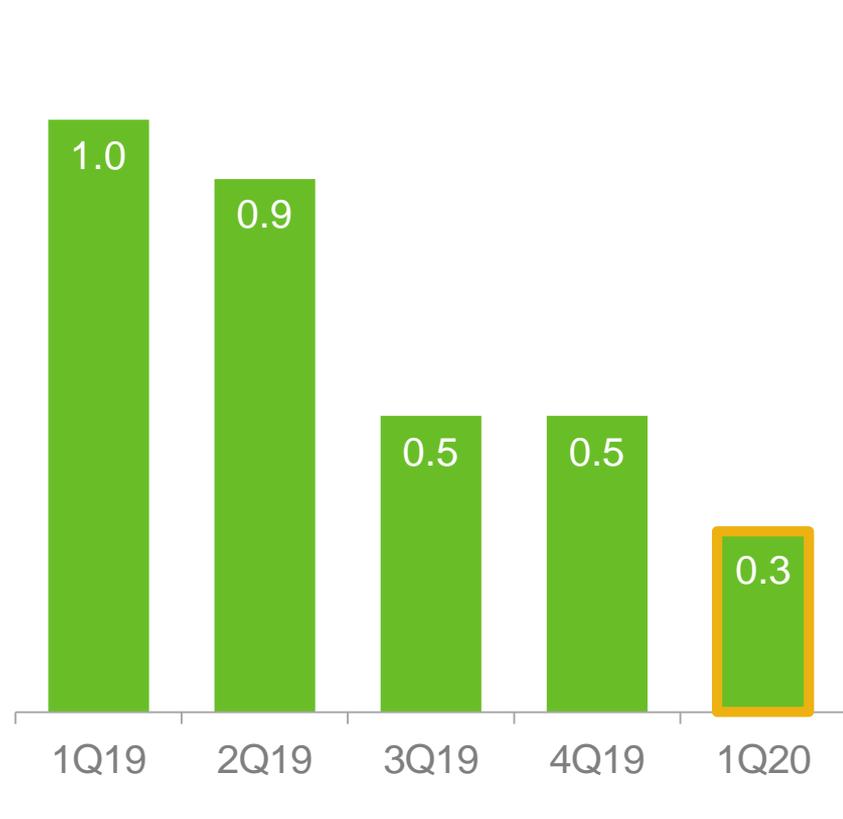
¹ Includes US\$ 159 million of incurred expenses and US\$ 217 million disbursement of provisioned expenses.

² Includes derivatives, Samarco, dividends and interest on capital paid to noncontrolling interest and others.

³ Includes US\$ 5 billion of revolving credit lines disbursement, US\$ 181 million of short term Brazilian treasury bonds disbursement and US\$ 375 million of net debt repayments.

