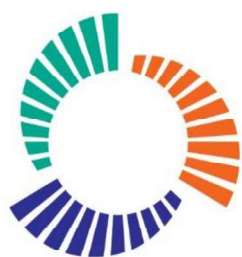




(A free translation of the original in Portuguese)

**MANAGEMENT REPORT, INDEPENDENT AUDITORS' REPORT AND
FINANCIAL STATEMENTS**

As of December 31, 2022



FUNDAÇÃO
renova

www.pwc.com.br

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Fundação Renova
Financial statements
at December 31, 2022
and independent auditor's report





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Independent auditor's report

To the Board of Trustees and the Management
Fundação Renova

Opinion

We have audited the accompanying financial statements of Fundação Renova (the "Entity"), which comprise the balance sheet as at December 31, 2022 and the statements of surplus (deficit), comprehensive income, changes in 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 Fundação Renova as at December 31, 2022, and its financial performance and cash flows for the year then ended, in accordance with accounting practices adopted in Brazil.

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 Financial Statements section of our report. We are independent of the Entity 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.

Material uncertainty related to going concern

Legal request for intervention in the Foundation and for its extinction

We draw attention to Notes 1.1 and 24 to the financial statements, detailing a lawsuit in progress, filed by the Public Prosecutor's Office, seeking to intervene in the Foundation and require its extinction. This, along with other matters as described in Notes 1.1 and 24, raises a significant doubt about the ability of the Foundation to continue as a going concern. Our opinion is not qualified in respect of this matter.

Other information accompanying the financial statements and the audit report

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

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



Fundação Renova

In connection with the audit of the financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting practices adopted in Brazil 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 financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 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 Entity's internal control.
- 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 Entity's ability 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 financial statements or, if such disclosures are inadequate, to modify our



Fundação Renova

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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Belo Horizonte, April 26, 2023

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/O-5

Guilherme Campos e Silva
Contador CRC 1SP218254/O-1

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Message from Management

The Renova Foundation (“Renova”) is the organization responsible for carrying out the remediation and compensation measures in response to the damage caused by the collapse of the Fundão dam in Mariana (MG), over seven years ago, in November 2015. The Foundation is an independent, non-profit organization, whose scope of activities consists of 42 programs being implemented in the 39 affected municipalities in the states of Minas Gerais and Espírito Santo.

Renova was organized and is regulated by the Transaction and Conduct Adjustment Agreement (“TTAC”), signed in March 2016, by and between Samarco Mineração S.A., Vale S.A. and BHP Billiton Brasil Ltda., federal, state and municipal governments, in addition to several other government and civil society organizations.

The environmental and social remediation of the damage caused by the failure requires interventions which are complex and groundbreaking on a world-wide basis. Renova is carrying out these actions with the collaboration of thousands of people and implementing partnerships with teaching and research institutions as well as socio-environmental entities in Brazil and abroad - today there are over 25 universities and 40 non-governmental organizations and partnering institutions involved.

Governance

Due to its role in carrying out programs to remediate and compensate for the damage caused by the Fundão dam failure, the Renova Foundation tends to receive a great deal of public scrutiny.

Despite recognizing the legitimacy of the criticisms and demands of the various actors involved in remediation, and having sought an open and constructive dialogue from the beginning, the Renova Foundation is convinced that its work on the most diverse fronts remains essential. This firm belief has granted it the flexibility and self-critique necessary to address the challenges, without deviating from its purpose.

During all these years, the organization has been operating in a fair and balanced way, producing and accumulating knowledge about the problems and solutions for remediation. Our work in the territory has brought greater awareness of the adversities and opportunities at the municipal level, while at the same time realizing that environmental degradation affects the most vulnerable social groups hardest.

In this context, Renova is confident that it plays a relevant role in the formulation of program policies and in decision-making on how best to perform them. Cognitive dimensions, values and perceptions as to the problem can vary enormously between the sectors and actors involved, implying costly and time-consuming negotiation and decision processes – which makes the elaboration and implementation of actions more complex. It is possible to see clear progress in several areas, especially in those where policies are well established.

The Renova Foundation's experience provides it with a long-term view for certain public policies and a broad understanding of policies in other sectors – this allows it to develop a comprehensive perspective of the problems faced by local governments and the damage directly caused by the failure of the Fundão dam.

Scope of the Programs

The 42 programs carried out by Renova are divided into three thematic axes (People and Communities, Land and Water, Reconstruction and Infrastructure), which represent the main focuses of each front in the process of recovery from the impacts caused by the failure of the Fundão dam.

People and Communities Axis

Activities:

- Identification and indemnification
- Education and culture
- Health and well-being
- Traditional and indigenous communities
- Fostering economic activity
- Engagement and dialogue

Related programs: To survey and register the affected population, compensation and indemnification of the affected population; protection and recovery of the quality of life of indigenous peoples; protection and recovery of the quality of life of other traditional peoples and communities; social protection; communication and social participation, participation, dialogue and social control; school recovery and reintegration of the school community; historical, cultural and artistic memory; tourism, culture, sports and recreation; support to the physical and mental health of the impacted population; promotion of innovation; resumption of water based and fishing activities; economic development and diversification; micro and small business recovery; stimulus to local hiring; emergency financial aid; environmental education; information for the population; national and international communication; reimbursement of extraordinary public authority expenditures.

Land and Water Axis

Activities:

- Land use
- Water management
- Tailings management
- Biodiversity
- Assistance to animals

Related programs: To provide animal welfare; recovery of the Risoleta Neves HPP Candonga dam; resumption of agricultural and livestock animal husbandry; recovery of Environmental Area 1; promotion of Rural Environmental Registration ("CAR") and Environmental Regularization Program ("PRA"); tailings management; rehabilitation of Permanent Preservation Areas; recovery of natural springs; conservation of biodiversity; wildlife

recovery: land fauna and flora; preparedness for environmental emergencies; monitoring of the Doce River Watershed and Conservation units

Reconstruction and Infrastructure Axis

Activities:

- Resettlement
- Tailings containment
- Water and effluent treatment
- Urban infrastructure and access

Related programs: To reconstruct towns; recovery of other affected communities and infrastructure; installation of tailings containment systems and in situ treatment of affected rivers; collection and treatment of sewage and disposal of solid waste; improvement of water supply systems; environmental risk management.

Main deliveries in the year of 2022

People and Communities

- **Indemnities and financial aid** - Until December 2022, Renova had paid over BRL 13.57 billion in indemnities, including water damage (BRL 305.2 million) and general damage (BRL 10.98 billion), in addition to financial aid (BRL 2.28 billion) for approximately 409.4 thousand beneficiaries in Minas Gerais and Espírito Santo. Indemnities paid reached BRL 4.80 billion in 2022 alone.

The advance was achieved due to the implementation of the Simplified Indemnity System based on a court decision, allowing monetary compensations to gain new momentum, with the payment of often informal categories. The largest disbursement made by the System was made in June 2022, with the payment of almost BRL 1.0 billion to those affected. Since it was implemented, BRL9.08 billion have been paid to over 74.9 thousand people through the System.

Additionally, with particular attention to indigenous peoples, during 2022, financial aid was paid to 1,349 families in the Tupiniquim - Guarani Indigenous Land (BRL 42.1 million), 293 families in the Comboios Indigenous Land (BRL 16 .2 million) and 137 families in the Indigenous Land of Resplendor (BRL 17.9 million). The amounts totaling BRL 76.2 million were paid in full in 2021 in accordance with the commitments assumed by the Renova Foundation for this public. In all, by December 2022, BRL 353.1 million in financial aid was transferred to indigenous peoples.

With regard to traditional peoples, payments of financial aid to those affected in the Quilombola Communities of Degredo, Santa Cruz do Escalvado and Rio Doce began to be made together with compensation for the general public, as of January 2022. Before this change, BRL 45.8 million in financial aid was passed on in the program that addresses this public in particular.

- **Financing funds** – In Brazil, currently, 72% of formal jobs are generated by micro, small and medium-sized enterprises (“MSMEs”), which are also responsible for 33% of the

national Gross Domestic Product (“GDP”). For a small business, credit is a crucial factor, whether at the beginning of its existence, to launch its operations, or to finance the development of the project – the strengthening of small businesses is fundamental for the economic recovery of the municipalities. This promotes the fostering of actions for the formalization and maintenance of these businesses through local credit or microcredit programs.

As the pandemic came to its end, Renova made available interest rates and terms of its credit products offered in partnership with the Development Bank of Minas Gerais (“BDMG”) and the Development Bank of Espírito Santo (“Bandes”) which are even more flexible.

Since its creation, in October 2017, the Desenvolvimento Rio Doce Fund, which fosters the local economy, has lent BRL 101.5 million for working capital financing for micro, small and medium-sized companies, of which BRL 40.7 million in 2022 alone, an increase of 359% compared to the previous year, when BRL 8.9 million was released.

Concurrently, the Compete Rio Doce Fund, in operation since February 2019, assists companies not eligible for Desenvolve Rio Doce, having provided BRL 7.2 million throughout its period of operation.

In all, both funds registered 2,684 credit operations, in the total amount of BRL 108.7 million. The available products offer competitive interest rates, below the market average and extended terms. The credit facilities can be used for working capital and other modalities, including investment. The disbursements made by the Rio Doce Development Fund contributed to the maintenance of over 11.2 thousand jobs in Minas Gerais and Espírito Santo.

In 2022, Renova also began implementing community banks in five locations in the municipalities of Linhares (ES), Dionísio (MG), Itueta (MG) and Belo Oriente (MG). The banks are managed by the communities themselves, in a democratic and participatory manner, including the definition of the credit policy, which establishes the lines, conditions and deadlines for access to the fund, in the form of solidarity microcredit.

- **Professional qualification** - The offer of face-to-face professional qualification courses was interrupted during the Covid-19 pandemic in early 2020 and resumed in 2022. In 2021, 179 classes were offered with professional qualification courses in the most diverse areas such as information technology, cutting and sewing, carpentry, industrial painting and scaffolding assembly. In all, since the beginning of face-to-face professional qualification training, 310 classes have been offered with a total of 9,220 vacancies and 5,965 students graduated by December 2022. The municipalities contemplated with on-site professional qualification courses so far were Aimorés, Barra Longa, Belo Oriente (Cachoeira Escura), Governador Valadares, Ipatinga, Itueta, Mariana, Periquito (Settlement Liberdade and Pedra Corrida), Resplendor and Sem Peixe, in Minas Gerais and Baixo Guandu, Colatina and Linhares (Degredo, Povoação and Regência) in Espírito Santo. Renova Foundation will maintain the offer of face-to-face professional qualification courses until the end of 2024.

Land and Water

- Conservation Units - Studies for the Assessment of Environmental Impacts are being carried out in Conservation Units (“UCs”) potentially impacted and will provide contributions for the necessary remediation and mitigation actions. Of the BRL93.0 million in compensatory funds that will be transferred by the Renova Foundation to the Rio Doce State Park (PERD), considered the largest tropical forest in Minas Gerais, BRL25.5 million have already been deposited (in 2021, only BRL 18.0 million had been transferred).

