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## Company Data/Capital Ownership

<b>Number of Shares (thousand)</b>	<b>Last Fiscal Year 12/31/2020</b>
<b>Paid-In Capital</b>	
Common Shares	122,171
Preferred Shares	225,863
<b>Total</b>	<b>348,034</b>
<b>Treasury Shares</b>	
Common Shares	0
Preferred Shares	0
<b>Total</b>	<b>0</b>

**Individual Financial Statements /Statement of Financial Position - Assets****(R\$ thousands)**

<b>Account</b>	<b>Account Description</b>	<b>Last Fiscal Year</b>	<b>Penultimate Fiscal Year</b>	<b>Antepenultimate Fiscal Year</b>
<b>Code</b>		<b>12/31/2020</b>	<b>12/31/2019</b>	<b>12/31/2018</b>
1	Total Assets	11,297,846	10,106,102	10,634,336
1.01	Current Assets	413,166	552,873	563,277
1.01.01	Cash and Cash Equivalents	60,442	199,535	458,227
1.01.03	Accounts Receivable	352,724	353,338	105,050
1.01.03.02	Other Accounts Receivable	352,724	353,338	105,050
1.01.03.02.01	Interest receivable on equity	0	353,338	0
1.01.03.02.02	Dividends Receivable	352,724	0	0
1.01.03.02.03	Receivables	0	0	105,050
1.02	Non-Current Assets	10,884,680	9,553,229	10,071,059
1.02.01	Long-Term Receivables	189,918	206,740	224,769
1.02.01.10	Other non-current assets	189,918	206,740	224,769
1.02.01.10.03	Court deposits	7,717	7,805	7,504
1.02.01.10.04	Taxes to Compensate or Recover	182,201	198,935	217,265
1.02.02	Investments	10,693,863	9,345,417	9,846,285
1.02.03	Property, Plant & Equipment	80	105	5
1.02.04	Intangible assets	819	967	0

## Individual Financial Statements / Statement of Financial Position - Liabilities

(R\$ thousands)

Account	Account Description	Last Fiscal Year	Penultimate Fiscal Year	Antepenultimate Fiscal Year
Code		12/31/2020	12/31/2019	12/31/2018
2	Total Liability	11,297,846	10,106,102	10,634,336
2.01	Current Liabilities	35,192	314,389	457,966
2.01.03	Tax Liabilities	279	38,589	43,157
2.01.05	Other Obligations	34,913	275,800	414,809
2.01.05.02	Others	34,913	275,800	414,809
2.01.05.02.01	Dividends and Interest on Shareholders' Equity Payable	5,852	246,886	387,966
2.01.05.02.04	Other Obligations	28,990	28,848	26,843
2.01.05.02.05	Provision Payable on Lease Contracts	71	66	0
2.02	Non-Current Liabilities	7,843	230,858	216,526
2.02.01	Loans and Financing	0	223,017	209,861
2.02.01.02	Debentures	0	223,017	209,861
2.02.02	Other Obligations	821	940	0
2.02.02.02	Others	821	940	0
2.02.02.02.03	Provision Payable on Lease Contracts	821	940	0
2.02.04	Provisions	7,022	6,901	6,665
2.03	Shareholders' Equity	11,254,811	9,560,855	9,959,844
2.03.01	Share Capital	4,100,000	4,100,000	4,100,000
2.03.04	Profit reserve	2,898,625	2,106,573	2,779,080
2.03.04.01	Legal Reserve	300,963	227,610	227,610
2.03.04.02	Statutory Reserve	2,597,662	1,878,963	2,551,470
2.03.06	Equity Valuation Adjustments	4,256,186	3,354,282	3,080,764

**Individual Financial Statements / Statement of Income****(R\$ thousands)**

Account	Account Description	Last Fiscal Year	Penultimate Fiscal Year	Antepenultimate Fiscal Year
Code		01/01/2020 to 12/31/2020	01/01/2019 to 12/31/2019	01/01/2018 to 12/31/2018
3.04	Operating Income/Expenses	1,461,081	-415,522	1,234,508
3.04.02	General and Administrative Expenses	-18,019	-17,119	-26,324
3.04.04	Other Operating Expenses	0	0	1,273,937
3.04.04.03	Result on sale of investments	0	0	1,239,532
3.04.04.04	Reversal of Tax Liability Provisions	0	0	34,405
3.04.05	Other Operating Expenses	-27,749	-39,709	-1,533,660
3.04.05.01	Tax Expenses	-27,749	-39,671	-119,450
3.04.05.02	Other Operating Expenses	0	-38	-1,414,210
3.04.06	Equity Income	1,506,849	-358,694	1,520,555
3.05	Income Before Financial and Taxes Result	1,461,081	-415,522	1,234,508
3.06	Financial Results	5,971	12,443	-35,818
3.06.01	Financial income	12,340	26,077	95,171
3.06.02	Financial Expenses	-6,369	-13,634	-130,989
3.07	Earnings Before Income Taxes	1,467,052	-403,079	1,198,690
3.08	Income Tax and Social Contribution on Profit	0	-128	8,194
3.09	Net Income from Continued Operations	1,467,052	-403,207	1,190,496
3.11	Income/Loss for the Period	1,467,052	-403,207	1,190,496
3.99	Earnings per Share - (Reais / Share)			
3.99.01	Basic Earnings per Share			
3.99.01.01	Common Shares	3.95837	-1.08792	3.21217
3.99.01.02	Preferred Shares	4.35421	-1.19672	3.53339
3.99.02	Diluted Earnings per Share			
3.99.02.01	Common Shares	3.95837	-1.08792	3.21217
3.99.02.02	Preferred Shares	4.35421	-1.19672	3.53339

**Individual Financial Statements / Statement of Comprehensive Income****(R\$ thousands)**

<b>Account</b>	<b>Account Description</b>	<b>Last Fiscal Year</b>	<b>Penultimate Fiscal Year</b>	<b>Antepenultimate Fiscal Year</b>
<b>Code</b>		<b>01/01/2020 to 12/31/2020</b>	<b>01/01/2019 to 12/31/2019</b>	<b>01/01/2018 to 12/31/2018</b>
4.01	Net Profit for the Period	1,467,052	-403,207	1,190,496
4.02	Other Comprehensive Income	901,904	273,518	380,785
4.02.02	Impacts from Companies with Significant Influence	901,904	273,518	380,785
4.03	Comprehensive Income for the Period	2,368,956	-129,689	1,571,281

**Consolidated Financial Statements / Statement of Cash Flow - Indirect Method****(R\$ thousands)**

Account	Account Description	Last Fiscal Year	Penultimate Fiscal Year	Antepenultimate Fiscal Year
Code		01/01/2020 to 12/31/2020	01/01/2019 to 12/31/2019	01/01/2018 to 12/31/2018
6.01	Operating Activities Net Cash	978,075	121,125	-782,723
6.01.01	Cash Generated from Operations	-38.363	-40,823	-1,555,994
6.01.01.01	Net income before income tax and social contribution	1,467,052	-403,079	1,198,690
6.01.01.03	Result on sale of investments	0	0	-1,239,532
6.01.01.04	Equity Income	-1,506,849	358,694	-1,520,555
6.01.01.06	Interest and inflation variations	1,468	2,956	-4,745
6.01.01.07	Provisions / Reversals of Tax Liabilities	0	0	8,726
6.01.01.08	Others	-34	606	1,422
6.01.02	Changes in Assets and Liabilities	1,016,438	161,948	773,271
6.01.02.01	(Increase) in Other Assets	65,162	180,969	-20,808
6.01.02.02	Increase (decrease) in other obligations	-38,749	-18,697	168,664
6.01.02.03	Interest on capital and dividends received	1,016,954	0	684,653
6.01.02.04	Income tax and social contributions paid	-26,929	-324	-59,238
6.02	Net Cash from Investment Activities	0	-117	1,926,295
6.02.03	Sale of Investments	0	0	1,926,295
6.02.04	Acquisition of fixed assets	0	-117	0
6.03	Net Cash from Loan Activities	-1,117,168	-379,700	-2,355,668
6.03.01	Interest on shareholders' equity and Dividends paid	-887,855	-379,700	-719,416
6.03.02	Issuance of Debentures, Net	0	0	700,358
6.03.03	Settlement of debentures	-229,313	0	-2,278,542
6.03.04	Issuance of Promissory Notes	0	0	2,400,000
6.03.05	Settlement of Promissory Notes	0	0	-2,458,068
6.05	Increase (Decrease) in Cash and Cash Equivalents	-139,093	-258,692	-1,212,096
6.05.01	Opening Balance of Cash and Cash Equivalents	199,535	458,227	1,670,323
6.05.02	Closing Balance of Cash and Cash Equivalents	60,442	199,535	458,227

**Individual Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2020 to 12/31/2020****(R\$ thousands)**

Account Code	Account Description	Integrated Share Capital	Capital Options Granted and Treasury Shares	Reserves,	Profit reserves	Profits or Losses Earnings	Other net income Comprehensive	Shareholders' Equity
5.01	Beginning Balances	4,100,000		0	2,106,573	0	3,354,282	9,560,855
5.03	Adjusted beginning balances	4,100,000		0	2,106,573	0	3,354,282	9,560,855
5.04	Capital Transactions with Partners	0		0	0	-675,000	0	-675,000
5.04.06	Dividends	0		0	0	-385,000	0	-385,000
5.04.07	Interest on Equity	0		0	0	-290,000	0	-290,000
5.05	Total Comprehensive Income	0		0	0	1,467,052	901,904	2,368,956
5.05.01	Net Profit for the Period	0		0	0	1,467,052	0	1,467,052
5.05.02	Other Comprehensive Income	0		0	0	0	901,904	901,904
5.05.02.06	Reflections of Companies with Significant Influence	0		0	0	0	901,904	901,904
5.06	Internal Changes in Stockholders 'Equity	0		0	792,052	-792,052	0	0
5.06.01	Constituting of reserves	0		0	792,052	-792,052	0	0
5.07	Ending Balances	4,100,000		0	2,898,625	0	4,256,186	11,254,811

**Individual Financial Statements / Statement of Changes in the Shareholders' Equity / DMPL - 01/01/2019 to 12/31/2019****(R\$ thousands)**

Account Code	Account Description	Integrated Share Capital	Capital Options Granted and Treasury Shares	Reserves,	Profit reserves	Profits or Losses Earnings	Other net income Comprehensive	Shareholders' Equity
5.01	Beginning Balances	4,100,000		0	2,779,080	0	3,080,764	9,959,844
5.03	Adjusted beginning balances	4,100,000		0	2,779,080	0	3,080,764	9,959,844
5.04	Capital Transactions with Partners	0		0	-269,300	0	0	-269,300
5.04.07	Interest on Equity	0		0	-269,300	0	0	-269,300
5.05	Total Comprehensive Income	0		0	0	-403,207	273,518	-129,689
5.05.01	Net Profit for the Period	0		0	0	-403,207	0	-403,207
5.05.02	Other Comprehensive Income	0		0	0	0	273,518	273,518
5.05.02.06	Reflections of Companies with Significant Influence	0		0	0	0	273,518	273,518
5.06	Internal Changes in Stockholders 'Equity	0		0	-403,207	403,207	0	0
5.06.04	Accumulated Loss Absorption	0		0	-403,207	403,207	0	0
5.07	Ending Balances	4,100,000		0	2,106,573	0	3,354,282	9,560,855

## Individual Financial Statements / Statement of Changes in the Shareholders' Equity / DMPL - 01/01/2018 to 12/31/2018

(R\$ thousands)

Account Code	Account Description	Integrated Share Capital	Capital Options Granted and Treasury Shares	Reserves,	Profit reserves	Profits or Losses Earnings	Other net income Comprehensive	Shareholders' Equity
5.01	Beginning Balances	4,100,000		-20.310	2,026,339	0	2,699,979	8,806,008
5.03	Adjusted beginning balances	4,100,000		-20.310	2,026,339	0	2,699,979	8,806,008
5.04	Capital Transactions with Partners	0		20.310	-20.310	-417,445	0	-417,445
5.04.06	Dividends	0		0	0	-43,215	0	-43,215
5.04.07	Interest on Equity	0		0	0	-374,230	0	-374,230
5.04.08	Cancellation of treasury shares	0		20.310	-20.310	0	0	0
5.05	Total Comprehensive Income	0		0	0	1,190,496	380,785	1,571,281
5.05.01	Net Profit for the Period	0		0	0	1,190,496	0	1,190,496
5.05.02	Other Comprehensive Income	0		0	0	0	380,785	380,785
5.05.02.06	Reflections of Companies with Significant Influence	0		0	0	0	380,785	380,785
5.06	Internal Changes in Stockholders' Equity	0		0	773,051	-773,051	0	0
5.06.01	Constituting of reserves	0		0	773,051	-773,051	0	0
5.07	Ending Balances	4,100,000		0	2,779,080	0	3,080,764	9,959,844

**Individual Financial Statements / Statement of Value Added****(R\$ thousands)**

<b>Account</b>	<b>Account Description</b>	<b>Last Fiscal Year</b>	<b>Penultimate Fiscal Year</b>	<b>Antepenultimate Fiscal Year</b>
<b>Code</b>		<b>01/01/2020 to 12/31/2020</b>	<b>01/01/2019 to 12/31/2019</b>	<b>01/01/2018 to 12/31/2018</b>
7.01	Revenue	0	0	34,405
7.01.02	Other Revenues	0	0	34,405
7.01.02.01	Reversal of Tax Liability Provisions	0	0	34,405
7.02	Inputs Purchased from Third Parties	-6,282	-3,726	-19,775
7.02.02	Materials, Energy, Outsourced Services and Others	-5,284	-2,605	-17,313
7.02.04	Others	-998	-1,121	-2,462
7.03	Gross Value Added	-6,282	-3,726	14,630
7.05	Net Value Added Produced	-6,282	-3,726	14,630
7.06	Value Added Received as Transfer	1,519,189	-332,617	2,855,258
7.06.01	Equity Income	1,506,849	-358,694	1,520,555
7.06.02	Financial income	12,340	26,077	95,171
7.06.03	Others	0	0	1,239,532
7.06.03.03	Result on sale of investments	0	0	1,239,532
7.07	Total Value Added to be Distributed	1,512,907	-336,343	2,869,888
7.08	Value Added Distribution	1,512,907	-336,343	2,869,888
7.08.01	Personnel	10,484	11,843	5,681
7.08.02	Taxes, Fees and Contributions	29,002	41,387	128,363
7.08.03	Remuneration of Third-Party Capital	6,369	13,634	1,545,348
7.08.04	Remuneration of Own Party Capital	1,467,052	-403,207	1,190,496
7.08.04.01	Interest on Equity	290,000	269,300	374,230
7.08.04.02	Dividends	385,000	0	43,215
7.08.04.03	Retained Profit/ Loss of the Year	792,052	-672,507	773,051

**Consolidated Financial Statements / Statement of Financial Position – Assets****(R\$ thousands)**

<b>Account</b>	<b>Account Description</b>	<b>Last Fiscal Year</b>	<b>Penultimate Fiscal Year</b>	<b>Antepenultimate Fiscal Year</b>
<b>Code</b>		<b>12/31/2020</b>	<b>12/31/2019</b>	<b>12/31/2018</b>
1	Total Assets	11,297,846	10,106,102	10,634,336
1.01	Current Assets	415,287	554,523	564,861
1.01.01	Cash and Cash Equivalents	62,563	201,185	459,811
1.01.03	Accounts Receivable	352,724	353,338	105,050
1.01.03.02	Other Accounts Receivable	352,724	353,338	105,050
1.01.03.02.01	Interest receivable on equity	0	353,338	0
1.01.03.02.02	Dividends Receivable	352,724	0	0
1.01.03.02.03	Receivables	0	0	105,050
1.02	Non-Current Assets	10,882,559	9,551,579	10,069,475
1.02.01	Long-Term Assets	189,918	206,740	224,769
1.02.01.10	Other non-current assets	189,918	206,740	224,769
1.02.01.10.03	Judicial deposits	7,717	7,805	7,504
1.02.01.10.04	Taxes to Compensate or Recover	182,201	198,935	217,265
1.02.02	Investments	10,691,742	9,343,767	9,844,701
1.02.03	Fixed assets	80	105	5
1.02.04	Intangible assets	819	967	0

