

Promoting sustainability means investing in the future

Fundo Vale combines environmental conservation and recovery with the development of social and biodiversity production chains as part of its strategy to build a major legacy for this and future generations



"In ten years, Vale Fund has contributed to the sustainable development of over 23 million hectares of protected areas. We helped to build a new reality by investing in business development and financial arrangements aimed at the preservation and recovery of the Amazon. And now, together with our partners, we are moving towards recognizing Brazil as a great power in the bioeconomy."

Hugo Barreto
Vale's Sustainability and Social Investment Director

Fundo Vale is now 10 years old, and it is a historic moment: while we witness the effects of the climate crisis and threats to the environment and the people living in the Amazon and other Brazilian biomes, knowledge, technologies and social demands are expanding a range of opportunities for sustainable development. In the last 10 years, Fundo Vale has allocated R\$135 million to more than 70 initiatives led by research institutions, government bodies, NGOs and startups, building a legacy

that combines environmental conservation and recovery with businesses that have social and environmental impacts, while protecting more than 23 million hectares of forest.

As we build a positive legacy, we believe in the new and see sustainability as the only possible way forward, convinced that transformation will be collective. Now, in order to promote a new, sustainable and inclusive economy, Fundo Vale's agenda is focused on building a model that allows the acceleration and sustainability of businesses with social and environmental impacts. To this end, in addition to conducting initiatives, it is necessary to unlock these entrepreneurs' access to financial resources and markets.

Our role is to contribute to an ecosystem that impacts the bioeconomy, providing capital, helping attract other investors and engaging strategic actors so that these businesses prosper. Fundo Vale is reinvesting its initial investment returns in new projects and businesses, generating a virtuous cycle. In practice, we are developing and strengthening high-impact financial instruments and seeking sustainable ways of capitalizing and enhancing projects to make autonomy, scale and impacts a reality.

“More than mobilizing financial resources, Fundo Vale's biggest capital is relationships. Our greatest legacy is these ties we have formed with local organizations. That is what supports our positive performance and keeps up moving ahead.”

Patrícia Daros
Director of Operations, Fundo Vale

Created and maintained by Vale as a private social investment vehicle, Fundo Vale began its activities in the Amazon in 2010, when illegal deforestation was experiencing a historic decline. The idea was to make the most of this good moment to catalyze development. In future, positive impacts will not be a mere intention but a precondition for business continuity.

By acting in an integrated way with the country's key social and environmental organizations, Fundo Vale believes it will only be possible to ensure regional environmental sustainability if we develop an economy that values intact forests and environmental recovery, offering alternative means of income generation. We will prove that it is possible to do things differently. Communities, traditional people and farmers can make a living from sustainable production.



Supporting innovative initiatives and engaging with partners

In the last 10 years, the resources invested by Fundo Vale have turned into projects with direct positive impacts on people's lives and on regions, including pioneering initiatives such as the promotion of more sustainable livestock farming in the Amazon; agroforestry production chains and systems; responsible forest management in conservation areas, extractive reserves and indigenous lands; and the acceleration of community-based, technological businesses with social and environmental impacts.



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10 YEARS RESULTS

- **R\$135 million** invested in 10 years
- **More than 70 projects** supported
- **33 project partners**
- **60 municipalities**
- **16 meetings with partners**
- **4 thematic forums**
- **23 million hectares** of protected areas supported



PPA (Partnerships for the Amazon Platform) Acceleration Program, in partnership with Usaid, Idesam and Instituto Humanize

New challenges: Bioeconomy and high-impact business ecosystem

In the last three years, we have experimented with new operating formats and encouraged initiatives such as the Partners for the Amazon Platform Acceleration Program; the Conexsus Challenge, to strengthen the sustainable forestry and rural business ecosystem; and the Social and Biodiversity Product Logistics and Marketing Challenge, in partnership with Climate Ventures, to look for innovative solutions to overcome logistical and commercial obstacles.

In 2019, Vale made the voluntary commitment to protect and regenerate 500,000 hectares outside its sites, through a strategy combining forest restoration and conservation with a low-carbon economy. As part of this goal, Fundo Vale is promoting and investing in high-impact social and environmental businesses, focusing on

Partnership with Conexsus, by strengthening the sustainable community businesses



Agroforestry systems to recover 100 thousand hectares by 2030, partnership with RNV (Vale Natural Reserve)



agroforestry system models, which offer positive impacts related to land use and an attractive balance between risk, return, and social and environmental benefits. The goal is to restore at least 100,000 hectares of habitat by 2030. In addition, Vale Fund is conducting a study on alternative payments for environmental services to identify the best strategy to reach the 400,000 complementary hectares of forest protection.

Financing sustainability means financing the future. That is Fundo Vale's long-term commitment.



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Learn more about the company's positioning.

#TBTFundovale 10 Years of Activities

Starting next week, you will learn a little more about Fundo Vale's track record in the last 10 years. We will present pioneering initiatives in terms of conservation and the development of sustainable production models and businesses, demonstrating how our mission has been put into practice.

November 26 - Green Municipalities of the Amazon

December 03 - Sustainable Cattle Farming in the Amazon

December 10 - Promoting Forest Products and Restoring Forests

December 17 - Bioeconomy and High-Impact Businesses

December 23 - Sustainable Community Businesses