Net debt remains at its lowest level since 2008

Net debt / LTM¹ EBITDA Ratio




 Net debt in
 1Q20:
 US\$ 4.808 billion


 LTM EBITDA /
 LTM gross
 interest: 14.8x


 Average
 maturity:
 7.3 years

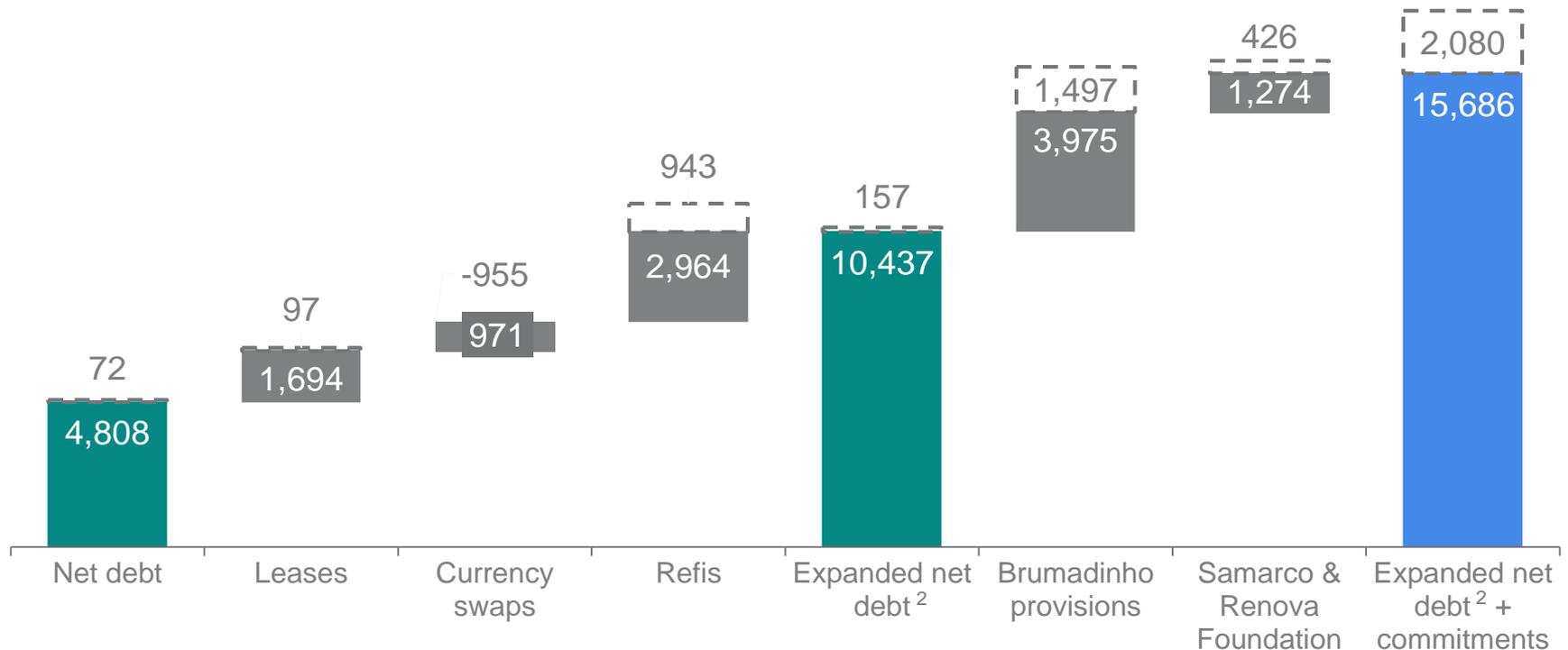

 Average cost of
 debt:
 3.71% per annum

Expanded net debt decreased to US\$ 15.7 billion in 1Q20 mainly due to the favorable Brazilian real devaluation in the period

Expanded net debt¹

US\$ million

 Change from 4Q19 recorded value



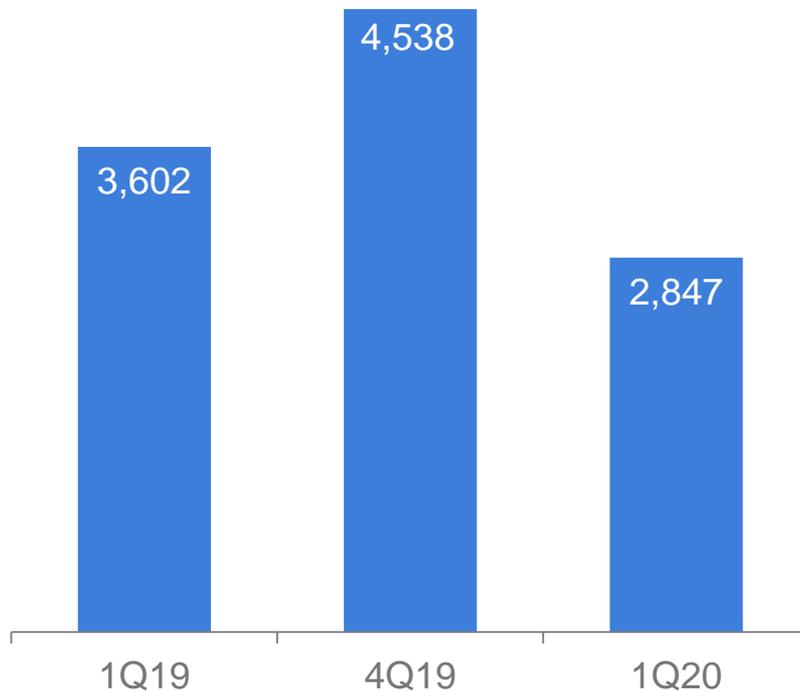
¹ As of March 31st, 2020

² Expanded net debt adjusted to include currency swaps of US\$ 16 million in 4Q19. In addition to the Brazilian real devaluation, commitments also changed reflecting payments made during the quarter.

Ferrous Minerals decreased mainly due to lower sales volumes

Ferrous Minerals EBITDA

US\$ million



Highlights 1Q20

Iron Ore: The performance was impacted by **lower sales volumes, mainly as a result of seasonal lower volumes in the first quarter**, the partial stoppage of the Brucutu plant and scheduled and unscheduled maintenances carried out in the period.