**Consolidated Financial Statements / Statement of Financial Position - Liabilities****(R\$ thousands)**

Account	Account Description	Last Fiscal Year	Penultimate Fiscal Year	Antepenultimate Fiscal Year
Code		12/31/2020	12/31/2019	12/31/2018
2	Total Liability	11,297,846	10,106,102	10,634,336
2.01	Current Liabilities	35,192	314,389	457,966
2.01.03	Tax Liabilities	279	38,589	43,157
2.01.05	Other Obligations	34,913	275,800	414,809
2.01.05.02	Others	34,913	275,800	414,809
2.01.05.02.01	Dividends and Payable JCP	5,852	246,886	387,966
2.01.05.02.04	Other Obligations	28,990	28,848	26,843
2.01.05.02.05	Provision Payable on Lease Contracts	71	66	0
2.02	Non-Current Liabilities	7,843	230,858	216,526
2.02.01	Loans and Financing	0	223,017	209,861
2.02.01.02	Debentures	0	223,017	209,861
2.02.02	Other Obligations	821	940	0
2.02.02.02	Others	821	940	0
2.02.02.02.03	Provision Payable on Lease Contracts	821	940	0
2.02.04	Provisions	7,022	6,901	6,665
2.03	Consolidated Shareholders' Equity	11,254,811	9,560,855	9,959,844
2.03.01	Paid-in Capital	4,100,000	4,100,000	4,100,000
2.03.04	Profit reserve	2,898,625	2,106,573	2,779,080
2.03.04.01	Legal Reserve	300,963	227,610	227,610
2.03.04.02	Statutory Reserve	2,597,662	1,878,963	2,551,470
2.03.06	Asset Valuation Adjustments	4,256,186	3,354,282	3,080,764

**Consolidated Financial Statements / Statement of Income****(R\$ thousands)**

<b>Account</b>	<b>Account Description</b>	<b>Last Fiscal Year</b>	<b>Penultimate Fiscal Year</b>	<b>Antepenultimate Fiscal Year</b>
<b>Code</b>		<b>01/01/2020 to 12/31/2020</b>	<b>01/01/2019 to 12/31/2019</b>	<b>01/01/2018 to 12/31/2018</b>
3.04	Operating Income/Expenses	1,460,597	-415,618	1,234,255
3.04.02	General and Administrative Expenses	-18,033	-17,149	-26,330
3.04.04	Other Operating Revenue	0	0	1,273,937
3.04.04.03	Result on sale of investments	0	0	1,239,532
3.04.04.04	Reversal of Tax Liability Provisions	0	0	34,405
3.04.05	Other Operating Expenses	-27,749	-39,709	-1,533,660
3.04.05.01	Tax Expenses	-27,749	-39,671	-119,450
3.04.05.02	Other Operating Expenses	0	-38	-1,414,210
3.04.06	Equity Income	1,506,379	-358,760	1,520,308
3.05	Income Before Financial and Taxes Result	1,460,597	-415,618	1,234,255
3.06	Financial Results	6,455	12,539	-35,565
3.06.01	Financial income	12,824	26,173	95,424
3.06.02	Financial Expenses	-6,369	-13,634	-130,989
3.07	Earnings Before Income Taxes	1,467,052	-403,079	1,198,690
3.08	Income Tax and Social Contribution on Profit	0	-128	-8,194
3.09	Net Income from Continued Operations	1,467,052	-403,207	1,190,496
3.11	Consolidated Profit/Loss for the Period	1,467,052	-403,207	1,190,496
3.11.01	Assigned to Controlling Company's Partners	1,467,052	-403,207	1,190,496
3.99	Profit per Share - (Reais / Share)			
3.99.01	Basic Earnings per Share			
3.99.01.01	Common Shares	3.95837	-1.08792	3.21217
3.99.01.02	Preferred Shares	4.35421	-1.19672	3.53339
3.99.02	Diluted Profit per Share			
3.99.02.01	Common Shares	3.95837	-1.08792	3.21217
3.99.02.02	Preferred Shares	4.35421	-1.19672	3.53339

**Consolidated Financial Statements / Statement of Comprehensive Income****(R\$ thousands)**

<b>Account</b>	<b>Account Description</b>	<b>Last Fiscal Year</b>	<b>Penultimate Fiscal Year</b>	<b>Antepenultimate Fiscal Year</b>
<b>Code</b>		<b>01/01/2020 to 12/31/2020</b>	<b>01/01/2019 to 12/31/2019</b>	<b>01/01/2018 to 12/31/2018</b>
4.01	Consolidated Net Income for the Period	1,467,052	-403,207	1,190,496
4.02	Other Comprehensive Income	901,904	273,518	380,785
4.02.02	Reflections of Companies with Significant Influence	901,904	273,518	380,785
4.03	Comprehensive Consolidated Income for the Period	2,368,956	-129,689	1,571,281
4.03.01	Assigned to Controlling Company's Partners	2,368,956	-129,689	1,571,281

**Consolidated Financial Statements / Statement of Cash Flow - Indirect Method****(R\$ thousands)**

<b>Account</b>	<b>Account Description</b>	<b>Last Fiscal Year</b>	<b>Penultimate Fiscal Year</b>	<b>Antepenultimate Fiscal Year</b>
<b>Code</b>		<b>01/01/2020 to 12/31/2020</b>	<b>01/01/2019 to 12/31/2019</b>	<b>01/01/2018 to 12/31/2018</b>
6.01	Net Cash Operating Activities	978,546	121,191	-782,477
6.01.01	Cash Generated from Operations	-37,892	-40,757	-1,555,748
6.01.01.01	Net income before income tax and social contribution	1,467,052	-403,079	1,198,690
6.01.01.03	Result on sale of investments	0	0	-1,239,532
6.01.01.04	Equity Income	-1,506,379	358,760	-1,520,308
6.01.01.06	Interest and inflation variations	1,469	2,956	-4,745
6.01.01.07	Provisions / Reversals of Legal Obligations	0	0	8,726
6.01.01.08	Others	-34	606	1,421
6.01.02	Appropriated Interest and Changes	1,016,438	161,948	773,271
6.01.02.01	(Increase) in Other Assets	65,162	180,969	-20,808
6.01.02.02	Increase (reduction) in other obligations	-38,749	-18,697	168,664
6.01.02.03	Interest on capital and dividends received	1,016,954	0	684,653
6.01.02.04	Income tax and social contributions paid	-26,929	-324	-59,238
6.02	Net Cash from Investment Activities	0	-117	1,926,295
6.02.03	Sale of Investments	0	0	1,926,295
6.02.04	Acquisition of fixed assets	0	-117	0
6.03	Net Cash from Loan Activities	-1,117,168	-379,700	-2,355,668
6.03.01	Interest on shareholders' equity and Dividends paid	-887,855	-379,700	-719,416
6.03.02	Debentures Issuance	0	0	700,358
6.03.03	Settlement of debentures	-229,313	0	-2,278,542
6.03.04	Issuance of Promissory Notes	0	0	2,400,000
6.03.05	Settlement of Promissory Notes	0	0	-2,458,068
6.05	Increase (Decrease) in Cash and Cash Equivalents	-138,622	-258,626	-1,211,850
6.05.01	Opening Balance of Cash and Cash Equivalents	201,185	459,811	1,671,661
6.05.02	Closing Balance of Cash and Cash Equivalents	62,563	201,185	459,811

**Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2020 to 12/31/2020****(R\$ thousands)**

Account Code	Account Description	Integrated Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit reserves	Profits or Losses Earnings	Other net income Comprehensive	Shareholders' Equity	Participation of Non-Controllers	Shareholders' Equity Consolidated
5.01	Beginning Balances	4,100,000	0	2,106,573	0	3,354,282	9,560,855	0	9,560,855
5.03	Adjusted beginning balances	4,100,000	0	2,106,573	0	3,354,282	9,560,855	0	9,560,855
5.04	Capital Transactions with Partners	0	0	0	-675,000	0	-675,000	0	-675,000
5.04.06	Dividends	0	0	0	-385,000	0	-385,000	0	-385,000
5.04.07	Interest on Equity	0	0	0	-290,000	0	-290,000	0	-290,000
5.05	Total Comprehensive Income	0	0	0	1,467,052	901,904	2,368,956	0	2,368,956
5.05.01	Net Profit for the Period	0	0	0	1,467,052	0	1,467,052	0	1,467,052
5.05.02	Other Comprehensive Income	0	0	0	0	901,904	901,904	0	901,904
5.05.02.06	Reflections of Companies with Significant Influence	0	0	0	0	901,904	901,904	0	901,904
5.06	Internal Changes in Stockholders' Equity	0	0	792,052	-792,052	0	0	0	0
5.06.01	Constituting of reserves	0	0	792,052	-792,052	0	0	0	0
5.07	Ending Balances	4,100,000	0	2,898,625	0	4,256,186	11,254,811	0	11,254,811

**Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2019 to 12/31/2019****(R\$ thousands)**

Account Code	Account Description	Integrated Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit reserves	Profits or Losses Earnings	Other net income Comprehensive	Shareholders' Equity	Participation of Non-Controllers	Shareholders' Equity Consolidated
5.01	Beginning Balances	4,100,000	0	2,779,080	0	3,080,764	9,959,844	0	9,959,844
5.03	Adjusted beginning balances	4,100,000	0	2,779,080	0	3,080,764	9,959,844	0	9,959,844
5.04	Capital Transactions with Partners	0	0	-269,300	0	0	-269,300	0	-269,300
5.04.07	Interest on Equity	0	0	-269,300	0	0	-269,300	0	-269,300
5.05	Total Comprehensive Income	0	0	0	-403,207	273,518	-129,689	0	-129,689
5.05.01	Net Profit for the Period	0	0	0	-403,207	0	-403,207	0	-403,207
5.05.02	Other Comprehensive Income	0	0	0	0	273,518	273,518	0	273,518
5.05.02.06	Reflections of Companies with Significant Influence	0	0	0	0	273,518	273,518	0	273,518
5.06	Internal Changes in Stockholders' Equity	0	0	-403,207	403,207	0	0	0	0
5.06.04	Accumulated Loss Absorption	0	0	-403,207	403,207	0	0	0	0
5.07	Ending Balances	4,100,000	0	2,106,573	0	3,354,282	9,560,855	0	9,560,855

## Consolidated Financial Statements / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2018 to 12/31/2018

(R\$ thousands)

Account Code	Account Description	Integrated Share Capital	Capital Reserves, Options Granted and Treasury Shares	Profit reserves	Profits or Losses Earnings	Other net income Comprehensive	Shareholders' Equity	Participation of Non-Controllers	Shareholders' Equity Consolidated
5.01	Beginning Balances	4,100,000	-20.310	2,026,339	0	2,699,979	8,806,008	0	8,806,008
5.03	Adjusted beginning balances	4,100,000	-20.310	2,026,339	0	2,699,979	8,806,008	0	8,806,008
5.04	Capital Transactions with Partners	0	20.310	-20.310	-417,445	0	-417,445	0	-417,445
5.04.06	Dividends	0	0	0	-43,215	0	-43,215	0	-43,215
5.04.07	Interest on Equity	0	0	0	-374,230	0	-374,230	0	-374,230
5.04.08	Cancellation of treasury shares	0	20.310	-20.310	0	0	0	0	0
5.05	Total Comprehensive Income	0	0	0	1,190,496	380,785	1,571,281	0	1,571,281
5.05.01	Net Profit for the Period	0	0	0	1,190,496	0	1,190,496	0	1,190,496
5.05.02	Other Comprehensive Income	0	0	0	0	380,785	380,785	0	380,785
5.05.02.06	Reflections of Companies with Significant Influence	0	0	0	0	380,785	380,785	0	380,785
5.06	Internal Changes in Stockholders' Equity	0	0	773,051	-773,051	0	0	0	0
5.06.01	Constituting of reserves	0	0	773,051	-773,051	0	0	0	0
5.07	Ending Balances	4,100,000	0	2,779,080	0	3,080,764	9,959,844	0	9,959,844

**Consolidated Financial Statements / Statement of Value Added****(R\$ thousands)**

<b>Account Code</b>	<b>Account Description</b>	<b>Last Fiscal Year 01/01/2020 to 12/31/2020</b>	<b>Penultimate Fiscal Year 01/01/2019 to 12/31/2019</b>	<b>Third-last Fiscal Year 01/01/2018 to 12/31/2018</b>
7.01	Revenue	0	0	34,405
7.01.02	Other Revenues	0	0	34,405
7.01.02.01	Reversal of Tax Liability Provisions	0	0	34,405
7.02	Inputs Purchased from Third Parties	-6,296	-3,756	-19,781
7.02.02	Materials, Energy, Outsourced Services and Others	-5,284	-2,635	-17,319
7.02.04	Others	-1,012	-1,121	-2,462
7.03	Gross Value Added	-6,296	-3,756	14,624
7.05	Net Value Added Produced	-6,296	-3,756	14,624
7.06	Value Added Received as Transfer	1,519,203	-332,587	2,855,264
7.06.01	Equity Income	1,506,379	-358,760	1,520,308
7.06.02	Financial income	12,824	26,173	95,424
7.06.03	Others	0	0	1,239,532
7.06.03.03	Result on sale of investments	0	0	1,239,532
7.07	Total Value Added to be Distributed	1,512,907	-336,343	2,869,888
7.08	Value Added Distribution	1,512,907	-336,343	2,869,888
7.08.01	Personnel	10,484	11,843	5,681
7.08.02	Taxes, Fees and Contributions	29,002	41,387	128,363
7.08.03	Remuneration of Third-Party Capital	6,369	13,634	1,545,348
7.08.04	Remuneration of Own Party Capital	1,467,052	-403,207	1,190,496
7.08.04.01	Interest on Equity	290,000	269,300	374,230
7.08.04.02	Dividends	385,000	0	43,215
7.08.04.03	Retained Profit/ Loss of the Year	792,052	-672,507	773,051

**Comments on the Financial Information****MANAGEMENT REPORT**  
**Message to Shareholders**

**Dear shareholders,**

The COVID-19 pandemic marked 2020, bringing social isolation, halt of economic sectors, a drop in household income, postponement of investments and, consequently, a reduction in economic activity. More than just the economic crisis, we also mourn the loss of millions of lives around the world.

Amidst this scenario, BRADESPAR continued to focus on its strategy of monitoring and participating in the management of its investee - VALE, which achieved an excellent financial performance, with increasing sales and prices throughout the year.

As a result, we were able to allocate to our shareholders, as dividends and interest on equity, a total of R\$ 944.3 million, which is the largest annual distribution made by BRADESPAR in all its history. At the same time, we carried out an early redemption of our Seventh Issue of Simple Debentures, whose maturity was originally scheduled for June 28, 2021, thus fully settling the Company's outstanding debt.

November 2020 also marked the end of the validity period for VALE's Shareholders' Agreement. With that, VALE's shares held by BRADESPAR became tradeable, allowing us to have total liquidity on these assets. Even with the end of the Agreement, we continue with our significant influence, having appointed two members to the Board of Directors and participating in several advisory committees.

During this period, BRADESPAR's Board of Directors approved a Socio-Environmental Policy, which establishes the bases and objectives to guide our investments in terms of sustainability.

**Comments on the Financial Information**

The Company's shares appreciated 73.0% (preferred shares) in 2020 and had a 17.0% discount over VALE's market value, one of its historically lowest.

The litigation with Litel is still receiving strong attention as the outcome now depends on rulings from Superior Courts.

2020 brought considerable challenges for the economy and society as a whole. We entered 2021, albeit still under the effects of the pandemic, confident that vaccination programs will be effective in protecting lives and for the revitalization of the economy.

We are grateful to our shareholders for the journey so far.

**São Paulo, SP, March 24, 2021**

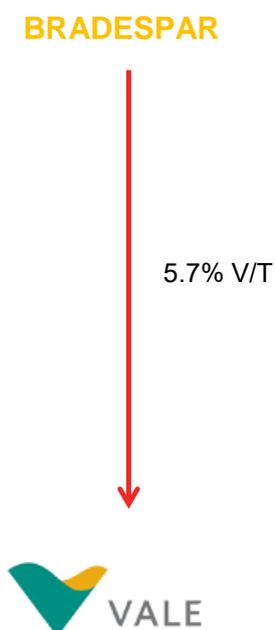
**Luiz Carlos Trabucco Cappi**  
**Chairman of the Board of Directors**

**Comments on the Financial Information****INVESTMENT STRUCTURE**

BRADESPAR's investments are currently concentrated in VALE, a company in which BRADESPAR has a representative on the Board of Directors, in addition to representatives on other of its Advisory Committees.