Renova will also finance actions for the consolidation of the Wildlife Refuge in Santa Cruz (ES), in addition to the construction of the headquarters, preparation and execution of the Management Plan for the new environmental protection area at the mouth of the Rio Doce (ES), which will still be created by the government.

- **Forest Restoration** - The Renova Foundation is restoring springs, Permanent Preservation Areas (“PPAs”) and water recharges in the Doce river basin, actions that contribute in an integrated manner to water quality.

Forest restoration activities have so far reached around 11,600 hectares of “PPAs” and water recharge areas in Minas Gerais and Espírito Santo - the goal is to reach 40,000 hectares of restored “PPAs”. At the same time, around 1,710 springs are in the process of rehabilitation (in 2021, 1,137 springs were reported). The goal is to reach up to 5,000 springs in the coming years.

- **Payment for Environmental Services** - Farmers who undertake to rehabilitate areas owned by them, especially springs and water sources are being financially rewarded by Renova Foundation. The Payment for Environmental Services (PSA) aims to generate income for providers of environmental services and support a shift from extractive to preservationist culture in the rural environment. Membership is voluntary and Renova Foundation is responsible for carrying out and supporting environmental restoration on the properties, providing inputs and labor. The rural producer, to be remunerated, will be responsible for maintaining the areas for a period of five years. By December 2022, over BRL 1.0 million were paid to rural producers in the Doce river basin.

Reconstruction and Infrastructure

- **Sanitation** - A fundamental action for the revitalization of the Doce River is the compensatory measure that provides for the allocation, by Renova, of funds to the impacted municipalities for projects to improve the collection and treatment of sewage and adequate disposal of urban solid waste. According to the Rio Doce River Basin Committee (“CBH-Doce”), 80% of all the sewage generated by the municipalities affected by the Fundão collapse does not undergo treatment and is dumped directly into the river.

During 2022, the sewage collection and treatment and solid waste disposal program transferred BRL 21.9 million to sanitation actions in several municipalities and consortiums along the Doce river basin. Sanitary sewage systems were completed in São José do Goiabal, Sem Peixe and Rio Casca, in Minas Gerais, and in Colatina and Linhares, in Espírito Santo. In all, BRL 60.3 million have already been transferred.

At the same time, city halls have technical assistance and training workshops for the development of projects and monitoring of works. In 2022 alone, 1,028 visits and technical support meetings were carried out to the municipalities and consortia.

- **Resettlement** - The mission of resettlements is to restructure the ways of life of communities that lost their homes following the flow of tailings after the Fundão dam collapse – the districts of Bento Rodrigues and Paracatu de Baixo, in Mariana; Gesteira, in Barra Longa; and the rural communities of the respective municipalities. Around 550 families actively participate in the process, which will not stop with the delivery of the houses. After completion of the resettlements, comprehensive monitoring of the social programs in the locations will be carried out for up to 36 months.

By December 2022, BRL3.39 billion had been invested in the construction of resettlements. The amount represents 12% of the total invested in programs by the Renova Foundation (BRL 28.07 billion).

The entire infrastructure for Bento Rodrigues and Paracatu de Baixo, including roads, electricity, water and sewage networks in the streets, is completed.

Currently, the families of Bento Rodrigues participate in cultural activities in the place where they will live and begin their resettlement. Health and Service Centers, Municipal School, Sewage Treatment Station, Water Treatment Station, Praça São Bento, Praça do Encontro and the *Assembleia de Deus* temple are ready. In 2022, work began on the Igreja São Bento, Igreja das Mercês and the Hortifrutigranjeiros Association of Bento Rodrigues (“AHOBERO”). Construction of another eight collective assets - Cemetery, Parish Hall, Archaeological Site, Community Park, Linear Park, Community Association, Sports Court and Soccer Field is expected in 2023.

107 houses, 11 mixed buildings (which house a residence and business in the same property), 3 businesses and 14 vacant lots are completed and ready to be delivered. Another 29 houses, 2 mixed buildings, 2 shops and 5 lots were started to be completed in 2023. In total, 184 houses, 16 mixed buildings, 7 shops, 18 collective facilities and 32 lots are planned. By December 2022, the investment in Bento Rodrigues reached the value of BRL 1.75 billion.

Paracatu de Baixo is starting to reflect that planned by the families that participated in its undertaking - 15 houses, a mixed building and a commercial area are under construction, in addition to a Kindergarten, Elementary School, Health Center, Community Hall, Service Center, Praça Santo Antônio, Casa São Vicente, Santo Antônio Church, Cemetery and Sewage Treatment Station (“STS”) and Water Treatment Station (“WTS”). In addition, 2 houses and 1 collective asset (Archaeological Site) are being mobilized, totaling 11 of the 13 collective assets scheduled for delivery in 2023. The other 2 collective properties (Field and Court) have not yet been started. Due to the advances made in the completion of the houses, the forecast for the beginning of the changes is from April 2023. So far, approximately BRL 886.7 million have been invested in Paracatu de Baixo.

Since November 2019, the collective resettlement unit of Gesteira has been dealt with in the Public Civil Action (“ACP”) that is being processed by the 12th Federal Civil/Agrarian Court of Minas Gerais (currently the 4th Federal Civil and Agrarian Court of the Judiciary

Subsection of Belo Horizonte). In order to start the execution of the works, Renova Foundation awaits judicial ratification of the conceptual design that is still under discussion in the judicial scope.

Of the 37 families originally served by the Gesteira resettlement, 6 families are still waiting for an outcome. The other 31 families had their agreements approved, and 24 of them have already received the keys and regularized documentation for their homes (certificates, deeds, etc.) in the form of family resettlement. The modality of family resettlement and reconstruction currently includes 118 families. All family resettlement agreements (105 families) and reconstruction agreements (13 families) were judicially ratified within the scope of the ACP. In all, 93 properties were acquired, 34 properties to renovate, 49 properties to build and 10 structured lots. In addition, 13 families opted for housing in rural areas. In this modality, 15 houses were completed and 1 house is awaiting cash payment acceptance. In all, for the resettlement of Gesteira and the other modalities of family resettlement and reconstruction, BRL 477.2 million were spent until December 2022.

Non-financial data is subject to greater inherent limitations than financial data, given the nature and diversity of methods used to determine, calculate or estimate such data. Qualitative interpretations of data materiality, relevance and accuracy are subject to individual assumptions and judgments.

For more information on the evolution of the Renova Foundation programs, access www.fundacaorenova.org.

Strategy and allocation of funds

The strategy and allocation of funds followed the allocation commitment for the 2022 financial year. Below, we present the values of budget execution of the "TTAC" programs by the Renova Foundation and the amount realized by Samarco.

The "TTAC" establishes that sponsors make annual contributions to build the necessary assets for the Renova Foundation to carry out its programs. Annual contributions are defined for the purpose of funding programs of two different natures:

- I. **Compensation programs:** have a determined total value of BRL 4.10 billion and involve two fronts. The first one is the financing of the program for Sewage Collection and Treatment and Disposal of Solid Waste ("PG 31"), totaling BRL 500.0 million. The second one, with a total of BRL 3.60 billion, distributed in annual installments of BRL 240.0 million, for 15 years, starting in 2016, is intended for different initiatives of a compensatory nature, such as the recovery of springs and permanent preservation areas and water recharge. Funds are adjusted over time by the IPCA, or another index that may replace it, in compliance with clause 257.
- II. **Remediation programs:** there is no ceiling, that is, the necessary actions must be implemented without restricts to established amounts. Actions and measures aimed at mitigating, remediating and/or compensating socio-environmental and socio-economic impacts directly derived from the failure of the Fundão dam are considered of a remediation nature.

Allocation of funds

BRL 8,466.5 million were invested in “TTAC” programs in 2022, of which BRL 8,144.0 million by Renova Foundation and BRL 322.5 million by Samarco.



Chart 1: Monthly economic performance - BRL million



Chart 2: Economic performance of programs in 2022 – BRL million

The economic performance of the programs by 2022 totaled BRL 28,070.2 million, of which BRL 25,712.3 million by Renova Foundation and BRL 2,357.9 million by Samarco.



Chart 3: Annual and accumulated economic flow - BRL million

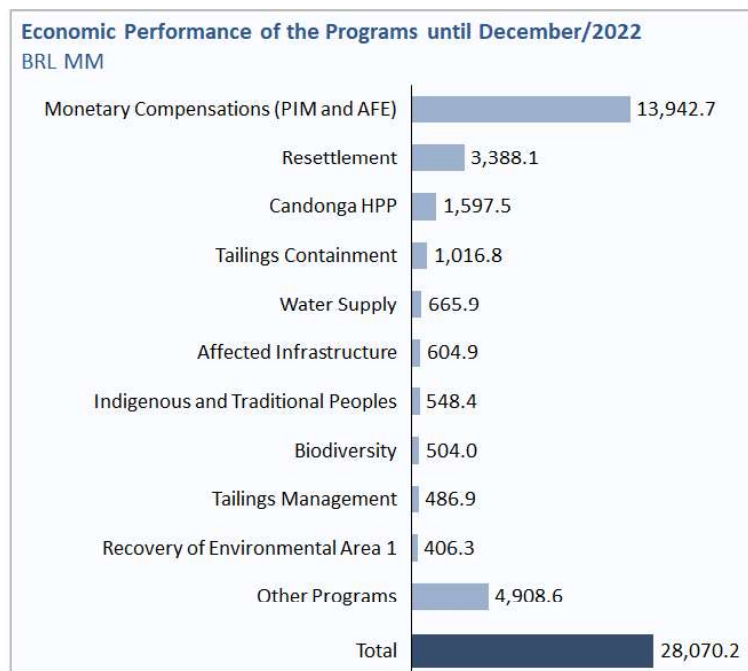


Chart 4: Economic performance of programs (accumulated) - BRL million

Source of funds: contributions from the sponsors

In order to fulfill its obligations for 2022, BRL 8,097.9 million were invested in Renova Foundation in 2022, by the sponsors Samarco, Vale S.A. and BHP Billiton Brasil Ltda, as shown below:

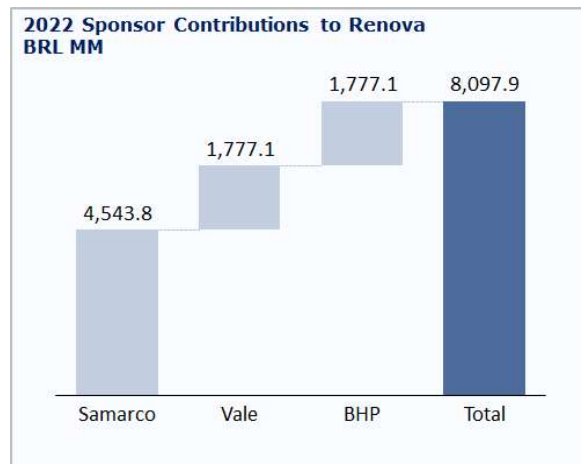


Chart 5: Contributions to the Renova Foundation 2022 – BRL million

In addition to the BRL 8,097.9 million contribution to Renova, BRL 322.5 million were paid by Samarco for program activities in which it participated in 2022 to comply with the “TTAC” programs.