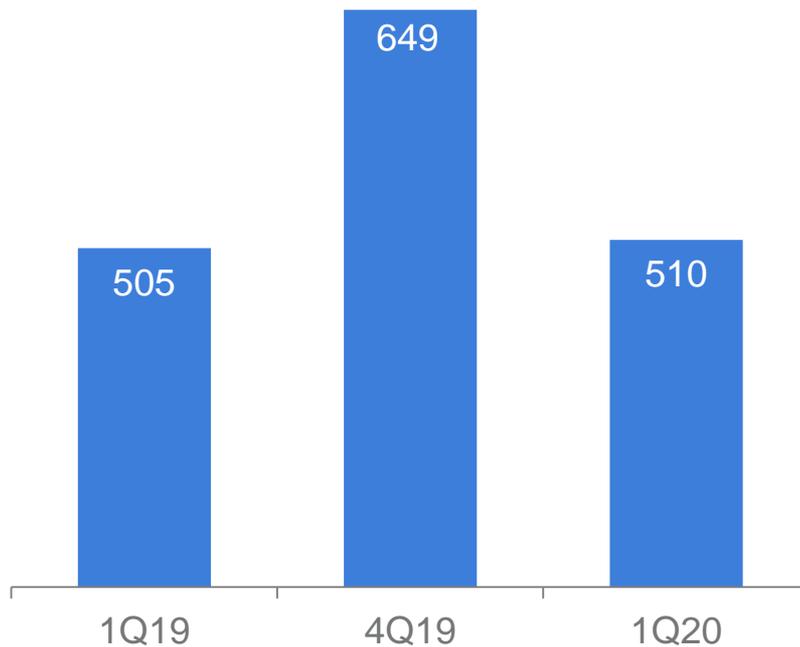
C1 increased mainly due to lower fixed costs dilution, higher maintenance costs and higher demurrage costs, which were partially offset by the positive impact of the Brazilian real devaluation.

Pellets: The performance was impacted by **lower sales volumes, absence of seasonal dividends received and lower sales prices**, which were partially offset by the positive impact of the Brazilian real devaluation.

Base Metals EBITDA decreased mainly as a result of lower nickel and copper realized prices, offset by higher by-products realized prices

Base Metals EBITDA

US\$ million



Highlights 1Q20

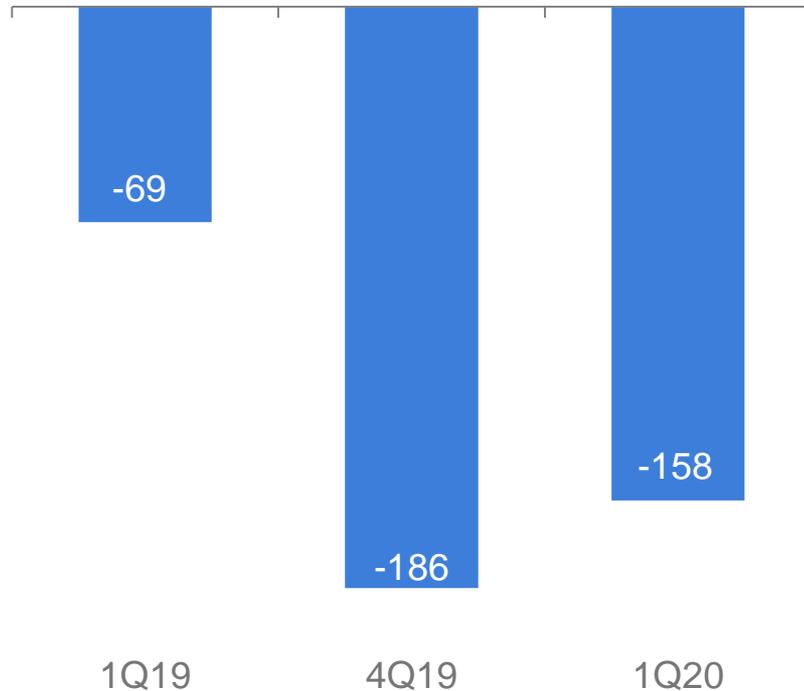
Nickel: Operations continue their **progress towards reaching higher asset reliability** together with the advance of VNC's plan to close its refinery and achieve further costs improvements.

Copper: The performance of copper operations was **supported by the resumption of Sossego's operation** after the unscheduled maintenance held in the previous quarter **and by Salobo's negative unit cash costs due to higher gold by-product credits**, which were partially offset by the unscheduled maintenance at its processing plant in 1Q20.

Coal EBITDA was mainly impacted as a result of seasonally higher interest received related to Nacala Logistic Corridor debt service

Coal EBITDA

US\$ million



Highlights 1Q20

Coal EBITDA was negative US\$ 158 million in 1Q20, an increase of US\$ 28 million in relation to 4Q19, mainly as a result of **seasonally higher interest received related to Nacala Logistic Corridor debt service** to Vale and higher prices.

The recent COVID-19 outbreak brought additional challenges to reaching the sustainable ramp-up of the operation in 2020 and **Vale temporarily suspended its previous 2020 coal production guidance.**



VALE