At the end of 2020, the market value of BRADESPAR's assets totaled R\$ 25.7 billion.

%V = % Voting Capital  
%T = % Total Capital



## Comments on the Financial Information

### MANAGEMENT'S COMMENTS ON THE COMPANY'S PERFORMANCE

The table below shows the consolidated results, in accordance with accounting practices adopted in Brazil.

Income Statement	(R\$ thousand)					
	4Q20	4Q19	Chg %	2020	2019	Chg %
Equity Income	268,343	(344,051)	-	1,506,379	(358,760)	-
<b>Operating Revenue</b>	<b>268,343</b>	<b>(344,051)</b>	-	<b>1,506,379</b>	<b>(358,760)</b>	-
General and Administrative Expenses	(3,731)	(784)	375.9%	(6,372)	(3,793)	68.0%
Payroll Expenses	(2,990)	(5,952)	-49.8%	(11,661)	(13,356)	-12.7%
Financial Revenues (Expenses)	2,234	1,474	51.6%	6,455	12,539	-48.5%
Tax Expenses	(157)	(38,660)	-	(27,749)	(39,671)	-30.1%
Other Operational Expenses	-	-	-	-	(38)	-
<b>Operational Result before Income Tax/Social Contribution</b>	<b>263,699</b>	<b>(387,973)</b>	-	<b>1,467,052</b>	<b>(403,079)</b>	-
Income Tax / Social Contribution	62,179	-	-	-	(128)	-
<b>Results for the Period</b>	<b>325,878</b>	<b>(387,973)</b>	-	<b>1,467,052</b>	<b>(403,207)</b>	-

#### OPERATING REVENUE

As an Investment Company, BRADESPAR's operating revenue originates from the equity income and interest on equity of VALE.

In 2020, it recorded an operating income of R\$ 1.5 billion, reversing the negative result of R\$ 358.8 million for the 12-month period of the previous year.

We highlight VALE's solid performance in 2020, in which it achieved an Adjusted EBITDA of US\$ 16.6 billion mainly due to the strong performance of ferrous minerals as a result of the increase in prices and sales volume, in addition to higher nickel and copper prices.

#### FINANCIAL RESULTS

BRADESPAR's financial result for the year reached a positive R\$ 6.5 million due to financial investments and compensation on Tax Recoverable. This result reflects the fact that, with the total early redemption of the Third Issue of Promissory Notes and the early amortization of the Seventh Issue of Simple Debentures, the Company's debt is now zero.

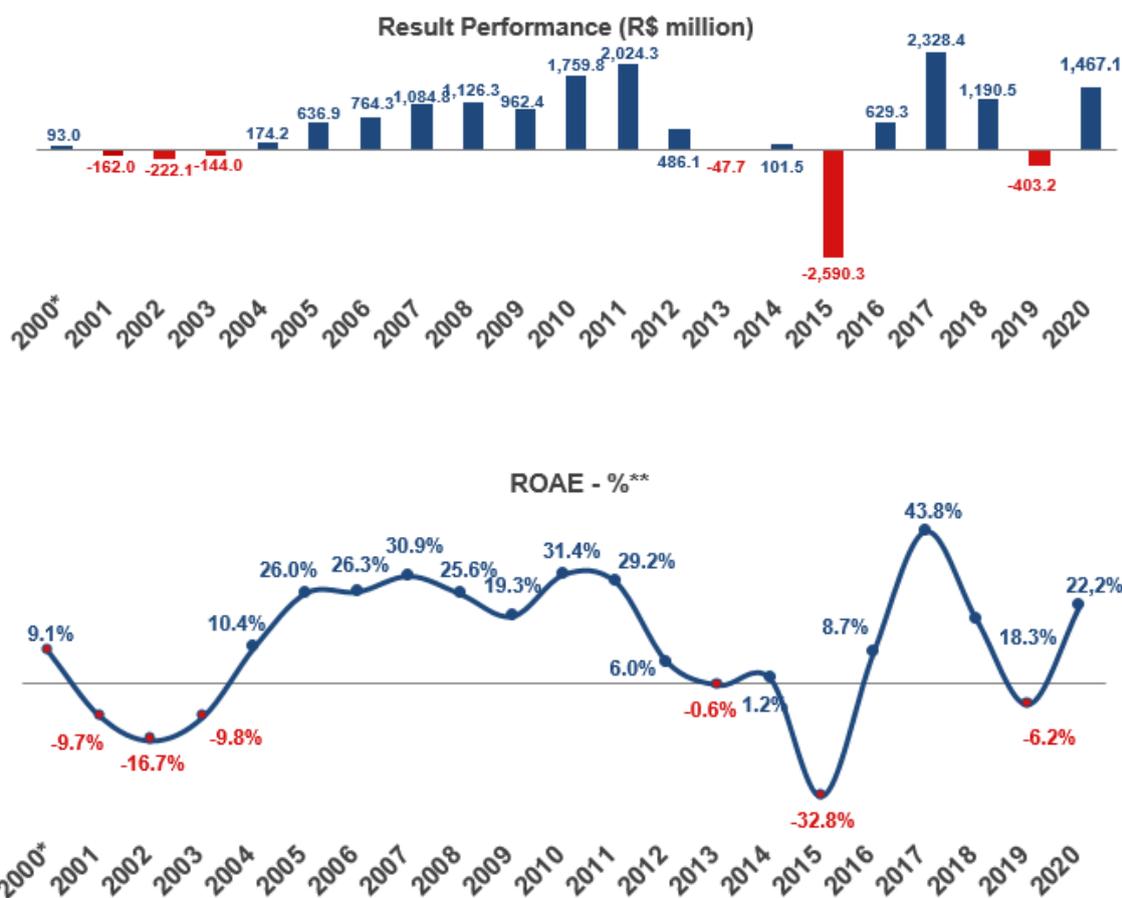
**Comments on the Financial Information**

**PAYROLL, GENERAL AND ADMINISTRATIVE EXPENSES**

In the fourth quarter of 2020, BRADESPAR’s payroll, general and administrative expenses totaled R\$ 6.7 million. For the year, these expenses reached R\$ 18.0 million, 5.1% higher than in 2019.

**RESULTS OF THE PERIOD**

In 2020, BRADESPAR recorded a net income of R\$ 1.47 billion. Return on average equity (ROAE) reached 22.2%, mainly reflecting VALE's excellent performance in the period.



\*Corresponds to 10 months of operations

\*\* ROAE = Net Income / Average Equity - does not consider the effect of the equity valuation adjustment recorded in Shareholders' Equity.

## Comments on the Financial Information

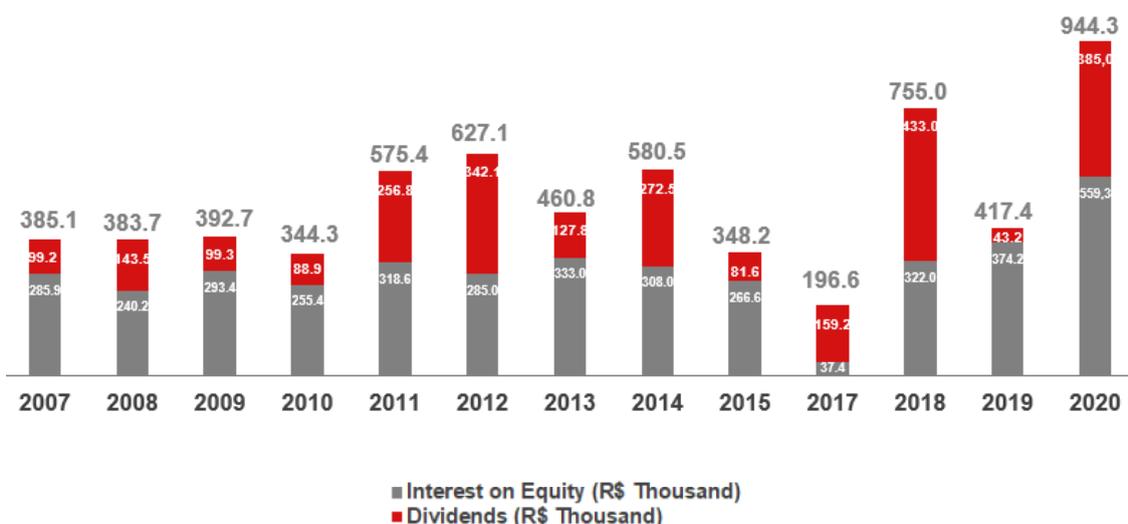
### DIVIDENDS AND INTEREST ON EQUITY

In line with its Annual Compensation Indicative Policy to Shareholder, BRADESPAR's Board of Directors approved, on November 11, 2020, Management's proposal to pay dividends and interest on equity to the Company's shareholders, in the amount of R\$ 675.0 million, as follows:

- Dividends, in the amount of R\$ 385.0 million, of which R\$ 1.038798995 per common share and R\$ 1.142678895 per preferred share, with no Withholding Income Tax, pursuant to Article 10 of Law 9,249/95; and
- Interest on Equity, in the amount of R\$ 290.0 million, of which R\$ 0.782471970 per common share and R\$ 0.860719168 per preferred share, corresponding to a net amount of R\$ 0.665101175 per common share and R\$ 0.731611293 per preferred share after the deduction of 15% (fifteen percent) of withholding Income Tax, except for legal entity shareholders exempt from this tax, paid on November 19, 2020.

Interest on equity and dividends paid in 2020 reached a total of R\$ 944.3 million, being the highest annual amount ever paid by BRADESPAR.

### Payment History of Interest on Equity and Dividends



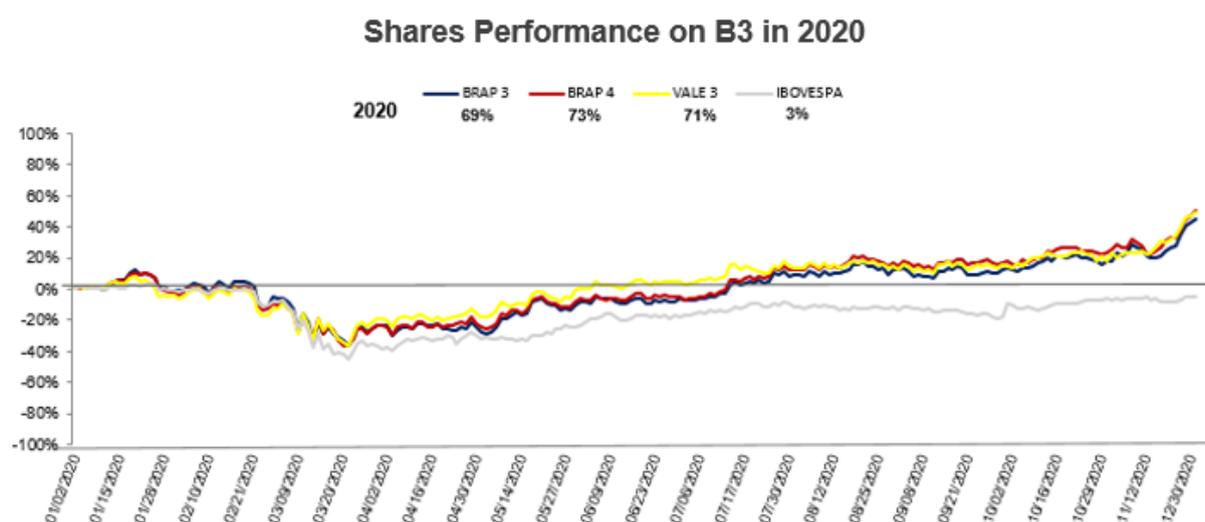
## Comments on the Financial Information

### CAPITAL MARKET

Since its inception, BRADESPAR's shares are listed on B3 – Brasil, Bolsa, Balcão, under tickers BRAP3 (ON) and BRAP4 (PN), and its securities are traded on LATIBEX, the Madrid Stock Exchange's Latin American Companies Market, in Spain, in Euros, through the Depositary Receipt Program (GDRs).

Moreover, BRADESPAR's shares participate in two leading indexes: IBOVESPA, which includes the most liquid companies in the Brazilian market, and the Corporate Governance Index (IGC), composed of the companies that have committed to high standards of corporate governance, since 2001, when it adhered to B3's Level I of Corporate Governance.

In 2020, the Company's shares appreciated by 73% (BRAP4) and 69% (BRAP3), while the IBOVESPA increased by 3% and the shares of its investee, VALE, appreciated by 71%.



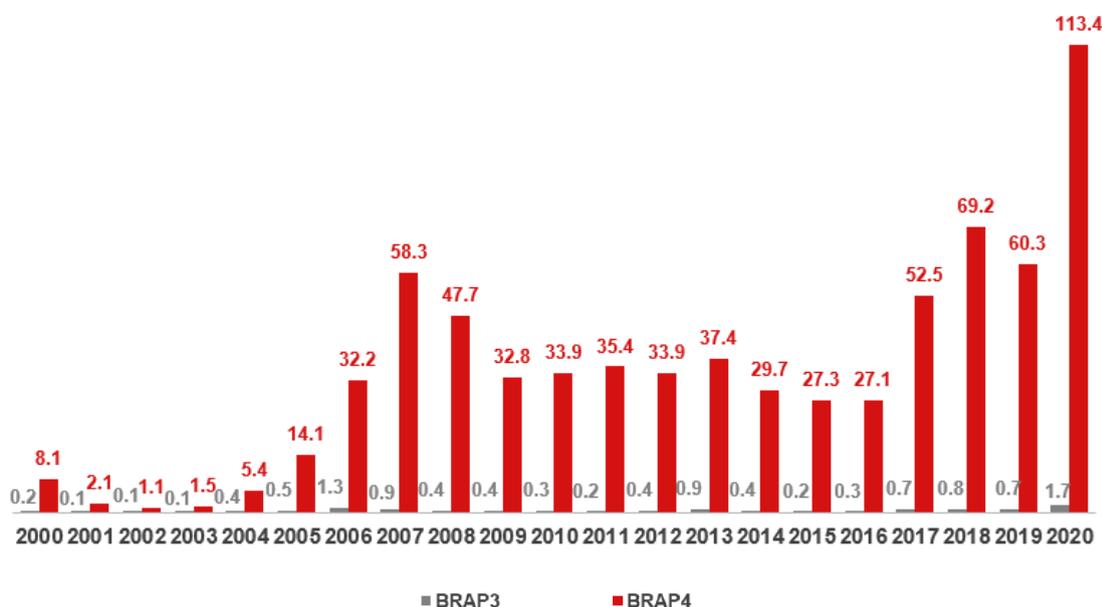
Prices adjusted for shareholder payments, including Dividends and/or Interest on Equity.  
Source: Ecomatica.

## Comments on the Financial Information

### LIQUIDITY

The average daily trading volume of BRADESPAR preferred shares (BRAP4) in 2020 was R\$ 113.4 million. The daily average number of transactions for BRAP4 at B3 was 12,378.

### Financial Volume Average Daily Traded Shares (R\$ million)



Fonte: Economática.

### PREMIUM / DISCOUNT

At the end of 2020, the market value of BRADESPAR's assets totaled R\$ 25.7 billion. The market value of BRADESPAR, in relation to VALE, was a discount of 171%, that is, BRADESPAR's market capitalization corresponds to 83% of the net value of its assets.