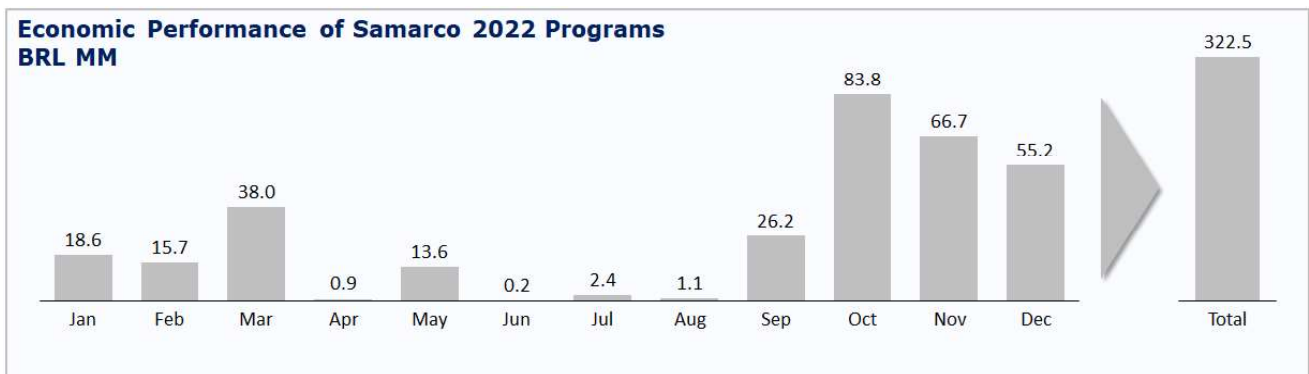


Chart 6: Economic performance of Samarco 2022 – BRL million

These amounts are considered in the annual contributions and, added to the investments in Renova, come to BRL 8,420.4 million in investments in 2022.

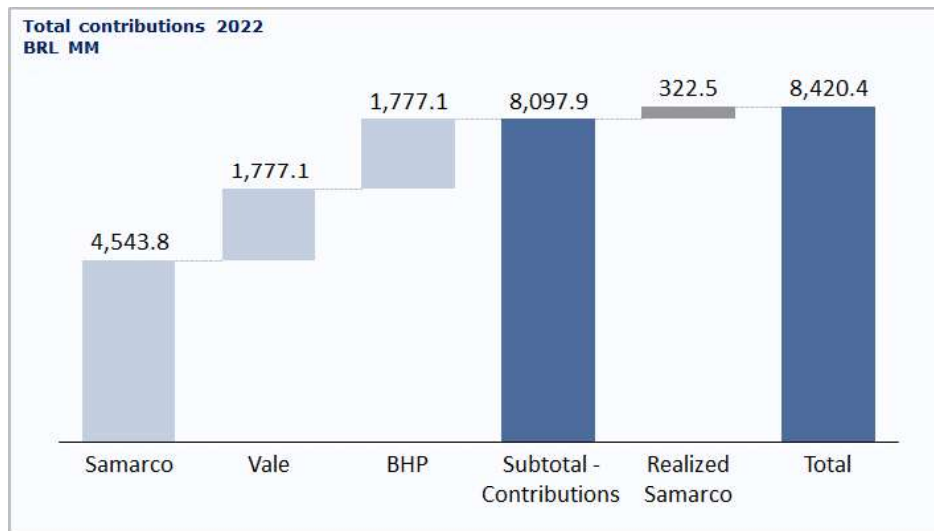


Chart 7: Total contributions 2022 - BRL million

Contributions for compensatory programs

In compliance with "clause 232, Fundação Renova will allocate R\$ 240.0 million, for a period of 15 years, starting in 2016, for the execution of projects of a nature and compensatory measures within the scope of the programs, duly corrected by the IPCA". In 2022, this correction was R\$ 97.5 million, totaling R\$ 337.5 million, already considered in the total amount contributed of R\$ 8,097.9 million, carried out by the sponsoring companies in the Renova Foundation.

Transfer of the total allocation for 2022

For the consolidation of the 2022 contributions, the funds transferred by the sponsors through deposits to the Renova Foundation and the amounts recorded by the sponsor Samarco were considered, for the purpose of complying with "TTAC" program actions, duly audited. Below as a breakdown of the allocation of the amounts contributed by the sponsors, and the amounts invested by Samarco in programs, totaling BRL 8,420.4 million.

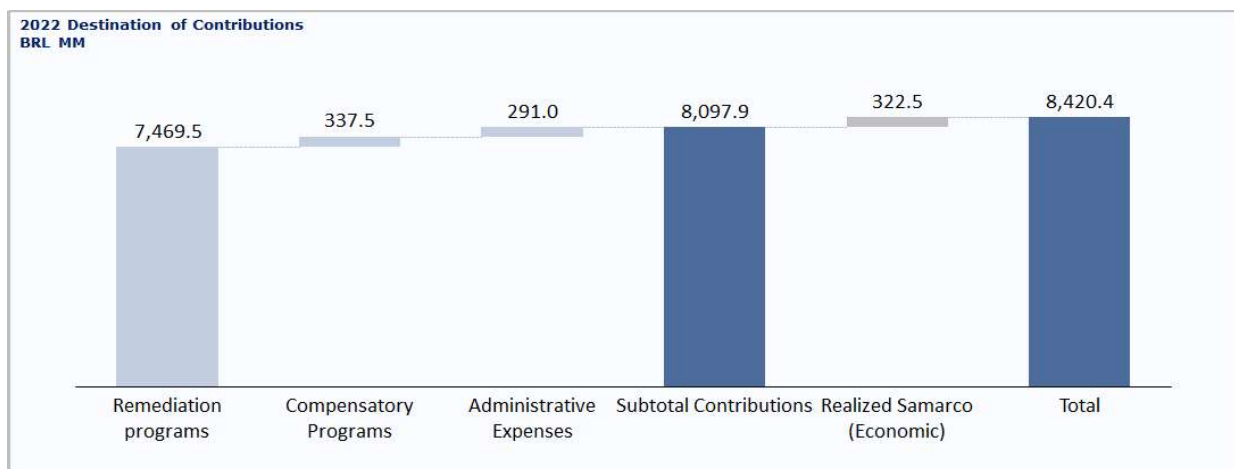


Chart 8: Allocation of contributions in 2022 - BRL million

Accumulated contributions made directly to Renova Foundation totaled BRL 27,108.2 million, which, added to the amounts disbursed by Samarco to fund the programs total BRL 29,466.2 million.

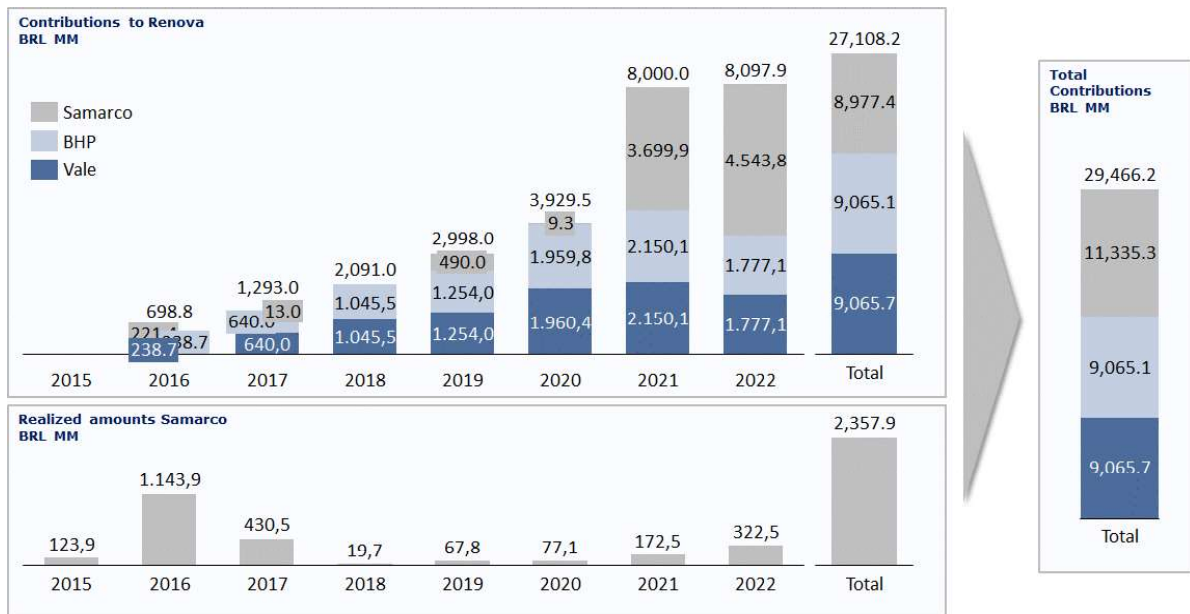


Chart 9: accumulated contributions - BRL million

Additionally, amounts held in escrow by ACP 0400.15.004335-6 ("ACP Mariana") are part of the contributions to Renova, pursuant to item II of clause 227 of the "TTAC". Of the initial amount of BRL 300 million, BRL 73.4 million were released by December 2022, leaving a restricted balance of BRL 303.0 million. Considering this last amount of BRL 303.0 million, which is destined to the execution of the programs, the accumulated contributions totaled BRL 29,769.2 million.

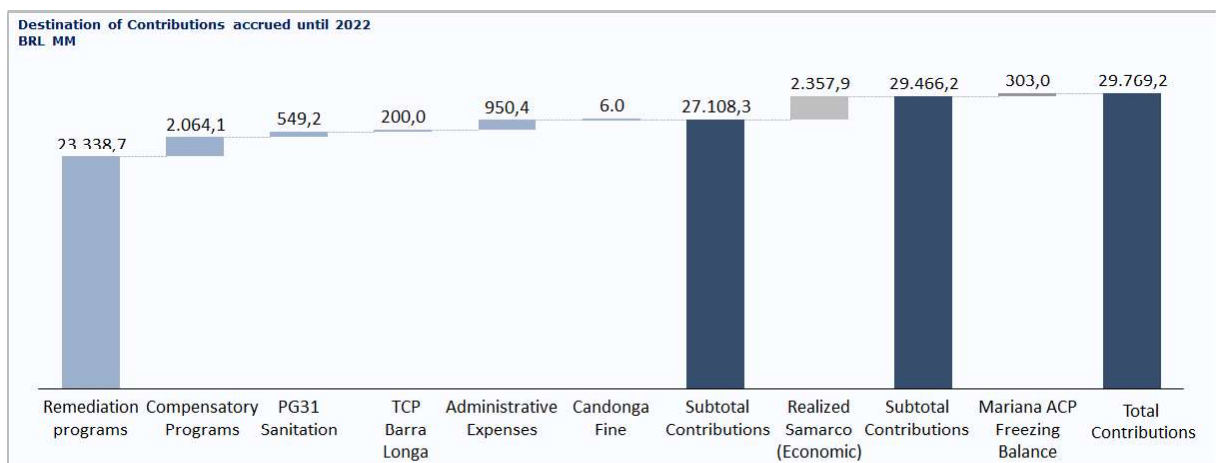


Chart 10: Allocation of contributions (accrued) - BRL million

Cash position

The total resources in Renova's cash at the end of December 2022 was BRL 1,031.5 million, of which BRL 659.0 million refer to funds for PG31 - Sanitation, according to clause 169 of "TTAC" and the remainder allocated to other obligations of the organization for programs, mainly indemnities with accepted proposals and in judicial ratification, and administrative expenses.



Chart 11: Cash statement in Dec/2022 - BRL million

Management expenses

All expenses related to the cost of Renova's corporate structure are treated as management expenses. The total amount in 2022 was BRL 396.7 million, of which 59% (BRL 233.2 million) were allocated to final expenses - a structure directly focused on the performance of programs, and the remainder (BRL 163.5 million), administrative expenses of the support areas, except provisions and taxes recorded directly in the expense accounts.

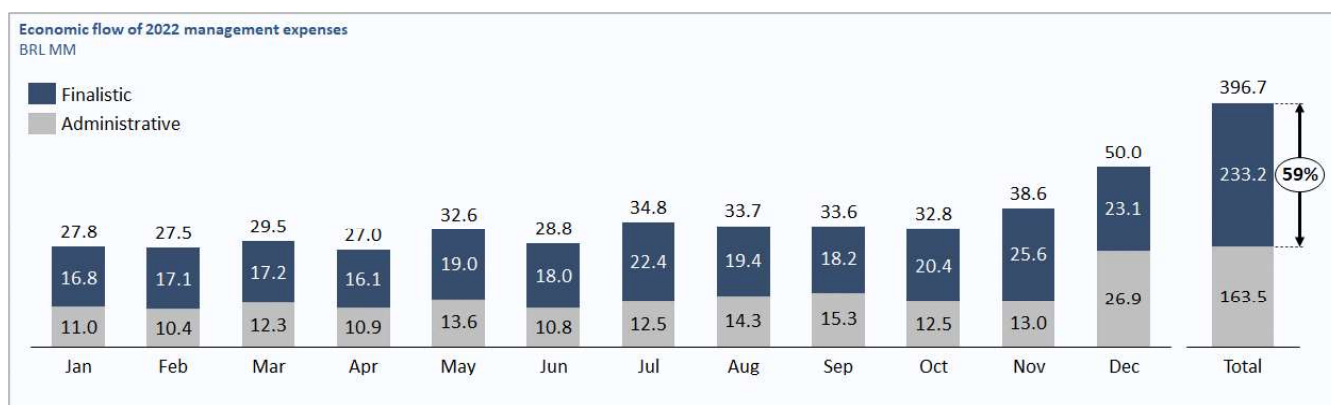


Chart 12: Economic flow of management expenses 2022 - BRL million

Governance system costs

In addition to expenses for carrying out program actions and administrative expenses, Renova is responsible for funding the meetings and travel expenses of the Interfederative

Committee (“CIF”) governance members, as well as those affected, in compliance with the provisions of the TAC Governança. The amount realized with the cost of the governance system in 2022 was BRL 87.4 million.

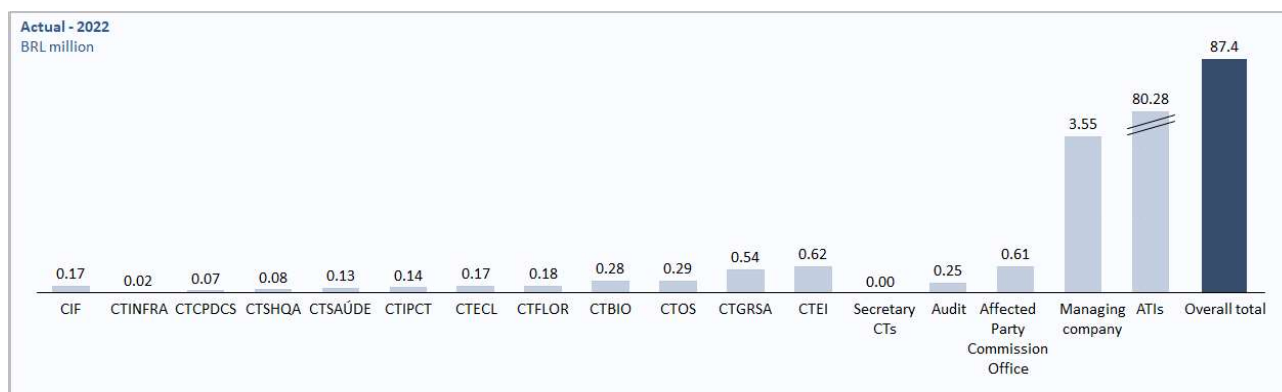


Chart 13: Costs incurred in the 2022 Governance system - BRL million

The cost of the governance system started in August 2018, and the amounts realized since that period totaled BRL 102.6 million.

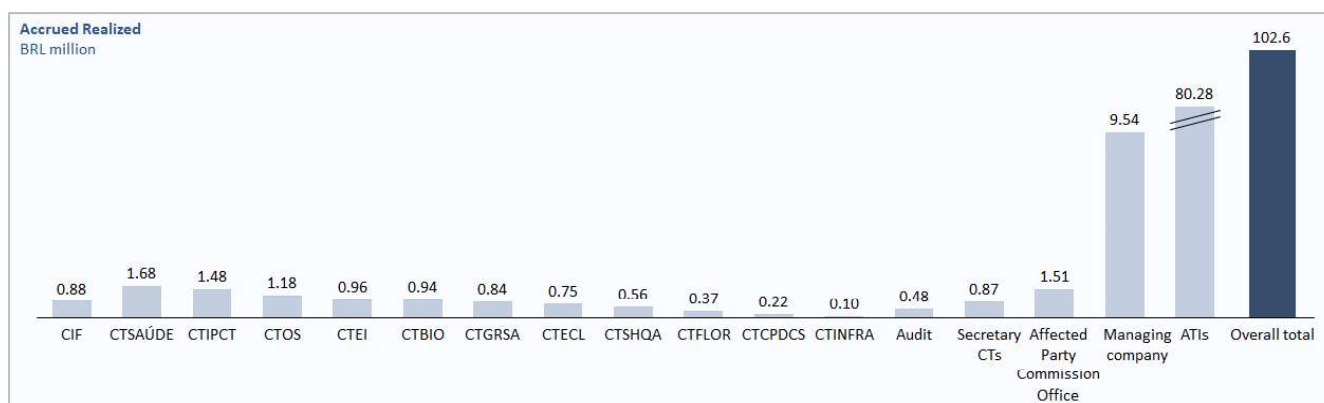


Chart 14: Costs incurred in the governance system (accrued) - BRL million

Direct economic value generated and distributed

The remediation currently generates over 9,400 direct and indirect jobs. Of the total number of posts generated, 55% are occupied by professionals from the affected municipalities themselves.

By December 2022, the value of the contracts signed with local suppliers throughout the Renova Foundation's area of operation was BRL 1.84 billion, which corresponds to 55% of all contracts signed by the organization. The stimulus to local procurement creates conditions to give preference to local suppliers and service providers, in order to boost the economy of the affected municipalities and increase municipal tax revenue.

Operations carried out by Renova Foundation in 2022 generated BRL 375.6 million in municipal and federal taxes, BRL 47.5 million over the previous year, when BRL 328.1 million were generated.

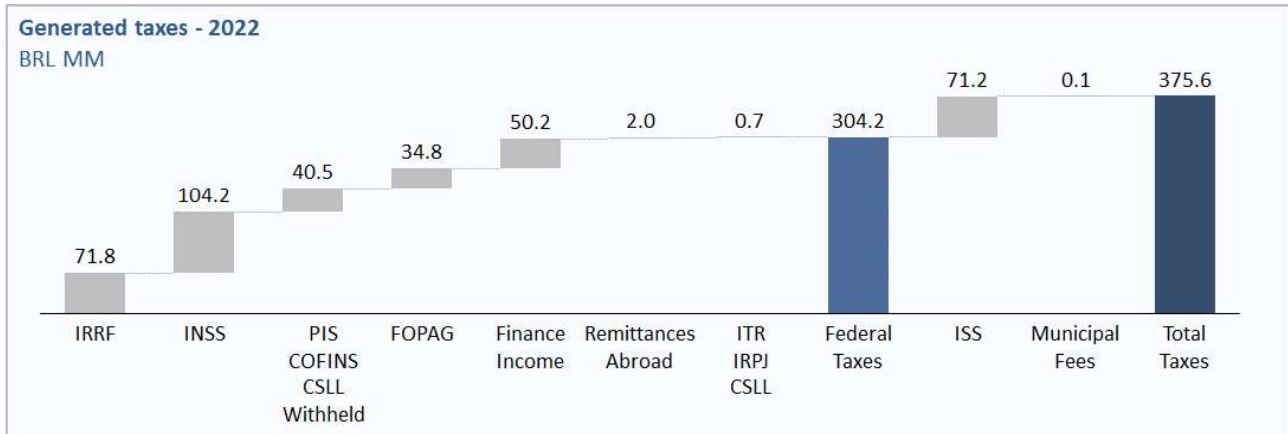


Chart 15: Taxes generated in 2022 - BRL million

For the period between 2016 and 2022, the tax burden calculated was BRL 301.7 million for direct taxes. In addition to direct taxes, the operations carried out by the organization generated BRL 1,061.9 million in municipal and federal indirect taxes withheld since the beginning of its operations. The total amount calculated up to December 2022 was BRL 1,363.6 million.