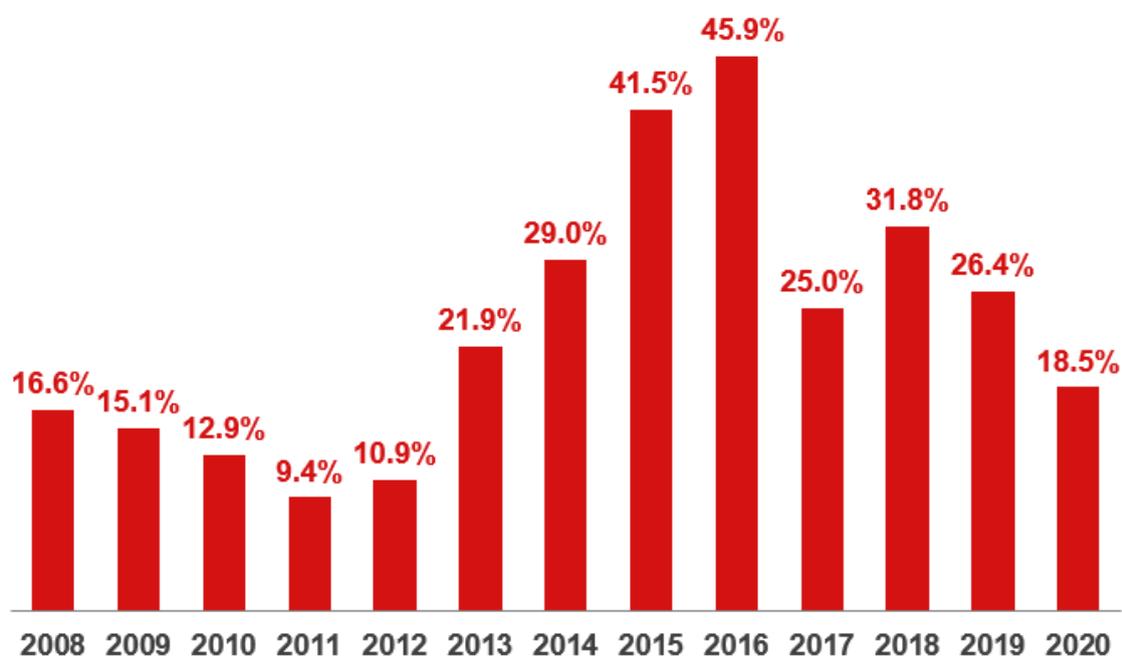
## Comments on the Financial Information

### BRADESPAR's Net Asset Value vs. Market Cap (Closing prices on December 30, 2020)

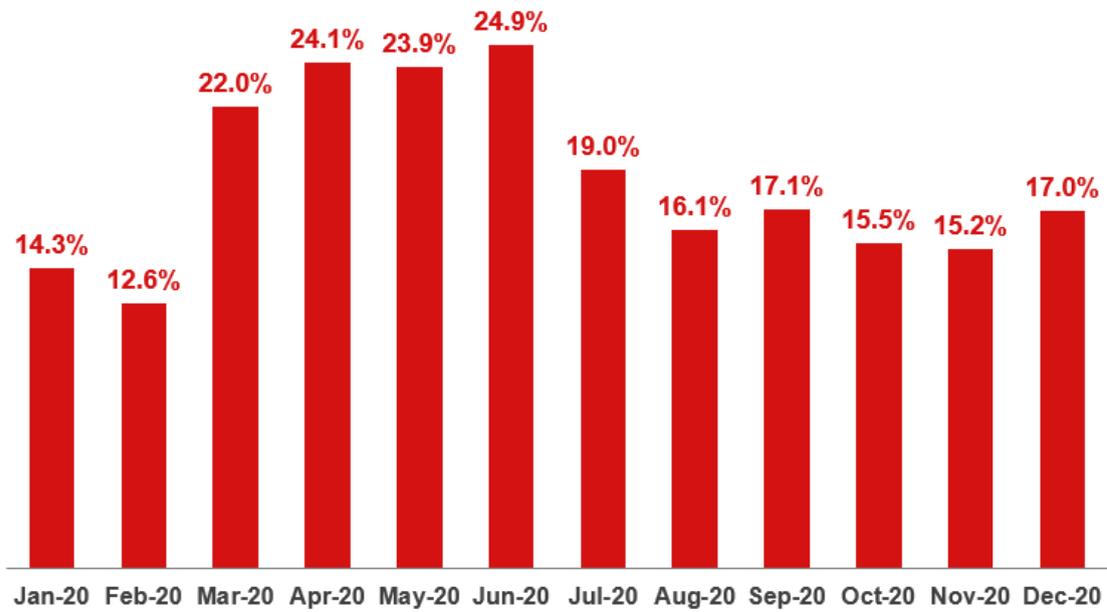
Companies	BRADESPAR's stake					
	Price (R\$/share)					
VALE ON	87.45	293,907,266	5.73%	25,702,190	4,963,202	4,034,960
<b>Bradespar's Total Assets Value ( A )</b>				<b>25,702,190</b>	<b>4,963,202</b>	<b>4,034,960</b>
<b>Bradespar's Net Debt ( B ) <sup>(1)</sup></b>				<b>60,138</b>	<b>12,359</b>	<b>10,048</b>
<b>Bradespar's Net Asset Value ( C ) = ( A ) + ( B )</b>				<b>25,762,328</b>	<b>4,975,561</b>	<b>4,045,008</b>
<b>Bradespar's Market Capitalization ( D )</b>				<b>21,382,800</b>	<b>4,129,109</b>	<b>3,356,863</b>
Common Shares (BRAP3)	57.24	122,171,449		6,993,094	1,350,396	1,097,838
Preferred Shares (BRAP4)	63.71	225,862,596		14,389,706	2,778,713	2,259,025
<b>Difference between net asset value and market capitalization ( C ) - ( D )</b>				<b>4,379,528</b>	<b>846,452</b>	<b>688,145</b>
<b>DISCOUNT <sup>(2)</sup></b>				<b>17.0%</b>		

- (1) Net Debt on 12/30/2020.  
 (2)  $((\text{BRADESPAR's Market Cap})/(\text{Asset Value} + \text{Net Debt}))-1$ .  
 (3) Does not consider treasury shares.

### Historical Discount between BRADESPAR's Net Asset Value and Market Capitalization



Note: Average discount at the end of each month.

**Comments on the Financial Information****Historical Discount Throughout 2020**

Note: Discount on last business day of the month.

## Comments on the Financial Information

### COMMENTS ON INVESTEE

#### VALE

Brazilian Private company, VALE is present in about 30 countries, one of the largest mining companies in the world in the production of iron ore, iron and nickel ore pellets. VALE also produces manganese ore, ferroalloy, thermal and metallurgical coal, copper, metal byproducts of the platinum group, gold, silver and cobalt. The Company also operates large logistics systems in Brazil and in other regions worldwide, including railroads, maritime terminals and ports, integrated to its operations.

Vale is committed to integrating sustainability into its business, building a strong and positive economic, social and environmental legacy to mitigate the impacts of its operations. Thus, it strives to build lasting relationships with its stakeholders, investing in actions that mitigate the effects of its activities, working with high ethical standards and transparent management, in addition to actively contributing to the advances related to the environment, biodiversity and sustainable development.

It should be noted that, in February 2021, VALE, the State of Minas Gerais, the Public Defender's Office of the State of Minas Gerais and the Federal and State Prosecutors of the State of Minas Gerais signed a Global Agreement for the Comprehensive Reparation of damages caused by the rupture of Dam I, in the Córrego do Feijão mine, in Brumadinho. The Global Agreement has an economic value of approximately R\$ 37.7 billion and puts an end to the public civil actions for socio-environmental damages caused by the disaster, as well as an end to the socio-economic restitutions. The institutions that participated in the construction of the Global Agreement ensured timely, fair and effective solutions, in a process that was conducted with transparency, legitimacy and legal certainty.

In addition, in order to promote increasingly safe and environmentally responsible operations that guarantee the integrity of its assets, VALE's Board of Directors approved measures aimed at reducing risks to enable the company to maintain its focus on its key businesses. We also highlight the studies being carried out to identify a potential buyer for the company's Vale Nova Caledônia ("VNC") operation and the announcement of the intention to divest in the coal segment in Mozambique, in line with its strategic climate change agenda.

In 2020, the company recorded a Net Income of R\$ 26.7 billion, a positive change of R\$ 33.4 billion in relation to the loss of R\$ 6.7 billion reported in 2019.

## Comments on the Financial Information

With the expiration of Shareholders' Agreement , and after its Board of Directors established the Appointment Committee with the role of proposing improvements related to the structure, size and skills of that Administrative Body, essential to define candidates to be presented to General Meeting in 2021, VALE also approved its Nomination Policy, which establishes principles, criteria and procedures to guide the choice of candidates for positions as members to the Company's Board of Directors, Advisory Committees and Executive Board, taking into account several aspects, such as experience, knowledge, diversity and independence.

All implementations carried out in VALE's Governance had the support, initiative and approval of the former shareholders that belonged to the control block, particularly BRADESPAR, and this ends the cycle, which started in 2017, of transforming the company into a True Corporation.

**Comments on the Financial Information****SERVICES PROVIDED BY INDEPENDENT AUDITORS**

In compliance with CVM Instruction 381/03, BRADESPAR announces that, in 2020 fiscal year, it did not engage the independent auditor – PricewaterhouseCoopers Auditores Independentes – in activities not related to external audit.

BRADESPAR's policy for hiring services not related to external audit complies with the applicable rules to preserve the external auditor's independence, maintaining consistency with international principles, in accordance with the procedures established by the Company, including, among others, that the external audit: (a) should not audit its own work; (b) should not perform management functions at the client; and (c) should not promote the interests of its client. Additionally, in case of engaging other services, the scope and the procedures of the referred services are discussed with the independent auditors, so that they do not affect the independence rules set forth.

## Notes to the Financial Information

### Notes To The Financial Statements

(In thousands of reais, unless otherwise specified)

#### 1. OPERATIONS

BRADESPAR S.A. (BRADESPAR, Company or Parent Company), a publicly held corporation headquartered at Avenida Paulista, 1450, 9º andar, São Paulo - SP, Brazil, is to acquire shareholding interest in other companies.

The authorization to issue these financial statements was granted by the Board of Directors on March 24, 2021.

**The direct equity interests are as follows:**

##### a) Millennium Security Holdings Corp. (MILLENNIUM)

The corporate purpose of MILLENNIUM is to engage in any act or activity permitted by any law prevailing in the British Virgin Islands.

##### b) Vale SA . (VALE)

VALE S.A. is a publicly-held company headquartered in the city of Rio de Janeiro-Brazil, with securities are traded on the Stock Exchanges of São Paulo - B3 S.A. (VALE3), Nova York – NYSE (VALE) and Madri – LATIBEX (XVALO).

VALE S.A. and its direct and indirect subsidiaries are the world’s largest producer of iron ore and pellets, key raw materials for the steel industry and nickel producers, with applications in the stainless steel and metal alloys industry. The company also produces copper, copper, thermal and metallurgical charcoal, manganese, metals of the group of platinum, gold, silver and cobalt (Note 19).

#### 2. PRESENTATION OF FINANCIAL STATEMENTS

We hereby present the Individual (Parent Company) and Consolidated financial statements of BRADESPAR, which includes the subsidiary MILLENNIUM, as at December 31, 2020 and 2019.

The Company’s parent company and consolidated financial statements were prepared in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and presented in accordance with CPC 36 (R3) Pronouncement - “Consolidated Financial Statements”, comparable to IFRS 10 - “Consolidated Financial Statements” implemented in Brazil through the Brazilian Accounting Pronouncements Committee (CPC), interpretations (ICPCs) and guidelines (OCPCs), approved by the Brazilian Securities and Exchange Commission (CVM).

The Management states that the disclosures in BRADESPAR’s individual and consolidated financial statements show all material information used in its management and the accounting practices described above have been consistently used between the fiscal years presented.

## Notes to the Financial Information

The accounting estimates applied to draw up the financial statements, related to deferred tax assets and liabilities, liability provisions and contingencies, consider the best evidence available and are based on assumptions applicable at the end of the reporting fiscal years. The final results, when realized, may differ from the estimated values.

BRADESPAR evaluates the subsequent events until the date on which the Board of Directors approved the financial statements.

### 3. MAIN ACCOUNTING POLICIES

#### a) Principles of Consolidation

The consolidated financial statements reflect the balances and transactions of the parent company and its subsidiary. Investments with significant influence are accounted for using the equity method and is presented in Note 8.

BRADESPAR's consolidated financial statements include the its direct subsidiary MILLENNIUM.

#### b) Segment Reporting

BRADESPAR is a holding company whose corporate purpose and sole business segment is to hold interest as partner or shareholder in other companies.

#### c) Functional and presentation currency

The financial statements are presented in Reais (R\$), which is BRADESPAR's functional currency.

#### d) Cash and cash equivalents

Cash and cash equivalents are resources used by the Company to manage its short-term liabilities, and are represented by cash and cash equivalents in domestic currency and investments in mutual funds, whose maturities at the actual date of the transactions are equal to or less than 90 days, subject to minor risk of change in fair value and are convertible into cash. The market value of investment funds is determined based on the unit value for the last day of the period, as disclosed by the fund manager.

The composition of cash and investments recorded in cash and cash equivalents is presented in Note 7.

#### e) Financial instruments

##### (i) Classification of financial assets

As of 2018, the Company adopted CPC 48 - Financial Instruments (IFRS 9), which has a new approach to classify and measure financial assets, in which the entity takes as basis the business model to manage the financial assets and the characteristics of the contractual cash flow of the financial asset.

## Notes to the Financial Information

CPC 48 classifies the financial assets into three categories: (i) measured at amortized cost; (ii) measured at fair value through other comprehensive profits or losses (FVTOCI - Shareholders' Equity); and (iii) measured at fair value through profit or loss (FVTPL).

- **Measured at amortized cost**

Refers to financial assets that meet the criteria of the SPPI test, whose purpose is to hold the assets to receive the contractual cash flows.

Financial assets measured at amortized cost are assets initially recognized at their fair value, including direct and additional costs, and subsequently accounted for at amortized cost, using the effective interest rate method.

- **Measured at fair value through profit or loss (FVTPL)**

Financial assets measured at FVTPL are registered and initially valued at fair value, and any subsequent changes in fair value are immediately recognized in income.

These are assets held by the Company with the purpose of trading them in the short-term or to holding them as part of a portfolio managed as a whole to obtain a short-term profit or to take a position, or eventually those assets that do not meet the SPPI test. Derivative financial instruments are also categorized as FVTPL.

- **Measured at fair value through other comprehensive income (FVTOCI)**

They are initially recognized at fair value, plus transaction costs directly deriving from their acquisition or issuance, and are subsequently measured at fair value, with gains and losses recognized as other comprehensive profits or losses, with the exception of impairment losses and gains and losses on currency translation, until the financial asset is no longer recognized. Expected credit losses are recorded in the statement of income counterweighting the other comprehensive profits or losses and have no impact on the gross book value of the asset.

- (i) Methodology to calculate the market value and classify by hierarchical level

The market value of financial assets is established according to market prices for similar assets or liabilities, non-active market prices or other data, which are observable in the market, including but not limited to yield curves, interest rates, volatilities, prices of equity debt securities and exchange rates for substantially the entire term of the assets or liabilities and were classified at level 2 of the CPC 40 hierarchy.

## Notes to the Financial Information

### f) Impairment of Financial Assets

The Company assesses, at the end of each year, if there is objective evidence of impairment of its assets. If the existence of impacts on cash flows is confirmed due to the impairment of its assets, if it is possible to estimate them reliably, the impairment loss is recognized in the income statement for the period. In the fiscal years of 2020 and 2019, there was no impairment loss.

### g) Financial liabilities

They are stated at their recognized or estimated value, including charges and monetary adjustments (on a daily "pro-rata" basis), when applicable.

The Company classifies its financial liabilities in the category:

- Amortized cost, which are financial liabilities that are not measured at fair value through profit or loss. They are initially recorded at their fair value and subsequently measured at amortized cost. In this category, debentures issued by the Company were registered. The description of the issuance of the debentures is presented in Note 9.

### h) Investments

Participation in subsidiary and investments with significant impact are measured according to the equity pickup method and, when applicable, deducted from provision for impairment.

Investments are broken down in Note 8.

### i) Provisions, Contingent Liabilities and Assets, and Legal Obligations

The recognition, measurement and disclosure of provisions, contingent liabilities and assets, and also legal obligations are made according to the criteria established by CPC 25, which was approved by CVM Resolution 594/09, so that:

- Provisions: Recognized when, as a result of a past event, the Company has a present, legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of funds shall be required to settle that obligation. Provisions are determined by the expected future cash flows discounted at a fixed rate, which reflects the current market assessment of the time value of money and risks specific to the liability.  
In setting up provisions, Management takes into account the opinion of legal counsel, the nature of lawsuits, any similarity with previous lawsuits, the complexity and positioning of courts, whenever a loss is deemed as probable.
- Contingent Assets: are not recognized for accounting purposes, except for collateral guarantees or favorable non-appealable decisions, classifying the gain as virtually certain, and by confirmation of its recoverability upon receipt or setting off with other payable liabilities. Contingent assets, which possibility of success is probable, are disclosed in the notes hereto, when relevant;

## Notes to the Financial Information

- **Contingent Liabilities:** under CPC 25, the term “contingent” refers to liabilities not recognized, given that their existence is only confirmed upon occurrence or not of one or more future uncertain events that are beyond Management’s control. Contingent liabilities do not meet the recognition criteria, because they are classified as possible losses, and may only be disclosed in the notes, when relevant. Liabilities classified as remote are not accrued and not disclosed; and
- **Legal Liabilities - Provision for Tax Risks:** arising from lawsuits whose subject matter is their legality or constitutionality and which, regardless of the assessment on the chances of success, have their amounts recognized in full in the financial statements.