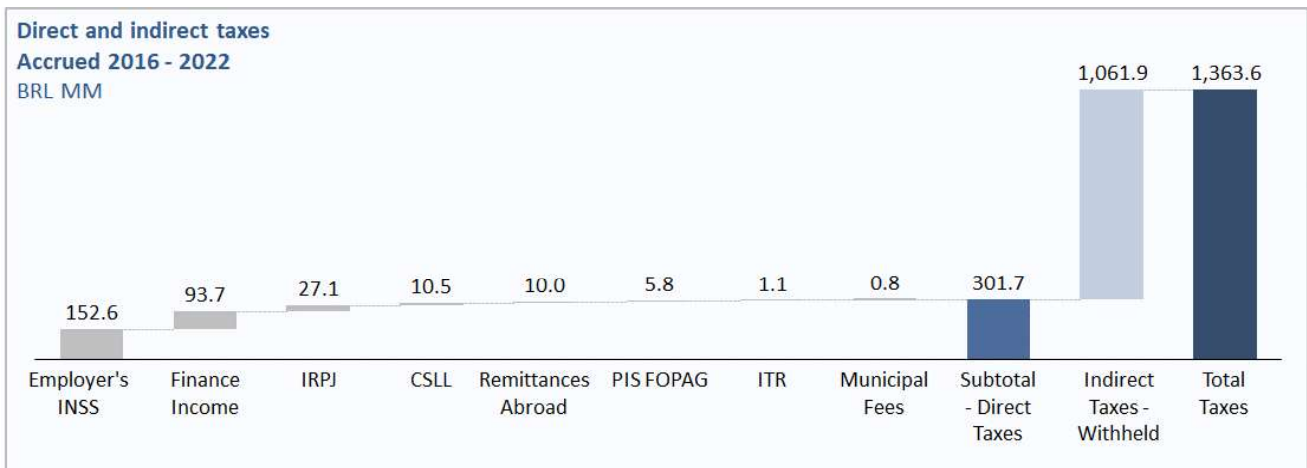


Chart 16: Direct and indirect taxes (accrued) - BRL million

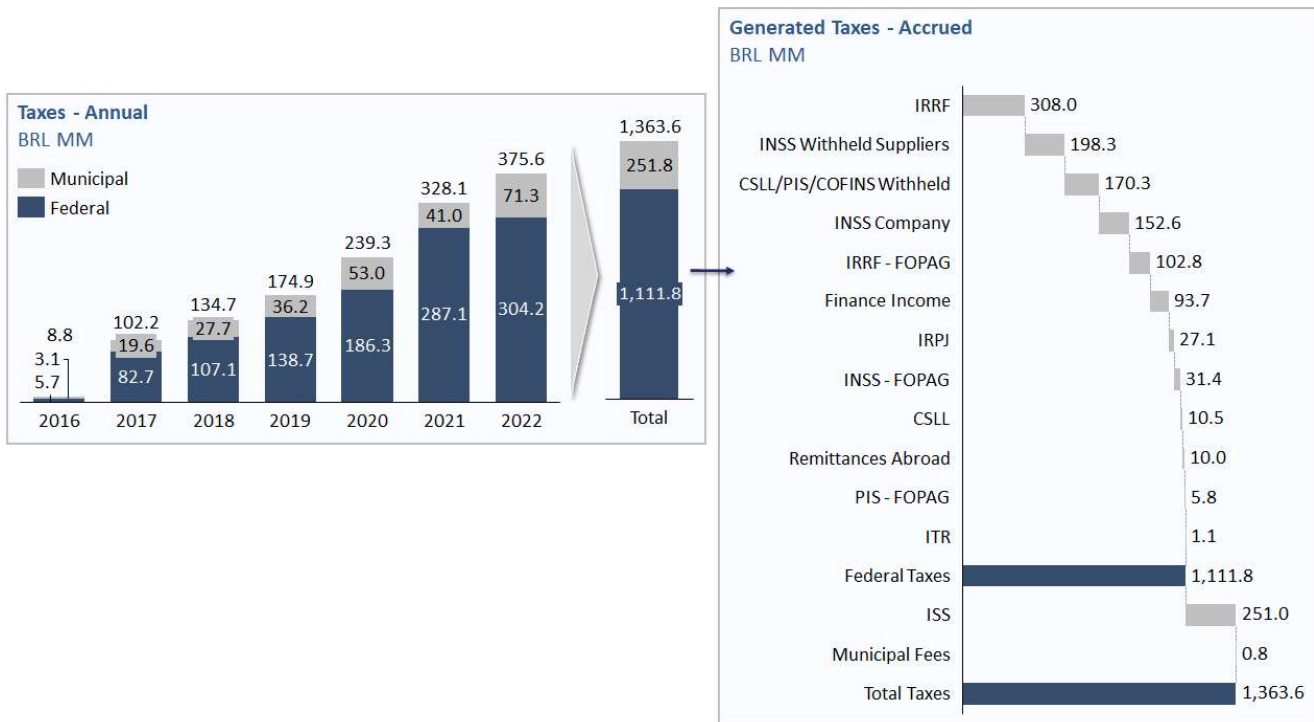


Chart 17: Evolution annual tax revenue - BRL million

Prospects for 2023

BRL 8.12 billion were budgeted for the year 2023. The composition of this forecast, which does not generate obligations, considers the costs for the performance of the "TTAC" programs (BRL 7.80 billion), administrative expenses (BRL 172.1 million), and the cost of the governance system (BRL 141.1 million).

Including the amount budgeted for this year, the total spend on socio-environmental and socio-economic actions, since November 2015, should be around BRL 36 billion in December 2023.

Two areas of activity of the Renova Foundation are moving towards conclusion receiving most of the resources in 2023: compensation and resettlement, representing 65% of the budget.

The amount budgeted for payment of indemnities and emergency financial aid is BRL 3.67 billion. As already reported, until December last year, 409,400 people received BRL13.57 billion in compensation and emergency financial aid.

Renova Foundation acts to conclude the monetary compensation proceeding. On December 2022, the phased closure of the Simplified Indemnity System began, implemented in August 2020 by Renova, by decision of the Judicial Branch, as an alternative for monetary compensation for categories with difficulties in proving damages, such as washerwomen, artisans, sand workers, carters, mineral extractors, subsistence and informal fishermen, among others. The system also indemnifies water damage and formal categories, such as professional fishermen, boat owners and companies such as hotels, inns and restaurants. The

Simplified Indemnity System will be terminated in stages, by decision of the Court, to ensure that all locations have the same adhesion timeframe.

In addition to the Simplified Indemnity System, there is another compensation option for those who are able to provide proof of damage. This is the Indemnity Program (“PIM”), which indemnifies formal categories, and works through the “PIM/AFE” System (“SPA”) platform, available on the Renova Foundation website.

Another program that is advancing and with important progress in the year is resettlement, with an investment forecast of BRL 1.64 billion, an increase of 14% compared to 2022, with expenditures of BRL 1.44 billion. Of the 568 families with homes affected by the collapse, 209 had their cases resolved with moving to their new properties or receiving compensation by December 2022. The expectation is that, in the first quarter of 2023, the new communities of Bento Rodrigues and Paracatu de Baixo will be able to receive future residents and have their essential public services in operation.

In addition to the funds provided for compensation and resettlement, of the remaining BRL 2.49 billion invested in programs, BRL 609.3 million will be allocated to compensatory programs – with emphasis on actions to recover Permanent Preservation Areas (“PPAs”) and water recharge (“ARH”) and rehabilitation of springs, which this year will have around BRL 272.9 million in funds.

In order for Renova to have sufficient funds to carry out the activities planned for 2023, contributions of approximately BRL 7.70 billion will be required. The sponsors of the Renova Foundation are committed to meeting the obligations assumed by the organization and financing future investments that conform to the policies of the programs. To this end, the sponsors will make available sufficient contributions to cover the activities planned for 2023.

Judicial decisions can change projections, especially with regard to indemnities, which comprise a considerable portion of resources. The Renova Foundation is mobilized to cover the short-term liabilities generated by such decisions.

The projections are based on scenarios, without guarantee of realization and do not constitute a promise of performance. Any material variation in forecast or realized amounts over time may be due to factors over which we have no or limited control.

At the same time, the Renova Foundation will seek to build solutions that provide communities with conditions for the resumption of economic activity in a sustainable, diversified and inclusive manner. The organization is also committed to transforming the actions provided for in the “TTAC” into development-inducing fronts, with short-, medium- and long-term initiatives, focused on remediation.

Summary

BRL 28.07 billion has been invested in the programs since December 2015, in actions related to the socio-economic and socio-environmental impacts arising from the failure of the Fundão dam - BRL 26.18 billion for remediation actions and BRL 1.89 billion for compensation actions.

In 2022 alone, resources invested in programs totaled BRL 8.47 billion, BRL 0.20 billion over in 2021. Administrative management expenses totaled BRL 163.5 million, except for provisions and taxes recorded directly in expense accounts, and the funding for the governance system required BRL 87.4 million in 2022.

Indemnities paid reached BRL 4.80 billion in 2022 and BRL 13.57 billion accumulated, comprising water damage (BRL 305.2 million) and general damage (BRL 10.98 billion), in addition to financial aid (BRL 2.28 billion).

The sponsors directly contributed with BRL 27.11 billion to Renova Foundation, of which BRL 8.10 billion in 2022.

The distribution of funds reflects the materiality and complexity of the programs, and also affects and determines the generation of value, in addition to providing input for decisions related to future investments.

The financial statements are presented below, in accordance with accounting practices adopted in Brazil.

Executive Board

André Giacini de Freitas
CEO

Juliana Borges Ferreira Souto
Chief Planning and Management Officer

Carlos Eduardo Vaz de Mello Tannus
Chief Engineering and Civil Works Officer

Flavio Chantre
Chief Institutional Relations Officer

Luiz Antônio Roris Rodrigues Scavarda do Carmo
Chief Program Officer

(A free translation of the original in Portuguese)

FINANCIAL STATEMENT

As of December 31

In thousands of reais

ASSETS

Current	Note	2022	2021
Cash and cash equivalents	3	163,233	440,339
Restricted financial investments	3	868,280	770,856
Taxes recoverable	4	42,562	19,357
Prepayment - Partnerships and agreements	5	136,820	143,337
Other assets	6	62,733	40,564
Total current assets		1,273,628	1,414,453
Non-current			
Assets - third parties	7	2,546,176	1,464,919
Amounts receivable - <i>Fundo Desenvolve Rio Doce</i>	8	58,804	50,946
Court deposits	15	185,496	40,593
Property, plant and equipment	9	36,995	38,214
Intangible assets	9	3,973	3,817
Right-of-use asset - Lease	9	2,013	1,222
Total non-current assets		2,833,457	1,599,711
TOTAL ASSETS		4,107,085	3,014,164

LIABILITIES AND NET EQUITY

Current	Note	2022	2021
Trade payables	10	321,484	232,795
Salaries, provisions and payroll taxes	11	22,686	19,249
Taxes payable	12	31,085	44,017
Indemnities payable and others	13	105,547	75,822
Socio-environmental and socio-economic obligations	14	625,559	467,314
Contribution - administrative expenses to be appropriated	17.a	70,767	32,879
Lease	9	1,708	917
Other liabilities		7	4,914
Total current liabilities		1,178,843	877,907
Non-current			
Socio-environmental and socio-economic obligations	14	2,918,984	2,180,764
Provision for lawsuits	15	17,805	14,057
Lease	9	305	305
Total liabilities		4,115,937	3,073,033
Net Equity			
Social equity	16	26,157,834	18,350,904
Transfer to of socio-environmental and socio-economic obligations account	16	(26,157,834)	(18,350,904)
Deficit for the year		(8,852)	(58,869)
Total net equity		(8,852)	(58,869)
TOTAL LIABILITIES AND NET EQUITY		4,107,085	3,014,164

Management's notes are an integral part of the financial statements.