The details of lawsuits, as well as the operation of registered amounts, are provided for in Note 10.

### j) Income tax and social contribution

The tax credits are recorded by the likely amount of realization and refer to credits of income tax and social contribution on tax losses carryforwards and temporary differences, being recognized, when applicable, in current assets and non-current assets - long-term assets.

The provision for income taxes is established at the rate of 15% on the taxable income, plus the additional 10%, where applicable.

The provision for social contribution is established on the taxable income before income tax, taking into account the rate of 9%. Provisions for other taxes and social contributions were established in accordance with the respective applicable law.

The breakdown of income tax and social contribution amounts, their calculations and information on unused tax credits are presented in Note 13.

### k) Determination of Income

Income is determined according to the accrual basis, which provides that revenues and expenses shall be included in the calculation of the income for the periods in which they occur, always and at the same time when they are related, regardless of receipt or payment. For fundraising transactions through the issue of bonds and securities, the respective expenses are recorded against liabilities and charged through profit and loss, according to the term of the transaction.

### l) Earnings per share

Basic earnings per share are calculated by dividing the income attributed to the Company’s shareholders by the weighted average number of outstanding shares (total shares less treasury shares). There are no profit dilution factors.

## Notes to the Financial Information

### m) Subsequent events

They correspond to events that occurred between the base date of the financial statements and the date on which the issuance of the statements was authorized. Consisting of:

- Events that give rise to adjustments: are those that show conditions that already existed on the base date of the financial statements; and
- Events that do not give rise to adjustments: are those that show conditions that did not exist on the base date of the financial statements.

## 4. KEY ACCOUNTING JUDGMENTS AND ESTIMATES

The presentation of the financial statements in accordance with the principles for recognition and measurement under the accounting standards issued by CPC and IASB requires that the Company Management exercises judgments, makes estimates and assumptions that may affect the value of assets and liabilities reported.

Such estimates are based on the best knowledge existing in each period and in actions planned to be taken, being constantly revised based on the information available.

Changes in facts and circumstances may lead to a revision in the estimates, and therefore the actual future results may differ from such estimates.

Significant assumptions and estimates used by the Company Management are presented as follows:

### Provisions and contingent liabilities

Accounting provisions are established taking into account the legal counsel's opinion, nature of lawsuits, similarity with previous proceedings, complexity, and court precedents, whenever losses are classified as probable, which would result in a probable use of resources to settle obligations, and whenever the amounts are able to be measured with enough certainty.

Contingent liabilities classified as possible losses are not recognized for accounting purposes and shall only be disclosed in the notes if they are individually relevant, and those classified as remote do not require the establishment of provision or disclosure.

We continuously monitor the legal proceedings in course to evaluate, among other things: (i) their nature and complexity; (ii) the development of the proceedings; (iii) the opinion of our legal counsel; and (iv) our experience with similar proceedings. In order to determine whether a loss is probable and to estimate its value, we also take into account:

- the chances of loss arising from proceedings occurred before or on the date of the financial statements, but which were identified by us after the date of the financial statements, but before their disclosure; and
- the need to disclose proceedings or events occurred after the date of the financial statements, but before their disclosure.

## Notes to the Financial Information

### 5. ACCOUNTING PRONOUNCEMENTS

a) Standards, amendments and interpretations of standards applicable as of January 1, 2020:

- The Conceptual Framework for Financial Reporting describes the purpose and concepts of financial reporting for general purposes. Among the changes in definitions contained in this document, the new definition of assets and liabilities stands out, being assets, “a present economic resource controlled by the entity as a result of past events” and liabilities, a present obligation of the entity to transfer an economic resource as a result of past events “. An analysis was carried out on the new Conceptual Framework and no material impacts were identified at Bradespar.
- Technical Pronouncement Review Document No. 16 was approved, referring to Technical Pronouncement CPC 06 (R2), issued by CPC, via CVM Deliberation 859 of July 7, 2020. According to this document, the lessee may choose not to assess whether a Benefit Granted to Tenant under a Lease Agreement, arising directly from the Covid-19 pandemic, is a modification of the lease agreement, if it meets the following conditions:
  - The consideration changed for the lease is substantially equal to or less than the consideration for the lease immediately prior to the change;
  - Any reduction in payments affects only payments originally due on or before June 30, 2021; and
  - there is no substantial change to other terms and conditions of the lease.

There was no adoption of the practical expedient mentioned above.

- Technical Pronouncement Review Document No. 15 was approved, referring to Technical Pronouncements CPC 38, CPC 40 (R1) and CPC 48 issued by the Accounting Pronouncements Committee - CPC, via CVM Resolution 854 of April 24, 2020. These are changes in the aforementioned standards, due to the uncertainties caused by the IBOR reform project that may impact the relations of *hedge accounting* . The amendments are aimed at minimizing such impacts and are effective for years beginning on January 1, 2020. No impacts were identified at Bradespar.

b) Standards, amendments and interpretations of standards applicable to future periods:

- IFRS 17 — Insurance Contracts It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents the contracts. IFRS 17 is effective for annual periods beginning on or after January 1, 2023.

## Notes to the Financial Information

- The Technical Pronouncements Review document nº 17 issued by the Accounting Pronouncements Committee - CPC was approved, through CVM Resolution nº 18 of February 11, 2021. This document presents changes to the Technical Pronouncements: CPC 06 (R2), CPC 11, CPC 38, CPC 40 (R1) and CPC 48 and deals with the reform of interest rates used as market references (IBOR) - Phase II. The main changes are: (i) permission to replace the effective interest rate on financial instruments with a compatible rate, without derecognizing the transaction, as long as it is a consequence of the reform; (ii) Recognition as a result of the ineffective portion of *hedge accounting*, due to the end of the exemptions provided for in Phase I of the project. The standard will come into effect for years beginning on or after January 1, 2021. The Company is evaluating the impacts resulting from Phase II.

### 6. RISK MANAGEMENT

The Company believes that risk management is crucial for strategic planning and financial flexibility. Therefore, it has developed a risk management strategy in order to provide an integrated overview of the risks to which it is exposed.

BRADESPAR is a holding company in which the source of income is due, basically, to the equity pick-up of its subsidiary and investment with significant influence. Therefore, it is subject mainly to the impact of different elements negotiated in the financial market on the business results (market risk), risks arising from third parties obligations to the Company (credit risk), those inherent to internal processes (operational risk) and those arising from economic factors (liquidity risk).

#### Liquidity risk management

Liquidity risk refers to the possibility that the Company fails to comply with its contractual obligations on the due dates, as well as faces difficulties to meet the needs of cash flow due to liquidity restrictions in the market.

#### Credit risk management

Credit risk arises from potential negative impacts on cash flow due to uncertainty in relation to the ability of counterparties to comply with their contractual obligations. It mainly arises, therefore, from cash and cash equivalents and credit exposures to outstanding accounts receivable.

In our opinion, the risk of credit exposure resulting from financial investments classified as “cash and cash equivalents” is low, since the amounts in such investments are not material, because we always made distribution of dividends and/or interest on equity to shareholders throughout in the year.

#### • Risk Profile of Counterparties

The Company basically uses qualitative credit risk analysis, which takes into account the counterparty's payment history, the relationship period and its strategic position in its economic sector, with VALE being the main investment maintained by the Company, which provides us with the main cash flow.

According to the credit risk of a specific counterparty, the Company uses the corporate guarantees strategy as a mitigation of credit risk. The Company controls receivables to ensure that there are no principal or interest amounts not honored by the counterparty.

## Notes to the Financial Information

### Market risk

The Company is exposed to the behavior of some market risk factors that may affect its cash flow and interest rate risk on issued debentures linked to variable rates. Potential impacts are analyzed from time to time to support decision-making processes and the Company's growth strategy and monitor future cash flows volatility.

### Operating risk

The operational risk management used by BRADESPAR to handle uncertainty related to any ineffectiveness or deficiency of internal processes, personnel, systems and external events is to mitigate such risk through the creation of controls and continuous improvement of existing controls.

## 7. CASH AND CASH EQUIVALENTS

	On December 31			
	Parent Company		Consolidated	
	2020	2019	2020	2019
Available funds in domestic currency	17	120	2,138	1,770
Financial investment funds <sup>(1)</sup>	60,425	199,415	60,425	199,415
<b>TOTAL</b>	<b>60,442</b>	<b>199,535</b>	<b>62,563</b>	<b>201,185</b>

(1) Refers to fixed income investments in Financial Investment Funds, destined to members of the Organization or companies related to it, which are considered qualified investors, managed by Bradesco.

## 8. INVESTMENTS

a) The adjustments resulting from the valuation using the equity method of the parent company are shown below:

Companies	Share Capital	Adjusted Net Worth	Adjusted Result	Number of quotas/shares held (In thousands)	Share Capital Interest %	On December 31			
						Total Investments		Adjustments arising from Assessment <sup>(1)</sup>	
						2020	2019	2020	2019
MILLENNIUM.	11,919	2,121	470	-	100.00	2,121	1,650	470	66
VALE <sup>(2) (3) (4)</sup>	77,300,000	192,238,323	26,712,688	293,907	5.56	10,691,742	9,343,767	1,506,379	(358,760)
<b>Total</b>						<b>10,693,863</b>	<b>9,345,417</b>	<b>1,506,849</b>	<b>(358,694)</b>

(1) It considers the results obtained by the companies, including the equity variations of the investees not resulting from the result, as well as the adjustments for equalization of accounting practices, when applicable;

(2) The information referring to december 31, 2020, was audited by the same independent auditors of BRADESPAR;

(3) Valued by the equity method of the investment in VALE SA After the closing of the shareholders' agreement of VALE SA, on November 9, 2020, management evaluated in the light of CPC 18 - Investment in Associated Company, Subsidiary and Joint Ventures, which defines significant influence as the power to participate in the decisions on the financial and operational policies of an investee, but without individual or joint control with other shareholders, which in this way will maintain the significant influence of Bradespar in the investee, taking into account in view of the presence of representatives and nominations on the Board of Directors and on Advisory Committees of the Board of Directors; and

(4) For more information on direct investment in VALE, see Note 19.

## Notes to the Financial Information

b) Composition of investments valued using the Consolidated equity method:

Company	Total Investments		On December 31	
			Market Cap <sup>(2)</sup>	
	2020	2019	2020	2019
VALE	6,435,556	5,989,485	25,702,167	15,665,243
VALE - reflex adjustment <sup>(1)</sup>	4,256,186	3,354,282	-	-
<b>Total</b>	<b>10,691,742</b>	<b>9,343,767</b>	<b>25,702,167</b>	<b>15,665,243</b>

(1) Equity valuation adjustments, in accordance with Law 11.638 / 07 and CPCs 2 and 8, which are recorded against equity, basically refers to exchange differences in the conversion of foreign currency into the functional currency of the operations carried out by VALE ; and

(2) Market value of participation in VALE.

## 9. DEBENTURES PAYABLE

On June 28, 2018, BRADESPAR made the seventh public issue of 70,000 non-convertible debentures, with a unit face value of R\$ 10,000 (ten thousand reais), totaling R\$ 700,000, with maturity on June 28, 2021 a from the date of issue. With remunerative interest corresponding to 103.95% of the accumulated variation of the average daily rates of the DI " Over extra group "

- One-day interbank deposits, calculated and disclosed by B3 and available on the CETIP page, on a 252-business-day basis, expressed as a percentage per year ("DI Rate - Over"), Levied on the unit face value or on the balance of the unit face value of the debentures, calculated from the date of issue, or from the date of payment of the remuneration, until the end of the capitalization period, *pro rata temporis* .

On July 2, 2018, BRADESPAR received the amount of R\$ 700,358 thousand, resulting from the seventh public issue of 70,000 non-convertible debentures, with a unit face value of R\$ 10,000, issued on June 28, 2018. The funds obtained had the purpose of fully settling the debentures of the single series of the sixth issue.

On December 27, 2018, BRADESPAR informed the holders of debentures of its seventh issue, the realization of extraordinary early amortization of 70% (seventy percent), of the unit face value of the debentures, according to the contractual prerogative that allows for early amortization, limited to 90% of the unit face value or the balance of the unit face value of the debentures, remuneration title, calculated *pro rata temporis* from the date of issue to the date of actual payment in the amount of R\$ 512,734.

On December 9, 2020, BRADESPAR communicated to its shareholders and the market, the full settlement of the simple debentures, of the single series of the seventh issue, with maturity originally scheduled for June 28, 2021, according to the terms of the issue deed.

As a result of the optional early redemption exercise, BRADESPAR paid the holders the amount of R\$ 3,276 (three thousand, two hundred and seventy-six reais) per debenture, of which: (i) R\$ 3,000 (three thousand reais), equivalent to the balance of the unit face value of the debentures, and (ii) R\$ 276 (two hundred and seventy-six reais) as remuneration interest, calculated *pro rata temporis* from the last payment date of the remuneration until the date of the effective payment, totaling R\$ 229,313.

## Notes to the Financial Information

### 10. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES AND LEGAL - TAX OBLIGATIONS

#### a) Contingent assets

Contingent assets have not been recognized in the accounts, but there are processes whose prospects of success are probable, the main ones being:

- COFINS - R\$ 12,269 (December 31, 2019 - R\$ 12,159): The Company seeks the refund or compensation of COFINS, collected under the terms of Law No. 9,718 / 98, in the period from January to October 2001, in what exceeds the that would be due on billing; and
- Social Integration Program ("PIS") - R\$ 2,658 (December 31, 2019 - R\$ 2,634): The Company seeks the refund or compensation of PIS, paid under the terms of Law No. 9,718 / 98, in the period from January to October 2001, in excess of what would be due in Complementary Law No. 7/70 (PIS Repique) or, at least, in excess of what would be due on billing.

#### b) Provisions classified as probable losses and legal obligations - tax

The companies that make up the Consolidated are parties to tax lawsuits arising from the normal course of their activities.

In setting up the allowances, the Company considers the legal counsel's opinion, the nature of the lawsuits, the similarity with previous lawsuits, the complexity and position of the courts whenever the loss is assessed as probable.

BRADESPAR's Management believes that the provision set up is sufficient to cover losses arising from the respective processes.

The liability related to the legal obligation under judicial discussion is maintained until the definitive gain of the lawsuit, represented by favorable judicial decisions, over which there are no further appeals, or their prescription.

#### l) Tax provisions

BRADESPAR, by virtue of the Private Instrument of Purchase and Sale Agreement of Shares representing the share capital of Bradesplan Participações Ltda. (BRADESPLAN), entered into with Banco Bradesco SA (BRADESCO), in May 2006, is responsible for tax lawsuits (PIS and COFINS) of the former subsidiary BRADESPLAN. As of December 31, 2020, the updated amount corresponded to R\$ 7,022 (December 31, 2019 - R\$ 6,901).

The balance of court deposits, on December 31, 2020, in the amount of R\$ 7,717 (December 31, 2019 - R\$ 7,805) is related to COFINS, which should be refunded by the Federal Revenue of Brazil (RFB), related to the above-mentioned process.

## Notes to the Financial Information

### II) Changes in tax provisions:

	Parent Company and Consolidated	
	2020	2019
Balance at beginning of year	6,901	6,665
Monetary updates	121	236
Balance at the end of the period	7,022	6,901

### c) Contingent liabilities classified as possible losses

BRADESPAR has a system to monitor all the administrative and legal proceedings in which it is the plaintiff or defendant, and supported by its legal counsels' opinion, it classifies lawsuits according to the expectation of losses: remote, possible or probable.