STATEMENTS OF SURPLUS (DEFICIT)**Years ended December 31**

(In thousands of reais)

	Note	2022	2021
Contributions			
Socio-environmental and socio-economic contributions	17	7,035,324	7,676,644
Contributions to administrative expenses	17	253,112	142,296
Free and volunteer work	17	2,625	3,734
Total contributions		7,291,061	7,822,674
Operating expenses			
Programs	18	(7,035,324)	(7,676,644)
General and administrative	19	(253,112)	(142,296)
Free and volunteer work	19	(2,625)	(3,734)
Total operating expenses		(7,291,061)	(7,822,674)
Operating surplus before financial result		-	-
Financial result			
Financial income	20	207,918	74,892
Financial expenses	20	(216,843)	(134,002)
Net exchange rate variations		76	42
Other operating income		2	2
Deficit before income tax and payroll taxes		(8,847)	(59,066)
Income tax and payroll taxes	12	(5)	197
Deficit for the year		(8,852)	(58,869)

Management's notes are an integral part of the financial statements.

(A free translation of the original in Portuguese)

STATEMENT OF COMPREHENSIVE INCOME

Years ended December 31

(In thousands of reais)

	2022	2021
Deficit for the year	(8,852)	(58,869)
Other comprehensive income	-	-
Total comprehensive income (loss) for the year	(8,852)	(58,869)

Management's notes are an integral part of the financial statements.

(A free translation of the original in Portuguese)



STATEMENT OF CHANGES IN EQUITY

Years ended December 31

(In thousands of reais)

	Note	Social Equity	Transfer	Surplus (deficit)	Total
Balance at December 31, 2020		10,482,904	(10,482,904)	(58,423)	(58,423)
Allocation from sponsors	16	7,868,000	-	-	7,868,000
Transfer to socio-environmental and socio-economic obligations account	16	-	(7,868,000)	58,423	(7,809,577)
Deficit for the year		-	-	(58,869)	(58,869)
Balance at December 31, 2021		18,350,904	(18,350,904)	(58,869)	(58,869)
Allocation from sponsors	16	7,806,930	-	-	7,806,930
Transfer to socio-environmental and socio-economic obligations account	16	-	(7,806,930)	58,869	(7,748,061)
Deficit for the year		-	-	(8,852)	(8,852)
Balance as of December 31, 2022		26,157,834	(26,157,834)	(8,852)	(8,852)

Management's notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS**Years ended December 31**

(In thousands of reais)

	Note	2022	2021
Cash flows from operating activities			
Deficit for the year		(8,852)	(58,869)
Adjustments to reconcile deficit for the year to cash from operating activities:			
Depreciation and amortization	9	7,193	4,415
Socio-environmental and socio-economic obligation accruals	14	199,772	126,011
Provision for Services and others		(4,907)	4,256
Provision of doubtful accounts - Fundo Desenvolve Rio Doce	8	1,604	1,659
Provision for lawsuits	15	3,748	4,314
		198,558	81,786
(Increase) reduction in operating assets:			
Receivables - Desenvolve Rio Doce Fund	8	(9,462)	(4,999)
Court deposits	15	(144,903)	(32,239)
Taxes recoverable	4	(23,205)	(13,350)
Prepayment - Partnerships and agreements	5	6,517	(18,017)
Other assets	6	(22,169)	(24,112)
Increase (decrease) in operating liabilities:			
Trade payables	10	88,689	105,535
Salaries, provisions and payroll taxes	11	3,436	1,160
Taxes payable	12	(12,932)	17,449
Indemnities payable and others	13	29,725	(74,519)
Socio-environmental and socio-economic obligations	14	755,562	196,354
Contribution - administrative expenses to be appropriated	17.b	37,888	(10,296)
Other liabilities		4	4
Net cash generated by operating activities		907,708	224,756
Cash flows from investing activities			
Assets - third parties	7	(1,081,257)	(416,704)
Acquisition of property, plant and equipment and intangible assets	9	(6,132)	(18,326)
Restricted financial investments - investments	3	(240,000)	(240,000)
Restricted financial investments - income earned	3	(133,891)	(88,053)
Restricted financial investments - withdrawals	3	276,466	687,692
Net cash used in investing activities		(1,184,814)	(75,391)
Increase (decrease) in the balance of Cash and cash equivalents		(277,106)	149,365
Cash and cash equivalents at the beginning of the year	3	440,339	290,974
Cash and cash equivalents at year end	3	163,233	440,339
Increase (decrease) in the balance of Cash and cash equivalents		(277,106)	149,365

Management's notes are an integral part of the financial statements.

1. Operational context

The Renova Foundation ("Foundation" or "Entity") is a non-profit, private legal entity formed on June 24, 2016, and registered in the city of Belo Horizonte - MG, with its principal place of business at Avenida Getúlio Vargas 671, 4th floor. The Renova Foundation was established and is maintained by Samarco Mineração S.A. ("Samarco") - as Main Sponsor - Vale S.A. ("Vale") and BHP Billiton Brasil Ltda. ("BHP Billiton"), the three together as maintainers ("Supporting Companies"), are responsible for allocating the necessary resources to carry out its activities.

The Foundation is governed by its by-laws and applicable legislation. Its sole purpose is the management and implementation of the measures defined in the socio-economic and socio-environmental programs, including the promotion of social assistance to the population affected by the failure of the Fundão dam, owned by Samarco, as detailed in the Transaction and Conduct Adjustment Agreement ("TTAC"), entered into on March 2, 2016 by and between Samarco, Vale, BHP Billiton Brasil Ltda. and several government agencies.

The Renova Foundation has the following registrations and titles:

- Public deed of an institution registered at the Registry Office of the 2nd Notary Office of the judicial district of Belo Horizonte, book 2800N, pages 052 and 053, on June 29, 2016;
- By-laws registered at the Registry Office for Civil Registration of Legal Entities of the judicial district of Belo Horizonte under No. 138160 on July 5, 2016;
- National Corporate Taxpayers' Register ("CNPJ") under No. 25.135.507/0001-83.

1.1 Update on the request for intervention, rejection of accounts and termination of the Renova Foundation by the Public Prosecution Office of Minas Gerais - Prosecutor's Office Specialized in Tutelage of Foundations ("MPMG")

On February 24, 2021, the Public Prosecution Office of the State of Minas Gerais filed public civil action No. 5023635-78.2021.8.13.0024, pending before the 5th Civil Court of the Judicial District of Belo Horizonte, for the purpose of ordering a judicial intervention in the Renova Foundation, proposing a transitional redesign and the extinction of the Renova Foundation, under the allegation of existing deviations from its purpose in its statutory objectives.

Following the MPMG action, the Attorney General's Office - AGU in its capacity as representative of the Interfederative Committee ("CIF"), Brazilian Institute of the Environment and Renewable Natural Resources ("IBAMA"), Chico Mendes Institute for Biodiversity Conservation ("ICMBio"), National Mining Agency ("ANM"), and National Water Agency ("ANA") petitioned the 12th Federal Court of the Minas Gerais Judicial District in Belo Horizonte (current 4th Federal Court), responsible for PJe Public Civil Action No. 1024354-89.2019.4.01.3800 (physical record No. 0069758-61.2015.4.01.3400)" for the creation of a priority decision axis, aimed at remodeling the governance process.

On March 16, 2021, the Federal Court granted the preliminary injunctions to launch a Priority Axis No. 13 (file under No. 1011729-52.2021.4.01.3800) in order to carry out a complete diagnosis of the Renova Foundation by an external expert appointed by the court (A.T.

Kearney Ltda.). The expert provided a work plan report on "the performance of an organization whose purpose is the delivery of a complex program involving several initiatives can be evaluated from four fundamental dimensions", namely, Governance, Program Preparation, Resources, and Follow-up. In this same decision, the Federal Court reaffirmed its competence to address the matter.

In view of the Public Civil Action filed before the State Justice and the granting of the opening of Priority Axis nº 13 by the Federal Justice, both dealing with the same subject, the Federal Government and the Brazilian Institute of the Environment and Renewable Natural Resources ("IBAMA") presented to the Superior Court of Justice Conflict of Jurisdiction No. 179.834 in order to declare the 12th Federal Civil and Agrarian Court of the Judiciary Section of the State of Minas Gerais - SJMG (current 4th Federal Court) competent to process and judge ACP No. 5023635-78.2021.8.13. 0024. On May 24th, 2021, the STJ temporarily granted the suspension of the said Public Civil Action, determining the provisional competence of the 12th Federal Court to resolve the issues on the subject, until the final judgment of the Conflict of Competence, concluded with the Reporting Justice dated August 29, 2022. In compliance with the decision issued by the STJ, the Judge of the 5th Civil Court of Belo Horizonte, issued an order suspending the Public Civil Action filed by the MPMG, which continues suspended to the present date.

Priority Axis No. 13 followed its course, with a court expert appointed to prepare a Diagnosis on the Internal Governance of the Renova Foundation, with a preliminary report being presented on November 1, 2021 and a complementary report on May 23, 2022, which, in general, concluded that Renova's structure is adequate and that it has the ability to move forward with the remediation process, under its governance system directives, with recommended adjustments for some practices and a new governance design, aimed at executing the Programs, to accelerate remediation to meet the needs of the regions and affected parties.

After additional questions were put forward by the Sponsors and by the Renova Foundation, clarifications were presented by the official Expert and the parties were summoned to comment on these on November 11, 2022. The Sponsors and the AGU filed a statement, requesting and reiterating some clarifications and are currently awaiting a court decision to summon the Expert for a response.

1.2 Effects of the COVID-19 pandemic

Since the beginning of the pandemic, Renova Foundation has been taking preventive measures and mitigating actions, in line with the guidelines established by Brazilian and international health authorities.

The restrictions imposed by COVID-19 had had a number of effects the activities of the Renova Foundation, mainly: promoting changes in projects and programs, primarily of a socioeconomic nature, with a focus on economic recovery, on the new regional demands, on the interrelationships between the public and private sector and on the restructuring and modernization of productive chains, such as tourism and agriculture; in socio-environmental programs, with the generation of income for providers of environmental services and the development of innovative solutions for the recovery and preservation of native vegetation; and finally, the execution of major works, to meet sanitary protocols, control of the flow of people and the economic-financial balance of contracts.

The Entity has been monitoring the effects of the pandemic on its operations and on its main accounting estimates and critical accounting judgments, as well as on other outcomes with the potential to generate uncertainties and impacts on the financial statements. The more significant are:

- Impairment of non-financial assets;
- Loss on financial investments;
- Renegotiations of leasing agreements, mainly for resettlement works.

The COVID Committee continues to monitor the evolution of the pandemic and as scenarios change new recommendations are proposed following best practices following an analysis of the situation at the time of decision making.