The lawsuits classified as possible are:

- l) Antares, incorporated by Bradespar, was party to a lawsuit with RFB, for being the successor of a spun-off portion of VBC Participações SA (VBC), in relation to the compensation in this company of tax losses and negative calculation base of social contribution on net profit, upon its total spin-off and consequent extinction, in an amount higher than the limit of 30%, imposed by Law No. 8,981 / 95. On November 5, 2020, Bradespar obtained a definitive gain in the process, in accordance with the final judgment.
- l) Bradespar is a party to a lawsuit filed by Litel Participações S.A. ("Litel"), which was filed, in the first instance, under No. 0281248-69.2018.8.19.0001, before the Judge of the 10th Civil Court of Rio de Janeiro. Litel seeks to order Bradespar to pay the amount of R\$ 1.4 billion as reimbursement for the amount it paid to Elétron S.A., at the closing of the lawsuit filed against Litel and Bradespar. Litel alleges alleged breach by Bradespar of the Indemnity Agreement, entered into on January 5, 2001.

In addition to contesting the action, Bradespar filed a counterclaim seeking to compel Litel to reimburse it the amount of R\$ 705 million, based on the terms of the Indemnity Agreement. In a judgment handed down on December 04, 2019, the first degree judge dismissed the lawsuit filed by Litel and partially upheld the counterclaim for R\$ 470 million.

On January 27, 2021, the Seventeenth Civil Chamber of the Court of Appeals of the State of Rio de Janeiro - TJRJ - ruled on the Appeal filed by Litel. In this judgment, the Chamber unanimously granted the Appeal, so that the first degree decision was reformed to grant Litel's claim. The same judgment dismissed the counterclaim filed by Bradespar against Litel.

Bradespar filed a Motion for Clarification with the TJRJ, answered by Litel, and the decision is pending. Against the decision of the TJRJ, appeals will be made to the Superior Courts (Superior Court of Justice and / or Supreme Federal Court). Management and the lawyers sponsoring the lawsuit maintain the likelihood of loss for Bradespar as possible.

- a) The Company has no labor contingencies, classified as probable and possible, that should be provisioned or disclosed.

## Notes to the Financial Information

### 11. SHAREHOLDERS' EQUITY

#### a) Ownership structure in number of shares

Share capital is divided into non-par, book-entry, registered shares.

	On December 31	
	2020	2019
Common Shares	122,171,449	122,171,449
Preferred Shares	225,862,596	225,862,596
<b>Total</b>	<b>348,034,045</b>	<b>348,034,045</b>

#### b) Profit reserves

	On December 31	
	2020	2019
Legal reserve <sup>(i)</sup>	300,963	227,610
Statutory Reserve <sup>(ii)</sup>	2,597,662	1,878,963
<b>Total</b>	<b>2,898,625</b>	<b>2,106,573</b>

(i) The legal reserve is established mandatorily based on 5% of net income for the year, limited to 20% of the paid-in share capital. The legal reserve is intended to ensure the integrity of the share capital, and shall only be used to offset losses or to increase the capital; and

(ii) The statutory reserve is intended to maintain an operating margin compatible with the performance of the Company active operations, and may be established by 100% of the net income remaining after any statutory allocations are made, upon proposal submitted by the Executive Board, approved by the Board of Directors and resolved in the Shareholders Meeting, with the balance being limited to 95% of the paid-in share capital.

#### c) Treasury Shares

The Board of Directors' Meeting of August 14, 2019, resolved to renew the share buyback program; the shares will be held in treasury and subsequently sold or canceled, without reducing the share capital. In order to invest funds from the "Profit Reserve – Statutory", which are available for investment, the Board of Directors authorized the Company's Executive Board to acquire, between August 15, 2019 and February 15, 2021, up to 10,870,000 no-par registered, book-entry shares, of which up to 970,000 common and up to 9,900,000 preferred, within the authorized limits and the validity period mentioned above.

On December 31, 2020, the program for the acquisition of its own shares was not renewed.

## Notes to the Financial Information

### d) Interest on own capital and / or dividends

At the Annual Shareholders' Meeting held on April 30, 2019, BRADESPAR communicated to the market the approval of the payment of complementary dividends and interest on equity, in the amount of R\$ 200,445, which were paid on May 15, 2019.

In a statement released to the market on December 20, 2019, BRADESPAR, having reviewed the cash flow and income distribution of its investee and with the Indicative Annual Remuneration Policy, decided on interest on equity, in the amount of R\$ 269,300, which were paid on August 20, 2020.

On November 11, 2020, BRADESPAR communicated to the market, in accordance with the Material Fact disclosed on October 30, 2020, that the Board of Directors approved the Executive Board's proposal for payment of dividends in the amount of R\$ 385,000, and interest on equity, in the amount of R\$ 290,000, which were paid on November 19, 2020.

In 2020, we highlight that the amount of R\$ 944,300 was paid in the form of dividends and interest on equity.

Interest on equity / dividends was paid and provisioned, as follows:

Description	Per share (gross)		Gross Value	IRRF (15%)	Net Value
	Common Shares	Preferred Shares			
Interest on actual capital paid	0.424234	0.466658	157,230	23,585	133,645
Interest on equity paid	0.726619	0.799281	269,300	40,395	228,905
Dividends paid	0.116601	0.128261	43,215	-	43,215
<b>Total on December 31, 2019</b>	<b>1.267454</b>	<b>1.394200</b>	<b>469,745</b>	<b>63,980</b>	<b>405,765</b>
Interest on equity paid	0.782471	0.860719	290,000	43,500	246,500
Dividends paid	1.038798	1.142678	385,000	-	385,000
<b>Total on December 31, 2020</b>	<b>1.821269</b>	<b>2.003397</b>	<b>675,000</b>	<b>43,500</b>	<b>631,500</b>

## 12. FINANCIAL RESULT

	Periods ended on December 31			
	Parent company		Consolidated	
	2020	2019	2020	2019
<b>Financial income</b>				
Income from financial investments	6,623	15,300	6,629	15,330
Interest on recoverable taxes	4,835	10,462	4,835	10,462
Other	882	315	1,360	381
	<b>12,340</b>	<b>26,077</b>	<b>12,824</b>	<b>26,173</b>
<b>Financial Expenses</b>				
Expenses with interest on debentures	(6,156)	(13,049)	(6,156)	(13,049)
Other	(213)	(585)	(213)	(585)
	<b>(6,369)</b>	<b>(13,634)</b>	<b>(6,369)</b>	<b>(13,634)</b>
<b>Net financial income</b>	<b>5,971</b>	<b>12,443</b>	<b>6,455</b>	<b>12,539</b>

## Notes to the Financial Information

### 13. INCOME TAX AND SOCIAL CONTRIBUTIONS

#### a) Taxes to offset and recover

Taxes to offset and recover, in the Parent Company and Consolidated, in the amount of R\$ 182,201 (December 31, 2019 - R\$ 198,935), basically refer to income tax and social contribution from previous years and income tax withheld at source on financial investments and interest on own capital received.

#### b) Statement of calculation of charges with income tax and social contribution:

	Periods ended on December 31			
	Parent Company		Consolidated	
	2020	2019	2020	2019
<b>Earnings before taxes (Income Tax and Social contribution)</b>	<b>1,467,052</b>	<b>(403,079)</b>	<b>1,467,052</b>	<b>(403,079)</b>
Total Income Tax and Social Contribution at the rates of 25% and 9%, respectively	(498,798)	137,047	(498,798)	137,047
<b>Effect of additions and exclusions in the calculation of taxes :</b>				
Investments in subsidiary and investment with significant influence	512,329	(121,956)	512,169	(121,978)
Non-deductible expenses and provisions, net of revenues non-taxable	(1,667)	(1,120)	(1,507)	(1,098)
Interest on shareholders' equity	(99,663)	(141,335)	(99,663)	(141,335)
Interest on own shareholders' equity (paid and payable)	98,600	145,020	98,600	145,020
Other <sup>(1)</sup>	(10,801)	17,784	(10,801)	(17,784)
<b>Income tax and social contribution</b>	<b>-</b>	<b>(128)</b>	<b>-</b>	<b>(128)</b>

(1) includes, substantially, realization of non-activated tax credit.

#### c) Tax credits not activated

As of December 31, 2020, at the Parent Company and the Consolidated, income tax and social contribution tax credits on net income, calculated on tax losses, negative basis of social contribution and temporary additions, not activated totaled R\$ 332,351 ( December 31, 2019 - R\$ 321,433).

### 14. RELATED PARTIES

- l) Transactions with related parties (direct and indirect) are carried out at conditions and rates compatible with the averages practiced with third parties, in effect on the dates of the operations. As of December 31, 2020, at the Parent Company and Consolidated, transactions with related parties refer to dividends receivable, in the amount of R\$ 352,724 and interest income on equity, in the amount of R\$ 293,126 (December 31, 2019 - R\$ 415,692), and on December 31, 2019, in the Parent Company and Consolidated, refer to interest on own capital receivable, in the amount of R\$ 353,338, arising from the deliberations by VALE.

## Notes to the Financial Information

### II) Compensation of key management personnel

Each year, the Annual Shareholders' Meeting establishes:

- Management's overall annual compensation, which is defined at the Board of Directors' meeting, to be paid to the members of the Board of Directors and Executive Board, as provided for by the Company's Bylaws; and
- The amount allocated to fund the supplementary pension plans of the Management, within the Pension Plan for BRADESPAR's Management.

For 2020, the maximum amount of R\$ 9,480 was determined for Management compensation, part of which refers to the social security contribution to the INSS, which constitutes a burden for the Company and R\$ 5,100 to fund private pension plans.

#### Short and medium term remuneration to administrators

	Fiscal Years ended on December 31	
	2020	2019
Compensation and Contribution to Social Security for INSS	6,163	8,284
<b>Total</b>	<b>6,163</b>	<b>8,284</b>

#### Post-employment benefits

	Fiscal Years ended on December 31	
	2020	2019
Additional Pension Plans with Fixed Contribution	4,597	4,276
<b>Total</b>	<b>4,597</b>	<b>4,276</b>

#### Other benefits

BRADESPAR does not have long-term benefits upon employment contract termination or share-based compensation, pursuant to CPC 10 - Share-Based Compensation for its Management's key personnel.

### III) Equity interest

The members of the Board of Directors and the Executive Board jointly have the following shareholding in BRADESPAR:

	On December 31	
	2020	2019
• Common shares	0.2741%	0.3807%
• Preferred Shares	0.4766%	0.5473%
<b>• Total Shares</b>	<b>0.4055%</b>	<b>0.4888%</b>

## Notes to the Financial Information

### 15. FINANCIAL INSTRUMENTS

#### a) The financial instruments are classified below:

- I) Financial assets in the Parent Company, refer to Cash and Cash Equivalents, in the amount of R\$ 60,442 (December 31, 2019 - R\$ 199,535) and in the Consolidated amount in the amount of R\$ 62,563 (December 31, 2019 - R\$ 201,185); and
- II) Financial Liabilities - Amortized Cost in the Parent Company and Consolidated, on December 31, 2019 refer to Debentures Payable in the amount of R\$ 223,017 and Other Liabilities in the amount of R\$ 25,366 (December 31, 2019 - R\$ 25,468) Note 17c.

#### b) Sensitivity analysis

In compliance with CVM Instruction no. 475/08, we present below the sensitivity of positions subject to fluctuations in prices or market rates:

Risk Factors	Definition	Scenarios					
		On December 31, 2020			On December 31, 2019		
		1	2	3	1	2	3
Interest Rate in reais	Exposures subject to variations of fixed interest rates and interest rate coupon	(1)	(26)	(51)	(1)	(90)	(178)
<b>Total without Correlation</b>		<b>(1)</b>	<b>(26)</b>	<b>(51)</b>	<b>(1)</b>	<b>(90)</b>	<b>(178)</b>
<b>Total with Correlation</b>		<b>(1)</b>	<b>(26)</b>	<b>(51)</b>	<b>(1)</b>	<b>(90)</b>	<b>(178)</b>

The sensitivity analysis was carried out based on the scenarios prepared for the respective dates, always considering the market information at the time and scenarios that would adversely affect our positions.

**Scene 1:** Based on market information (B3, Anbima, etc.), 1 basis point interest rate shocks were applied. For example: for a 1-year fixed interest rate of 2.86%, a 2.87% pa scenario was applied.

**Scenario 2:** Shocks of 25% were determined based on the market. For example: for a fixed interest rate of 1 year of 2.86%, a scenario of 3.56% per year was used.

**Scenario 3:** 50% shocks were determined based on the market. For example: for a fixed interest rate of 1 year of 2.86%, a scenario of 4.29% pa was used

## Notes to the Financial Information

### 16. FAIR VALUE ESTIMATE

It is assumed that the fair value of the balances of cash and cash equivalents and other obligations are compatible with their book values considering that they are significantly close to their curve values, without significant market, credit and liquidity risk. The Company applies CPC 40 (R1) for financial instruments measured in the balance sheet at fair value.

- I) Financial liabilities measured at amortized cost in the Parent Company and in the Consolidated, as of December 31, 2019, refer to Debentures Payable, and their estimated fair value by discounting future contractual cash flows are approximated to the amortized cost.
- II) The Company does not have assets and liabilities measured at fair value based on levels 1, 2 and 3.

### 17. OTHER INFORMATION

- a) The Company did not operate with derivative financial instruments on December 31, 2020 and December 31, 2019;
- b) Intangible assets in the Parent Company and Consolidated, in the amount of R\$ 819 (December 31, 2019 - R\$ 967), refer to the property rental agreement;
- c) Other Obligations, in the Parent Company and in the Consolidated, in the amount of R\$ 28,990 (December 31, 2019 - R\$ 28,848) refer, basically, to the fractions of shares of the reverse split, decided in the Extraordinary General Meeting ("AGE") of April 2004, which were sold at auction at B3, in July 2004, and the amounts were credited or made available to shareholders;
- d) General and Administrative Expenses in the Parent Company and Consolidated, refer to Personnel Expenses, in the amount of R\$ 11,661 (December 31, 2019 - R\$ 13,356) and Other General and Administrative Expenses in the Parent Company, in the amount of R\$ 6,358 (December 31, 2019 - R\$ 3,763) and in the Consolidated amount of R\$ 6,372 (December 31, 2019 - R\$ 3,793); and
- e) Bradespar is a holding company and its operations are mainly affected by the impact of an investment in which it has significant influence, an investment that has not had significant impacts on its operations to date, due to the COVID-19 pandemic. However, if the pandemic continues or increases in intensity in the regions where the investee operates, future effects may occur, which could impact the financial condition or results of operations of the investee in subsequent periods, without it being currently possible to predict the possible impacts. The Company will continue to observe closely the future developments of this situation.

### 18. SUBSEQUENT EVENTS

On March 24, 2021, the Board of Directors BRADESPAR approved the Executive Board's proposal for payment of dividends in the amount of R\$ 915,000, of which 2.468833979 per common share and 2.715717377 per preferred share, and interest on equity in the amount of R\$ 245,000, of which 0.661053907 per common share and 0.727159298 per preferred share, to be paid on May 12, 2021.

## Notes to the Financial Information

### 19. ADDITIONAL INFORMATION ON INVESTMENT WITH SIGNIFICANT INFLUENCE

We present below the summary of the Balance Sheet and Income Statement published by VALE, not representing BRADESPAR's proportional interest:

BALANCE SHEET - R\$ Million	On December 31	
	2020	2019
<b>ASSETS</b>		
Current	126,805	68,698
Non-current:		
Long-Term Assets	78,623	67,705
Investments	10,557	11,278
Fixed assets	213,836	187,733
Intangible assets	48,309	34,257
<b>TOTAL</b>	<b>478,130</b>	<b>369,671</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current	75,838	55,806
Non-current assets	221,306	156,716
Shareholders' Equity	180,986	157,149
<b>TOTAL</b>	<b>478,130</b>	<b>369,671</b>
Direct Interest	5.56%	5.56%

INCOME STATEMENT - R\$ Million	Periods ended on December 31	
	2020	2019
Sales revenue, net	208,529	148,640
Cost of goods sold and services rendered	(98,567)	(83,836)
<b>Gross Profit</b>	<b>109,962</b>	<b>64,804</b>
Operational expenses	(52,458)	(59,880)
Financial Results	(24,140)	(13,446)
Equity Income	(5,436)	(2,684)
<b>Earnings before Income Taxes</b>	<b>27,928</b>	<b>(11,206)</b>
Taxes on profits	(3,025)	2,509
<b>Net income (loss) from continuing operations</b>	<b>24,903</b>	<b>(8,697)</b>
Attributed to non-controlling shareholders	(1,810)	(2,025)
<b>Net income (loss) from continuing operations attributed to Shareholders of</b>	<b>26,713</b>	<b>(6,672)</b>

#### I) Other Information

##### a) Contingencies related to Samarco accident

These proceedings include public civil actions brought by Brazilian authorities and multiple proceedings involving claims for significant amounts of damages and remediation measures. The Vale expects the Framework Agreements to represent the settlement of the public civil action brought by the MPF and other related proceedings. There are also putative securities class actions in the United States against Vale and some of its current and former officers and a criminal proceeding in Brazil. The main updates regarding the lawsuits in the year were as follows:

## Notes to the Financial Information

### (i) Public Civil Action filed by the Federal Government and others and public civil action filed by the Federal Public Ministry ("MPF")

The Framework Agreement established a possible renegotiation of Renova Foundation's reparation programs upon the completion of studies carried by specialist engaged by the Public Prosecutor's Office in this process. The studies of the aforementioned specialists have not yet been concluded and, therefore, these negotiations have not started. In October 2020, MPF required the continuance of its public civil action of R\$155 billion due to a deadlock in the hiring of Technical Assistants. The request will still be analyzed by the Judge of the 12th Federal Court after a statement by Samarco and its shareholders Vale and BHP. Depending on the conclusion of those experts and the decision to be issued in this regard, the Vale may recognize additional provisions to comply with the requirements set the Framework Agreement.

### (ii) Class Action in the United States

In March 2017, the holders of securities issued by Samarco Mineração S.A. filed a potential collective action in the New York Federal Court against Samarco, Vale, BHP Billiton Limited, BHP Billiton PLC and BHP Brasil Ltda. based on U.S. Federal Securities laws, which was dismissed without prejudice, in June 2019. In December 2019 the plaintiffs filed a Notice of Appeal to the NY Court of Appeals.

In January 2021, it was held a hearing before the Second Circuit of the New York State Court of Appeals. A ruling on the case is now expected to be issued, with no term for it to occur. Based on the assessment of the Vale's legal consultants, Vale has good arguments to oppose the appeal. Therefore, the expectation of loss of this case is classified as possible. However, considering the phase of the potential class action, it is not possible at this time to reliably estimate the amount of an eventual loss.

### (iii) Class action filed by holders of American Depositary Receipts

Vale and some of its executives have been named as defendants in class actions relating to securities before the New York Federal Court, filed by investors holding American Depositary Receipts ("ADRs") issued by the Vale, based on the U.S. Federal Securities laws. In June 2020, the case was closed as a result of the agreement reached by the parties, whereby the defendants agreed to pay the amount of R\$130 million (US\$25 million), which was accepted by the Court. This amount was recognized in income as "Equity in earnings of affiliates and joint ventures.

### (iv) Criminal proceeding

In September 2019, the federal court of Ponte Nova dismissed all criminal charges against Vale representatives relating to the first group of charges, which concern the results of the Fundão dam failure, remaining only the legal entity in the passive pole. The second group of charges against Vale S.A. and one of the Vale's employees, which concerns the accusation of alleged crimes committed against the Environmental Public Administration, remained unchanged. In March 2020, the judge scheduled a number of hearings to collect defense witnesses' testimonies and intent letters were issued for the same purpose, but due to the new coronavirus pandemic, all hearings in the country which were previously scheduled to take place in April have been cancelled by an express determination from the National Justice Council. In July 2020, the Federal Court of the 1st Region denied an appeal presented by Vale and rejected the claim to recognize the state of limitation to keep the Vale within the criminal process. In October 2020, the criminal action was scanned and transferred to electronic processing. Additionally, the scheduling of hearings for the deposition of defense witnesses began in some cities, which received the letter precatory from Ponte Nova. The Vale cannot estimate when a final decision on the case will be issued.

## Notes to the Financial Information

### Insurance

Since the Fundão dam rupture, the Vale has been negotiating with insurers the indemnification payments based on its general liability policies. During 2020 and 2019, the Vale received payments in the amount of R\$86 million (US\$17 million) and R\$412 million (US\$109 million), respectively, and recognized a gain in the income statement as “Equity results and other results in associates and joint ventures”.

### b) Brumadinho dam failure

On January 25, 2019, a tailings dam (“Dam I”) failed at the Córrego do Feijão mine, in the city of Brumadinho, state of Minas Gerais. The failure released a flow of tailings debris, destroying some of Vale’s facilities, affecting local communities and disturbing the environment. The tailings released have caused an impact of around 315 km in extension, reaching the nearby Paraopeba River. The dam failure in Brumadinho (“event”) resulted in 270 fatalities or presumed fatalities.

### Global Settlement for Brumadinho

On February 4, 2021 (subsequent event), the Vale entered into a Judicial Settlement for Integral Reparation (“Global Settlement”), which was under negotiations since 2019, with the State of Minas Gerais, the Public Defender of the State of Minas Gerais and the Federal and the State of Minas Gerais Public Prosecutors Offices, to repair the environmental and social damage resulting from the Dam I rupture. With the Global Settlement, the requests contained in public civil actions regarding the socio-environmental and socioeconomic damages caused by the dam rupture were substantially resolved. In addition, relevant aspects related to the scope and execution of the Vale's obligations were defined. Therefore, as the negotiations have started before the reporting date, the Vale recognized a loss of R\$19,924 million in the income statement for the year ended December 31, 2020.

#### (i) Cash settlement obligation

The cash settlement obligation relates to the socio-economic reparation and socio-environmental compensation projects that will be carried out or managed directly by the State of Minas Gerais and Institutions of Justice, mainly aiming to develop the urban mobility program and strengthening public service programs, as well as other projects that will be proposed by the affected population. In addition, resources will be used in a program of income transfer to those affected by the event, which will be carried out by Institutions of Justice. Of the total amount, R\$4,400 million relates to the income transfer program that will be fully paid in 2021. The remaining amount of R\$7,772 million is the present value of the semiannual fixed payments obligation, which will last 5 years on average.

#### (ii) Provision for socio-economic reparation and others

The Global Settlement includes remediation projects for Brumadinho and other affected municipalities of the Paraopeba Basin. The socioeconomic reparation actions aims to strengthen the productive activities of the affected region, through measures for greater economic diversification of the municipality of Brumadinho, reducing its historical dependence on mining, and, for the rest of the Basin, finding ways to support the transformation of the economy of the impacted municipalities. These projects will be carried out directly by the Vale for an average period of 3 years.

## Notes to the Financial Information

The estimated amounts for the project execution, although set in the agreement, may vary since the implementation of those projects are Vale's responsibility and changes against the original budget may result in changes in provision in future reporting periods.

### (iii) Provision for social and environmental reparation

The Global Settlement establishes the rule for the development of the environmental reparation plan, and projects for the compensation of environmental damage already known. These measures aim to repair the damage caused, restore the ecosystems disruption, restore local infrastructure, repair social and economic losses, recover affected areas and repair the loss of memory and cultural heritage caused by the dam rupture. It also includes several actions to clean up the affected areas and improvements to the water catchment system along the Paraopeba River and other water collection points near the affected area. These measures and compensation projects will be carried out directly by the Vale for an average period of 5 years.

The estimated amount to carry out the environmental recovery actions is part of the Global Settlement. However, it has no cap due to the Vale's legal obligation to fully repair the environmental damage caused by the dam rupture. Therefore, this provision may change in the future depending on several factors that are not under the control of the Vale.

### **Provision for individual indemnification and other commitments**

In addition to the Global Settlement, the Vale has been working to ensure geotechnical safety of the remaining structures at the Córrego do Feijão mine, in Brumadinho, and the removal and proper disposal of the tailings of Dam I. As at December 31, 2020, the provision recorded is R\$1,387 million (2019: R\$457 million).

For the individual indemnification, Vale and the Public Defendants of the State of Minas Gerais formalized an agreement on April 5, 2019, under which those affected by the Brumadinho's Dam failure may join an individual or family group out-of-court settlement agreements for the indemnification of material, economic and moral damages. This agreement establishes the basis for a wide range of indemnification payments, which were defined according to the best practices and case law of Brazilian Courts, following rules and principles of the United Nations ("UN"). As at December 31, 2020, the provision recorded is R\$930 million (2019: R\$2,992 million).

In addition, the Vale was notified of the imposition of administrative fines by the Brazilian Institute of the Environment and Renewable Natural Resources ("IBAMA"), in the amount of R\$250 million. In July 2020, the Vale signed an agreement with IBAMA, of which R\$150 million will be used in environmental projects in 7 parks in the state of Minas Gerais, covering an area of approximately 794 thousand hectares, and R\$100 million will be used in basic sanitation programs in the state of Minas Gerais.

## Notes to the Financial Information

### De-characterization of other dams in Brazil

Following the Brumadinho Dam rupture, the Vale has decided to speed up the plan to “de-characterize” its tailings dams built under the upstream method (same method as Brumadinho’s dam), certain “centerline structures” and dikes, located in Brazil. Therefore, the Vale has a total provision to comply with these assumed obligations in the amount of R\$11,897 million at December 31, 2020 (R\$10,034 million as at December 31, 2019).

In 2020, as a consequence of the periodic review of the estimates for the de-characterization of the dam structures, built under the upstream raising method, which are already reserved, the Vale recognized R\$1,900 million in addition to the recorded provision, mainly due to the evolution of engineering projects and changes in the planned containments. The Vale also identified other structures that met the criteria to be de-characterized as well, resulting in a further provision of R\$1,275 million, recognized in the income statement for the year ended December 31, 2020.

As described in "Critical accounting estimates and judgments", changes in engineering methods and solutions, the volume of tailings to be removed, among other relevant assumptions, may result in a significant change in the provision.

#### (i) Operation stoppages

The Vale has suspended some operations due to judicial decisions or technical analysis performed by Vale on its upstream dam structures. The Vale has been recording losses in relation to the operational stoppage and idle capacity of the ferrous mineral segment in the amounts of R\$3,206 million and R\$3,888 million for the year ended December 31, 2020 and 2019, respectively. The Vale is working on legal and technical measures to resume all operations at full capacity.

#### (ii) Assets write-off

Following the event and the decision to speed up the de-characterization of the upstream dams, the Vale recognized a loss of R\$904 million as “Impairment and disposal of non-current assets” for the year ended December 31, 2019 in relation to the assets written-off of the Córrego do Feijão mine and those related to the other upstream dams in Brazil. In 2020, the Vale did not write-off any asset related to the Brumadinho event.

### Contingencies and other legal matters

#### (i) Public civil actions brought by the State of Minas Gerais and state public prosecutors for damages resulting from the rupture of Dam I

The Vale is party to public civil actions brought by the State of Minas Gerais and state prosecutors claiming economic and environmental damages resulting from the dam rupture and seeking a broad range of injunctions ordering Vale to take specific remediation and reparation actions. These legal proceedings were initially brought before various state courts in Minas Gerais but have been consolidated before the 6th Public Treasury Court in the city of Belo Horizonte and then transferred to the 2nd Public Treasury Court in the city of Belo Horizonte.

## Notes to the Financial Information

With the Global Settlement, the requests contained in public civil actions regarding the socio-environmental and socioeconomic damages caused by the dam rupture were substantially resolved (of the 207 requests, 204 were extinguished). Indemnifications for individual damages are not covered by the Global Settlement, but the parties ratified the agreement with the Public Defendants of the State of Minas Gerais. Thus, the Vale expects to keep signing individual agreements.

### (ii) Requests for fines or forfeit of assets

On August 26, 2020, the Public Prosecutor's Office of Minas Gerais ("MPMG") and other plaintiffs of the Public Civil Actions presented a request for ruling condemning Vale to indemnify alleged economic losses of the State of Minas Gerais and collective moral damages, both claims already considered in said Public Civil Actions filed against Vale in January 2019 as a result of the Brumadinho dam rupture. In that submission, the plaintiffs also requested the immediate freezing of R\$26.7 billion from the Vale as a guarantee for the reimbursement of the alleged economic losses, which was dismissed by the judge of the 2nd Lower Court of Public Treasury of Belo Horizonte on October 6, 2020. This claim was extinguished with the Global Settlement.

In other proceeding, in May 2020, the MPMG requested the imposition of fines or forfeit of assets, rights and amounts of the Company, allegedly based on Article 5, item V of Brazilian Law 12.846/2013. According to the MPMG, Vale would have, through its employee's actions, hindered the inspection activities of public agencies in the complex. Vale was not required to present any guarantees based on a judicial decision. The Vale believes that the likelihood of loss is remote.

In October 2020, the Vale was informed that the Brazilian Office of the Comptroller General ("CGU") initiated an administrative proceeding based on the same allegations made by the MPMG. As this is a discretionary procedure from the CGU, the Vale estimates its likelihood of a loss during the administrative phase as possible, but it reaffirms its assessment of loss as remote in the annulment lawsuit to be instituted against any decision by CGU, if necessary.

### (iii) U.S. Securities putative class action suit

Vale is defending itself in a putative class action brought before a Federal Court in New York and filed by holders of securities - American Depositary Receipts ("ADRs") - issued by Vale. The Lead Plaintiff alleges that we made false and misleading statements or omitted to make disclosures concerning the risks of the operations of Dam I in the Corrego de Feijão mine and the adequacy of the related programs and procedures.

Following the decision of the Court, in May 2020, that denied the Motion to Dismiss presented by the Vale, the Discovery phase has started and is expected to be concluded by June 2021.

Based on the evaluation of the Vale's legal counsel and given the very preliminary stage, the expectation of loss of this process is classified as possible. However, considering the initial stage of this putative class action, it is not possible at this time to reliably estimate the amount of a potential loss.

## Notes to the Financial Information

### (iv) Arbitration proceedings in Brazil filed by shareholders and a class association

In Brazil, Vale is a defendant in (i) one arbitration filed by 166 minority shareholders, (ii) one arbitration filed by a class association allegedly representing all Vale's minority shareholders, and (iii) one arbitration filed by foreign investment funds.

In the three proceedings, the Claimants argue Vale would be aware of the risks associated with the dam, and failed to disclose it to the shareholders, which would be required under the Brazilian applicable laws and the rules of Comissão de Valores Mobiliários (Securities and Exchange Commission of Brazil). Based on such argument, they claim compensation for losses caused by the decrease of the value of the shares.

Based on the evaluation of the Vale's legal counsel and given the very preliminary stage, the expectation of loss of these proceedings is classified as possible.

Specifically, in the proceeding filed by foreign funds, the Claimants estimated the amount of the alleged losses at approximately R\$1,800 million. However, the Vale disagree with the estimated losses alleged by the foreign funds and believes that the likelihood of loss is remote based on the current status of the proceeding.

### (v) Cooperation with the CVM and the Securities and Exchange Commission ("SEC")

The Vale is cooperating with the CVM and the SEC by providing documents and other information related to the Dam I rupture in connection with ongoing investigations by both agencies. These investigations relate to Vale's disclosure of relevant information to shareholders, investors and the market in general, especially regarding the conditions and management of Vale's dams. The CVM and SEC investigations may result in the application of fines and administrative penalties either through negotiated resolutions or court proceedings.

## Insurance and financial guarantees

### (i) Insurance

The Vale is negotiating with insurers the payment of indemnification under its operational risk and civil liability. However, these negotiations are still at a preliminary stage, therefore any payment of insurance proceeds will depend on the coverage definitions under these policies and assessment of the amount of loss. Due to uncertainties, no indemnification to the Vale was recognized in these financial statements.

### (ii) Financial guarantees

For the Brumadinho event, the Vale has financial guarantees in the amount of R\$5,843 million in December 31, 2020 (R\$5,626 million in December 31, 2019), which were presented in court and used to release the respective judicial deposit. The expenses related to these financial guarantees in the amounts of R\$38 million and R\$36 million were recorded as financial expense in the Vale's income statement for the year ended December 31, 2020 and 2019, respectively. With the Global Settlement, these guarantees will be released.

VALE is a publicly held company and, accordingly, it files its information with the CVM. Therefore, more information, as of December 31, 2020 and December 31, 2019, is available on [www.cvm.gov.br](http://www.cvm.gov.br).