1.3 Approval of the issuance of financial statements

The issuance of these financial statements was authorized by the Board of Trustees on April 20, 2023; the Fiscal Council issued its favorable opinion on April 12, 2023.

2. Presentation of the financial statements and main accounting policies

The financial statements are presented in thousands of Brazilian Reais, unless stated otherwise. The main accounting policies applied in the preparation of these financial statements are defined below.

2.1 Statement of compliance and preparation basis

The financial statements were prepared in accordance with accounting practices adopted in Brazil, including the provisions of Resolution No. 1409/12 of the Federal Accounting Council, which approved the Technical Interpretation "Non-Profit Entities – ITG 2002 (R1)", and the pronouncements issued by the Accounting Pronouncement Committee ("CPC"), approved by the Federal Accounting Council ("CFC"), and disclose all information of significance to the financial statements which are consistent with the data used by management in the performance of its duties.

The preparation of the financial statements requires Renova Foundation Management to make judgments in determining and recording accounting estimates. Management reviews estimates and assumptions at least once a year. Those areas that require a higher level of judgment and are more complex, as well as areas in which assumptions and estimates are significant for the financial statements, are disclosed in Note 2.5.

2.2 Changes in accounting policies and disclosures

The following amendments to standards were adopted for the first time for the financial year beginning January 1, 2022:

- Amendment to CPC 27 "Fixed Assets": the amendment prohibits an entity from deducting from the cost of property, plant and equipment amounts received from the sale of items produced while the asset is being prepared for its intended use. Such revenues and related costs must be recognized in profit or loss for the year.
- Amendment to CPC 25 "Provision, Contingent Liabilities and Contingent Assets": clarifies that, for purposes of assessing whether a contract is onerous, the cost of fulfilling the contract includes the incremental costs of fulfilling that contract and an allocation of other costs that are directly related to complying with it.
- Amendment to CPC 15 "Business Combination": replaces references from the old version of the conceptual framework with the most recent one issued in 2018.

- Annual improvements - 2018-2020 cycle:
 - i) CPC 48 - "Financial Instruments" - clarifies which rates must be included in the 10% test for analysis of write-off of financial liabilities.
 - ii) CPC 06 - "Leases" - amendment of example 13 in order to exclude the example of lessor payments related to improvements in the leased property.
 - iii) CPC 37 "Initial Adoption of International Financial Reporting Standards" - simplifies the application of said standard by a subsidiary that adopts the IFRS for the first time after its parent company, in relation to the measurement of the accumulated amount of exchange variations.

These changes had no material impact on Renova.

2.3 CPC 06 (R2) - Leases

CPC 06 (R2) introduces a single model for accounting for leases on the balance sheet for lessees, whereby lessees are required to recognize the liability for future payments and the right to use the leased asset, for practically all leasing agreements, including operating leases, and certain short-term or low-value agreements can be outside the scope of this new standard.

The Entity recognized "right-of-use asset" for its lease of administrative and operational properties. Costs are now recognized in income (profit) with a right-of-use asset, and interest expense with a lease obligation.

The measurement of the new agreements contemplates: (i) the value of the lease liability was calculated based on the present value of the remaining lease contracts, discounted, using the incremental rate (discount) of 11.67% p.a., as per Caixa Econômica Federal, on the date of initial application, and (ii) the value of the right-of-use asset on the date of initial application was measured using a simplified approach.

2.4 ICP 22 – "Uncertainty about Treatment of Income Taxes"

This interpretation clarifies how to measure and recognize current and deferred income tax assets and liabilities (IR/CS), in light of CPC 32, in cases where there is uncertainty regarding treatments applied in the calculation of the respective taxes. Renova's management evaluated the main tax treatments adopted in the periods still subject to a tax audit, and concluded that there is no significant impact to be recorded in the financial statements.

2.5 Critical accounting estimates and judgments

The preparation of financial statements requires the use of critical accounting estimates, as well as the exercise of judgment by Renova Foundation's Management in the process of applying accounting policies that affect the disclosed amounts of assets, liabilities and expenses.

Accounting estimates and judgments are based on historical experience and other factors, including expectations of future events, considered reasonable under the circumstances.

Based on assumptions supported by standards CPC 25 "Provisions, Contingent Liabilities and Contingent Assets" and CPC 01 (R1) "Impairment of Assets", Renova Foundation makes forward-looking estimates. By definition, the resulting accounting estimates will seldom be equal to the respective actual results. The estimates and assumptions that present a significant risk with

probability of causing a material adjustment in the carrying amounts of assets and liabilities for the next fiscal year are considered below.

2.5.1. Provisions for civil, tax and labor risks

The Entity recognizes a provision for civil, labor and tax claims. The assessment of the probability of loss includes available evidence, the hierarchy of laws, available precedents, the most recent court decisions and their relevance in the legal system, as well as the assessment of internal and external legal counsel.

Provisions are reviewed and adjusted to take into account changes in circumstances, such as applicable statute of limitations, conclusions of tax inspections or additional exposures identified based on new matters or court decisions.

The provisions are subject to future changes, depending on several factors that are not under the control of the Entity. Thus, the amounts effectively incurred by the Entity may differ from the amounts currently provisioned. These changes could result in a material impact on the amount of the provision in periods. The Entity reviews its estimates and assumptions on a monthly basis.

Provisions are recorded when the amount of loss is probable and can be reasonably estimated, as disclosed in Note 15.

2.5.2. Provision for doubtful accounts

Renova Foundation reviews the amounts receivable with a view to identifying indications of losses, in order to establish a provision for doubtful accounts. The accounting policy to establish the provision requires the individual analysis of the credits considering their maturity dates.

2.6 Functional currency and presentation currency

The financial statements were prepared in Brazilian Real/ Reais (R\$ or BRL), which is the functional currency and the main economic environment in which Renova Foundation operates, generates and consumes cash, and which is also its presentation currency.

2.7 Cash and cash equivalents

These include cash balances, bank deposits and short-term investments, the maturities of which on the effective date of the investment are equal to or less than three months and present a negligible risk of change to fair value.

2.8 Financial instruments

2.8.1. Financial assets

The Entity recognizes receivables and deposits initially on the date they were originated. All other financial assets (including assets designated at fair value through profit or loss) are initially recognized on the trade date, which is the date on which the Entity becomes a party to the contractual provisions of the instrument.

The Entity classifies non-derivative financial assets in the following categories: financial assets recorded at fair value through profit or loss and amortized cost.

2.8.1.1 Financial assets recorded at fair value through profit or loss

A financial asset is recognized as measured at fair value through profit or loss if it is classified as "held for trading", that is, designated as such at the time of initial recognition. Financial assets are designated at fair value through profit or loss if the Entity manages such investments and makes purchase and sale decisions based on their fair values, in accordance with the Entity's documented risk management and investment strategy. Transaction costs are recognized in profit or loss, as incurred. Financial assets recorded at fair value through profit or loss are measured at fair value, and changes in the value of these assets are recognized in profit or loss for the year.

2.8.1.2 Amortized cost

These are assets initially recognized at fair value plus any attributable transaction costs. After initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment loss.

Loans and receivables include accounts receivable, amounts receivable from Fundo Desenvolve Rio Doce and other credits.

2.8.2. Financial liabilities

All financial liabilities (including liabilities designated at fair value recorded in profit or loss) are initially recognized on the trade date, on which the Entity becomes a party to the contractual provisions of the instrument. The Entity writes off a financial liability when its contractual obligations are discharged, canceled or expired.

The Entity classifies non-derivative financial liabilities in the category of other financial liabilities. Such financial liabilities are initially recognized at fair value plus any attributable transaction costs. After initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

The Entity has the following non-derivative financial liabilities: trade payables and other accounts payable.

2.8.3. Trade payables and other accounts payable

Trade payables and other accounts payable are obligations for goods and services that were acquired in the normal course of its statutory activities, and are classified as current liabilities if payment is due in the normal course, for up to 12 months. After this period, they are presented in non-current liabilities. The amounts are initially recognized at fair value and subsequently, if necessary, measured at amortized cost using the effective interest rate method.

2.8.4. Impairment loss of financial assets

The Entity assesses on each reporting date whether the credit risk of a financial instrument has increased significantly since initial recognition. When making this assessment, the Entity uses the change in default risk, which occurs over the expected life of the financial instrument, reflecting the amount of expected credit losses. To make this assessment, the Entity compares the risk of default that occurs in the financial instrument on the reporting date with the risk of default that occurs in the financial instrument on the date of initial recognition, and must consider reasonable and sustainable information, available without excessive costs or efforts, which are an indication of significant increases in credit risk since initial recognition. Management has been deepening the asset impairment tests from the perspective of CPC 48 – Financial Instruments and we found the need to recognize a provision, as disclosed in Note 8.

2.8.5. Non-current assets for third parties

These are assets classified as assets for third parties, where Renova Foundation is committed to a program that has an acquisition plan for the construction of assets (or set of assets), in which the transfer is considered highly probable. These assets are valued at acquisition, formation or construction cost.

2.9 Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are recorded at acquisition, donation, formation or construction cost.

Depreciation and repayment start from the date the assets are installed and available for use.

Depreciation and repayment are calculated based on the straight-line method, considering their costs and residual values over the estimated useful life. The accounting residual useful life was reviewed upon issue of an appraisal report of movable and immovable assets carried out by a specialized firm, as shown in the table below:

Class Name	Residual useful life
Machinery and equipment	8 years
Furniture and fixtures	8 years
Data Processing Equipment	5 years
Systems – Software	5 years

2.10 Taxes Payable

2.10.1. Income taxes and payroll taxes on net income (“CSLL”)

Income tax and Social Contribution are calculated in accordance with interpretations arising from current legislation. This process usually involves complex estimates to determine taxable income (Note 12). Management periodically evaluates the positions taken by the Entity in the income tax returns regarding situations in which the applicable tax regulations give rise to interpretation. It establishes provisions, when appropriate, based on amounts that must be paid to the tax authorities.

2.11 Employee benefits

(a) Health care

Renova Foundation grants benefits involving life insurance, private pension plan and medical assistance plan to employees and employees' dependents, which observe the accrual basis of accounting, being terminated after termination of employment with Renova Foundation.

(b) Private pension plan

The current value of the plan's obligations depends on a series of factors that are determined based on actuarial calculations, which use a series of assumptions, and therefore, the actuarial valuation report was prepared in accordance with CPC 33 (R1), by Willis Towers Watson (independent actuaries), and contains an estimate of the cost of the defined benefit, which is a post-employment benefit plan under which the Entity pays fixed contributions to a separate Entity (ValiaPrev) and has no legal or constructive obligation to pay additional amounts, all results

presented are in compliance with applicable actuarial practice standards. As detailed in Note 11 b.