**Notes to the Financial Information****MANAGEMENT BODIES****Board of Directors****President**

Luiz Carlos Trabuco Cappi

**Vice president**

Carlos Alberto Rodrigues Guilherme

**Members**

Denise Aguiar Alvarez

Milton Matsumoto

Alexandre Da Silva Glüher

Mauricio Machado de Minas

Fernando Jorge Buso Gomes

José Luiz Osório de Almeida Filho

**Fiscal Council**

Ariovaldo Pereira

João Carlos de Oliveira

João Batista de Moraes

Carlos Eduardo Teixeira Taveiros

Ricardo Reisen de Pinho

**Deputies**

Clayton Neves Xavier

Yara Piauilino

Nilvo Reinoldo Fries

Raphael Manhães Martins

**Executive Board****CEO**

Fernando Jorge Buso Gomes

**Director**

Johan Albino Ribeiro

**Cid de Oliveira Guimarães**

Accountant - CRC 1SP218369/O-0

## Other information that the Company Considers Relevant

**SHAREHOLDERS WITH MORE THAN 5% OF SHARES OF EACH KIND AND CLASS**

SHAREHOLDERS POSITION OF MORE THAN 5% OF THE SHARES OF EACH SPECIES AND CLASS OF THE COMPANY, UP TO THE INDIVIDUAL LEVEL						
Company: BRADESPAR SA						Position on 12/30/2020 (In [Units] Shares)
Shareholder	Common Shares		Preferred Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
Cidade de Deus - Cia. Cial de Participacoes	44,883,224	36.7379	301,410	0.1334	45,184,634	12.9828
Participações S.A.	30,388,376	24.8735	2,235,627	0.9898	32,624,003	9.3738
Fundação Bradesco	18,179,304	14.8802	-	-	18,179,304	5.2234
BlackRock, Inc. Funds	-	-	11,614,474	5.1423	11,614,474	3.3372
LPAR Geração Futuro Investment Fund	-	-	13,069,600	5.7865	13,069,600	3.7553
BTG Pactual	77,000	0.0630	15,910,250	7.0442	15,987,250	4.5936
Treasury Shares	-	-	-	-	-	-
Other Shareholders	28,643,545	23.4454	182,731,235	80.9037	211,374,780	60.7339
<b>Total</b>	<b>122,171,449</b>	<b>100.00</b>	<b>225,862,596</b>	<b>100.00</b>	<b>348,034,045</b>	<b>100.00</b>

DISTRIBUTION OF THE SOCIAL CAPITAL OF THE LEGAL ENTITY (SHAREHOLDER OF THE COMPANY), UP TO THE LEVEL OF THE INDIVIDUAL						
Denomination: CIDADE DE DEUS CIA. PARTICIPATION COMMERCIAL						Position on 12/30/2020 (In [Units] Shares)
Shareholder / Quotaholder	Common Shares		Preferred Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
Nova Cidade de Deus Particip. S.A.	3,758,724,093	47.9309	-	-	3,758,724,093	47.9309
Fundação Bradesco	2,779,096,922	35.4388	-	-	2,779,096,922	35.4388
Maria Ângela Aguiar	411,197,692	5.2436	-	-	411,197,692	5.2436
Others	892,940,817	11.3867	-	-	892,940,817	11.3867
<b>Total</b>	<b>7,841,959,524</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>7,841,959,524</b>	<b>100.00</b>

DISTRIBUTION OF THE SOCIAL CAPITAL OF THE LEGAL ENTITY (SHAREHOLDER OF THE COMPANY), UP TO THE LEVEL OF THE INDIVIDUAL						
NOVA CIDADE DE DEUS SHAREHOLDING S.A.						Position on 12/30/2020 (In [Units] Shares)
Shareholder / Quotaholder	Common Shares		Preferred Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
Fundação Bradesco	163,332,621	46.3016	373,794,914	100.00	537,127,535	73.9282
Participações S.A.	189,425,112	53.6984	-	-	189,425,112	26.0718
<b>Total</b>	<b>352,757,733</b>	<b>100.00</b>	<b>373,794,914</b>	<b>100.00</b>	<b>726,552,647</b>	<b>100.00</b>

DISTRIBUTION OF THE SOCIAL CAPITAL OF THE LEGAL ENTITY (SHAREHOLDER OF THE COMPANY), UP TO THE LEVEL OF THE INDIVIDUAL						
Title: NCF PARTICIPAÇÕES SA						Position on 12/30/2020 (In [Units] Shares)
Shareholder / Quotaholder	Common Shares		Preferred Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
Fundação Bradesco	423,598,233	25.1288	1,502,370,308	100.0000	1,925,968,541	60.4116
Cidade de Deus - Cia. Cial de Participacoes	1,259,587,222	74.7216	-	-	1,259,587,222	39.5093
Nova Cidade de Deus Particip. S.A.	2,521,897	0.1496	-	-	2,521,897	0.0791
<b>Total</b>	<b>1,685,707,352</b>	<b>100.00</b>	<b>1,502,370,308</b>	<b>100.00</b>	<b>3,188,077,660</b>	<b>100.00</b>

## Other information that the Company Considers Relevant

DISTRIBUTION OF THE SOCIAL CAPITAL OF THE LEGAL ENTITY (SHAREHOLDER OF THE COMPANY), UP TO THE LEVEL OF THE INDIVIDUAL						
Title: BBD PARTICIPAÇÕES SA					Position on 12/30/2020 (In [Units] Shares)	
Shareholder / Quotaholder	Common Shares		Preferred Shares		Total	
	Quantity	%	Quantity	%	Quantity	%
Participações Ltda	-	-	74,784,306	48.4210	74,784,306	24.1960
Treasury	57,484,924	37.1756	29,962,781	19.4001	87,447,705	28.2932
Luiz Carlos Trabuco Cappi	9,969,843	6.4475	182,419	0.1181	10,152,262	3.2847
Carlos Alberto Rodrigues Guilherme	9,650,402	6.2409	272,196	0.1762	9,922,598	3.2104
Milton Matsumoto	9,333,943	6.0363	272,148	0.1762	9,606,091	3.1080
João Aguiar Alvarez	7,787,806	5.0364	209,252	0.1355	7,997,058	2.5874
Denise Aguiar Alvarez	7,787,806	5.0364	209,242	0.1355	7,997,048	2.5874
Others	52,616,053	34.0269	48,553,789	31.4374	101,169,842	32.7329
<b>Total</b>	<b>154,630,777</b>	<b>100.00</b>	<b>154,446,133</b>	<b>100.00</b>	<b>309,076,910</b>	<b>100.00</b>

## POSITION OF CONTROLLING CONTROLLERS, ADMINISTRATORS AND SHARES

CONSOLIDATED SHAREHOLDING POSITION OF THE CONTROLLING SHAREHOLDERS AND DIRECTORS AND OUTSTANDING SHARES Position on 12/30/2020						
Shareholder	Number of Common Shares (In Units)	%	Number of preferred shares Units	%	Total Number of Shares (In Units)	%
<b>Controller</b>	95,125,912	77.8626	2,537,037	1.1233	97,662,949	28.0613
<b>Managers</b>						
Board of Directors	334,848	0.2741	1,076,406	0.4766	1,411,254	0.4055
Executive Board	-	-	-	-	-	-
<b>Supervisory Board</b>	-	-	-	-	-	-
<b>Treasury Shares</b>	-	-	-	-	-	-
<b>Other Shareholders</b>	26,710,689	21.8633	222,249,153	98.4002	248,959,842	71.5332
<b>Total</b>	<b>122,171,449</b>	<b>100.00</b>	<b>225,862,596</b>	<b>100.00</b>	<b>348,034,045</b>	<b>100.00</b>
<b>Outstanding Shares</b>	26,710,689	21.8633	222,249,153	98.4002	248,959,842	71.5332

CONSOLIDATED OWNERSHIP POSITION OF CONTROLLING SHAREHOLDERS, MANAGEMENT AND OUTSTANDING SHARES Position at 12/30/2019 (12 months ago)						
Shareholder	Number of Common Shares (In Units)	%	Number of Preferred Shares (In Units)	%	Total Number of Shares (In Units)	%
<b>Controller</b>	95,125,912	77.8626	2,537,037	1.1233	97,662,949	28.0613
<b>Managers</b>						
Board of Directors	465,120	0.3807	1,236,162	5.473	1,701,282	0.4888
Executive Board	-	-	-	-	-	-
<b>Supervisory Board</b>	-	-	-	-	-	-
<b>Treasury Shares</b>	-	-	-	-	-	-
<b>Other Shareholders</b>	26,580,417	21.7567	222,089,397	98.3294	248,669,814	71.4499
<b>Total</b>	<b>122,171,449</b>	<b>100.00</b>	<b>225,862,596</b>	<b>100.00</b>	<b>348,034,045</b>	<b>100.00</b>
<b>Outstanding Shares</b>	26,580,417	21.7567	222,089,397	98.3294	248,669,814	71.4499

## Unqualified Independent Auditor's Report

### Independent auditor's report

To the Board of Directors and Stockholders  
Bradespar S.A.

### Opinion

We have audited the accompanying parent company financial statements of Bradespar S.A. (the "Company"), which comprise the statement of financial position as at December 31, 2020 and the statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, as well as the accompanying consolidated financial statements of Bradespar S.A. and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at December 31, 2020 and the consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bradespar S.A. and of Bradespar S.A. and its subsidiaries as at December 31, 2020, and the financial performance and the cash flows for the year then ended, as well as the consolidated financial performance and the cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

### Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company and Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Our audit for the year ended December 31, 2020 was planned and performed considering that the operations of the Company and Consolidated operations did not present significant changes in relation to prior year. In this context, the Key Audit Matters, as well as our audit approach, have remained substantially in line with those of the previous year.

### Why it is a Key Audit Matter

#### Direct investment in Vale S.A. ("Vale")

As disclosed in notes 1 (b), 3 (h), 8 and 19, the Company holds equity investment in Vale, measured using the equity method, considering its significant influence.

The financial statements of Vale present critical accounting estimates related to operations that require a high level of judgment in order to measure and record events and determine accounting balances. These accounting estimates, which may significantly affect Vale's results and consequently the Company's results, involve the following main areas:

- Brumadinho's dam rupture:

On January 25, 2019, Dam I at the Córrego do Feijão mine, located in Brumadinho, Minas Gerais, Brazil failed. Vale incurred in expenses, as well as recorded related provisions. Such provisions involved critical judgments by Vale's management in determining the assumptions and bases used.

- Evaluation of the recoverable value of assets (impairment):

As part of the assessment of recoverable values, Vale determines an estimate of future cash flows for each cash-generating unit - CGU, considering different factors and internal and external assumptions.

- Provision for tax contingencies:

The determination of the amount of the provision and contingent liabilities depends on critical judgments by Vale's management regarding the term, probability of loss and estimated settlement amounts.

Due to the uncertainties inherent to these estimates and the relevance they have in the calculation of Vale's results and the consequent calculation of the equity income and determination of the investment balance in the Company's individual and consolidated financial statements, the matters above were considered as areas focus on our audit.

**How the matter was addressed in the audit**

Our audit procedures included, among others, tests on the calculation of the equity of the investment in Vale. In addition, the audit procedures in relation to critical accounting estimates included communication and instructions to the auditors of Vale in order to discuss the audit risks identified, the focus, scope and timing of the work. Thus, we analyzed the communications and reports received from Vale's auditors and discussed the procedures carried out and the results achieved.

Specifically in relation to critical accounting estimates, we considered:

- The work performed and the conclusions of the auditors, including their experts when applicable, regarding the assessment of the assumptions and methodology used by Vale's management; and
- Disclosures in Vale's individual and consolidated financial statements and corresponding disclosures in the Company's individual and consolidated financial statements.

We believe that the disclosures in the explanatory notes are consistent with the audit evidence obtained.

**Why it is a Key Audit Matter****Tax and civil contingencies**

As disclosed in notes 3 (i) and 10, the Company is party of tax and civil lawsuits arising from the normal course of its activities, with accounting impacts recognized according to the probability of loss.

The determination of the probability of loss, the measurement and disclosure of contingencies involves judgment by Management, which has the support of its internal and external legal advisors.

We consider this an area of audit focus, due to the relevance and level of judgment involved in determining the probability of loss and the measurement of each process.

**How the matter was addressed in the audit**

Our procedures considered, among others, the support of our specialists in reading and the understanding the relevant lawsuits. In addition, we performed inspection of documents of the main developments of the processes.

We compared the accounting balances with the supporting analytical reports, as well as confirmed with the external legal advisors the data of the corresponding lawsuits, including their assessment of the probability of loss.

We believe that the criteria adopted by Management to determine the provision for tax and civil contingencies, as well as the disclosures made are reasonable.

**Other matters****Statements of Value Added**

The parent company and consolidated Statements of Value Added for the year ended December 31, 2020, prepared under the responsibility of the Company's management and presented as supplementary information for IFRS purposes, were submitted to audit procedures performed in conjunction with the audit of the Company's financial statements. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, these Statements of Value Added have been properly prepared in all material respects, in accordance with the criteria established in the Technical Pronouncement, and are consistent with the parent company and consolidated financial statements taken as a whole.

**Audit of information corresponding to the year ended December 31, 2018**

The audit of the financial statements for the year ended December 31, 2018 was conducted by other independent auditors, who issued an unqualified audit report dated March 28, 2019, with an emphasis of matter paragraph related to a subsequent event resulting from the Brumadinho's dam failure, occurred in the facilities of the investee, Vale, on January 25, 2019.

**Other information accompanying the parent company and consolidated financial statements and the auditor's report**

The Company's management is responsible for the other information that comprises the Management Report.

Our opinion on the parent company and consolidated financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.

In connection with the audit of the parent company and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of management and those charged with governance for the parent company and consolidated financial statements**

Management is responsible for the preparation and fair presentation of the parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

### **Auditor's responsibilities for the audit of the parent company and consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the parent company and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, March 24, 2021  
PricewaterhouseCoopers  
Auditores Independentes  
CRC 2SP000160/O-5

Luís Carlos Matias Ramos  
Contador CRC 1SP171564/O-1

## Report of the Fiscal Council or Similar body

### FISCAL COUNCIL REPORT

The members of the Fiscal Council of Bradespar S.A., under their legal and statutory assignments, examined the Management's Report on the Company's performance and the Parent Company and Consolidated Financial Statements for the fiscal year ended on December 31, 2020, and given the Review Report prepared by PricewaterhouseCoopers Auditores Independentes on the aforementioned Financial Statements, presented without reservations, they issue the following opinion:

- 1) the above documents, examined according to the accounting practices adopted in Brazil and the current corporation law, were prepared and presented in compliance with the rules issued by the Brazilian Securities and Exchange Commission, duly reflecting the Company's equity and financial situation; and
- 2) these documents can be properly submitted to the assessment of the Company's shareholders at the next Annual Shareholders' Meeting.

São Paulo, SP, March 24, 2021

- Ariovaldo Pereira
- Carlos Eduardo Teixeira Taveiros
- João Batista de Moraes
- João Carlos de Oliveira
- Ricardo Reisen de Pinho

**Officers` Statement on the Financial Statementes****Declaration of the CEO and Investor Relations Officer**

I, Fernando Jorge Buso Gomes, hereby declare that:

1. based on my knowledge, the planning presented by the auditors and subsequent discussions on the audit results, I agree with the conclusions provided for in the Report prepared by PricewaterhouseCoopers Auditores Independentes, there being no disagreement; and
2. I reviewed BRADESPAR's Financial Statements for the period ended December 31, 2020 and, based on subsequent discussions, I agree that said Statements reflect fairly all material respects and the Company's financial position for the period presented.

São Paulo, SP, March 24, 2021.

Fernando Jorge Buso Gomes  
**CEO and Investor Relations Officer**

## Declaration of the Executive Officer

I, Johan Albino Ribeiro, hereby declare that:

1. based on my knowledge, the planning presented by the auditors and subsequent discussions on the audit results, I agree with the conclusions provided for in the Report prepared by PricewaterhouseCoopers Auditores Independentes, there being no disagreement; and
2. I reviewed BRADESPAR's Financial Statements for the period ended December 31, 2020 and, based on subsequent discussions, I agree that said Statements reflect fairly all material respects and the Company's financial position for the period presented.

São Paulo, SP, March 24, 2021.

Johan Albino Ribeiro  
**Executive Officer**