2.12 Liabilities of socio-environmental and socio-economic obligations

The contributions received by Renova Foundation from its sponsors, which are linked to responsibilities for obligations to do under "TTAC" agreements, and which initially pass through social equity are recognized in the liabilities of socio-environmental and socio-economic obligations. These obligations are managed in accordance with the short- and long-term commitments approved in the budget, which in 2022 followed the following assumption:

- Basic Sewage Program - Sewage Collection and Treatment and Solid Waste Disposal Program (PG 31) - of the total balance at December 2022 of BRL 473,935, BRL 63,586 was classified as current, taking as an assumption the program budget information, and the remainder as non-current liabilities;
- Other compensatory programs – of the total balance of BRL 813,779 at December 2022, BRL 551,321 was classified as current, taking the budget information of the programs as an assumption.
- The remediation costs that comprise the Bento Rodrigues, Paracatu and Gesteira reconstruction program were recognized as "Assets - third parties" and classified in non-current assets (item 2.8.5); they will only be recognized in profit or loss, after the full completion of this program, scheduled for December 2024.
- As these expenses will only be recognized in income when the properties are transferred by Renova Foundation to the affected persons, the amount contributed under the resettlement program is treated as a non-current liability as socio-environmental and socio-economic obligations.

Upon obligations being settled, the liability is taken to income, as required by Technical Interpretation of "Non-Profit Entities" - ITG 2002; income will be recognized at amounts identical to the expenses incurred to fulfill the respective obligations in the same accounting period. Except, as explained above, the expenses for the Bento Rodrigues, Paracatu and Gesteira reconstruction program, which will only be recognized upon completion of the programs.

2.13 Net equity

Reflects the allocation from its founding grantors (sponsors), as provided for in the public deed of organization of Renova Foundation, plus or minus the surplus or deficit calculated in each year.

2.14 Determination of surplus (deficit)

The surplus (deficit) (profit or loss) is calculated on the accrual basis of accounting and includes income and expenses, as well as earnings, charges and monetary or exchange variations, at official indices or rates, levied on current and non-current assets and liabilities.

(a) Recognition of Contributions - administrative expenses

Contributions made by the sponsoring companies to defray administrative expenses are initially recognized in liabilities as a contribution to administrative expenses, when the amounts are effectively received and, subsequently, are recorded as contributions to administrative expenses when expenses occur.

(b) Recognition of income and expenses from gratuities and volunteer work

The services provided by the sponsors, Board of Trustees, Advisory Board and Fiscal Council were recognized when effectively performed, and as required by the Technical Interpretation "Non-Profit Entities" – ITG 2002 (R1).

The amounts were measured at fair value and recorded as if a disbursement had occurred, that is, inflow and outflow of funds.

Such amounts were accounted for as income and expense in the same amount without generating changes in the surplus/deficit for the year and equity.

(c) Financial income and financial expenses

Financial income is recognized at fair value and mainly refers to income from financial investments.

Financial expenses include financial transaction tax ("IOF"), bank expenses, interest on civil and labor contingencies and financial updating of socio-environmental and socio-economic obligations. Foreign exchange gains and losses are reported on a net basis.

2.15 Financial risk management

Financial risk factors

The Entity's activities expose it to financial risks, namely: credit risk and liquidity risk. The Entity's risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Entity's financial performance.

Risk management is carried out by the Entity's treasury, in accordance with policies approved by the Board of Trustees and Management procedure.

(a) Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows arising from financial assets measured at amortized cost, at fair value through profit or loss, deposits with banks and other financial institutions, as well as credit exposures of amounts receivable from the Desenvolvimento Rio Doce Fund, intended to finance working capital for companies in the affected municipalities where Renova operates.

Credit risk is managed at a Foundation level together with partner financial institutions. For operations carried out to promote local activities (Fundo Desenvolve Rio Doce), the risk rating is performed by the financial institution, responsible for the intermediation of the funds, through its credit analysis area, which evaluates the credit quality of the affected party, taking into account their financial position, past experience and other factors. Individual risk limits are determined based on internal or external ratings of financial institutions. The use of credit limits is regularly monitored. The funds made available to affected parties are settled at financial institutions.

The following financial assets held by the Entity are subject to the expected credit loss model:

- amounts receivable - Fundo Desenvolve Rio Doce; and
- financial assets measured at amortized cost.

Although cash and cash equivalents are also subject to the impairment requirements of CPC 48, there were fluctuations in financial corrections during the period due to market volatility; no material amounts were identified for impairment.

Management extended the scope of the asset impairment tests from the perspective of CPC 48 Financial Instruments and identified the need to recognize a provision (Note 8).

(b) Liquidity risk

The cash flow forecasts are carried out by the treasury department. This department monitors rolling forecasts of the Entity's liquidity requirements, to assure it has sufficient cash to meet operating needs and obligations set by the "TTAC".

The treasury department invests surplus cash in interest-earning bank accounts, time deposits, short-term deposits and marketable securities, choosing instruments with appropriate maturities, low risk and adequate liquidity to provide sufficient margin as determined by the aforementioned forecasts.

3. Cash and cash equivalents and restricted financial investments

The amounts received by Renova Foundation from the sponsors (BHP Billiton Brasil Ltda., Vale and Samarco), and not used immediately in remediation and compensation actions, were invested in top-rate Brazilian financial institutions, in fixed income products, such as sovereign funds, funds backed by private credit, CDB's, repo, fixed-rate operations, considering the low risk classification level, with daily liquidity, by reference to the CDI index as a benchmark. These short-term investments approximate fair value, as periodically updated by financial institutions.

a) Cash and cash equivalents

	2022	2021
Cash and banks		
In Brazil	225	510
Financial investments		
In Brazil	163,008	439,829
	163,233	440,339

Cash is invested in other remediation programs and in the maintenance of Renova Foundation.

Unrestricted financial investments are held in CDBs with immediate liquidity in top-tier banks with an average yield of 106% of the CDI in 2022.

b) Restricted financial investments

Part of the funds contributed by the sponsors is restricted for use in "TTAC" provisions, as below:

DESTINATION	NOTE	2022	2021
Compensation programs - clause 232 "TTAC"	(i)	209,488	129,167
Sanitation and solid waste programs - PG31	(ii)	658,792	641,689
Total		868,280	770,856

- i. Resources for projects of a compensatory nature, provided for in clause 232 of the "TTAC" invested in CDBs with immediate liquidity, in first-line banks. In 2022, BRL240,000 indexed to the IPCA (BRL337,472) were received and BRL257,150 were disbursed, which resulted in an accumulated balance of programs at the end of the year of BRL209,488.
- ii. Held in a segregated account in the amount of BRL 658,792 (2021 – BRL 641,689), distributed among two investment funds, Itaú Corporate Diferenciado IQ FICFI (yield of 111.63% CDI) and Itaú BBA RF Private Credit Active FIX5 FICFI (113.55% CDI yield), both with immediate liquidity. This amount is intended exclusively for actions supporting the preparation of basic sanitation plans, preparation of sewage system projects, implementation of sewage collection and treatment works, eradication of waste dumps, and implementation of regional landfills ("TTAC" wording). The funds are transferred to the municipalities indicated by the Interfederative Committee ("CIF"). Transfers to municipalities began in 2019.

4. Taxes recoverable

		2022	2021
IRRF without financial investment	(a)	41,247	13,876
ISSQN recoverable	(b)	704	712
(-) Provision for losses		(515)	(515)
CSLL recoverable	(c)	560	206
INSS on payroll recoverable	(d)	319	319
Corporate income tax (IRPJ) recoverable	(e)	42	4,607
Other taxes recoverable	(f)	205	152
		42,562	19,357

- a) Withholdings of IRRF on financial investments – the higher balance reflects a higher volume of redemptions carried out in the period.
- b) Services Taxes ("ISSQN") – surplus paid in the municipalities where Renova Foundation carries out remediation and compensation projects. In 2018, the Foundation revised the collection of such tax for the municipalities of Rio Doce and Santa Cruz do Escalvado, for the period from August 2016 to March 2018, due to services performed on the bed of the Rio Doce, which is also the border between the two municipalities. The result of this work generated requests for refund in both locations, in the total amount of BRL 515. As the recovery depends on the administrative decision of the municipal governments, the Entity created a provision for loss.
- c) Social Contribution ("CSLL") – overpaid advanced CSLL based on estimates, which will be offset by Renova Foundation in 2023.

- d) Social Security ("INSS") on payroll recoverable - will be offset by Renova Foundation in 2023.
- e) Corporate income tax ("IRPJ") – indexation accruals for PER/DCOMP (electronic request for refund, reimbursement or refund and compensation statement) for 2018, 2019 and 2020. The credit will be offset by Renova in 2023.
- f) Other taxes recoverable - taxes incorrectly withheld from suppliers, usually service providers, which will be offset by Renova in 2023.

5. Prepayments - Partnerships and agreements

In 2022, Renova Foundation reiterated its commitment to promote resources in the form of Partnerships and Agreements, and transfers to other institutions in the third sector, maintaining mutual assistance in the development of research activities, new technologies and execution of projects within the scope of the Programs of the "TTAC". If note was the diversity of application of resources in projects and the joint action with communities in favor of remediation and compensation. All these transfers were carried out according to the schedule of disbursements provided for in the Settlement Agreements entered into, and upon rendering of accounts for the previous stage.

	2022	2021
Monitoring of aquatic biodiversity – Espírito Santo	64,595	43,283
Forest recovery	11,427	8,649
Conservation and biodiversity	11,002	11,839
Social protection and health remediation	8,060	10,913
Technical assistance to affected population in Barra Longa and surrounding areas	7,168	29,208
Recovery of springs and basic sanitation	5,748	7,537
Environmental education	5,623	5,791
CIF and Technical Chambers	5,289	-
Tourism Culture Recreation and Sports	4,730	6,623
Engagement of youngsters and strengthening of community leaders	-	6,198
Technical assistance and rural extension	3,604	3,566
Innovation	2,908	3,578
Assignment of labor for resettlement projects	-	2,866
Forestry consultancy and support for degraded areas	392	697
Other partnerships	6,274	2,589
	136,820	143,337

6. Other assets

Comprised mainly of advance payments to suppliers in Brazil for resettlement works in the municipalities of Bento Rodrigues and Paracatu, and management and inspection services for such works, for the implementation of programs on the affected areas.

	2022	2021
Advances to Brazilian suppliers	59,518	36,169
Prepaid expenses - Insurance	1,250	2,411
Other assets	1,965	1,984
	62,733	40,564

7.Assets - third parties

In 2016, the Renova Foundation began investing in the resettlement program for Bento Rodrigues, Paracatu and Gesteira, as provided for in the "TTAC", which was prepared with the active participation of future residents. This project is similar to the construction layout for new cities, with public facilities, paved roads and power, water and sewage networks, schools, health and service centers, squares, among others.

Resettlement programs continue to advance, with the construction of dozens of homes and the completion of infrastructure in the new districts. Starting in 2023, collective resettlements will enable the community to reestablish its social, economic and cultural life. The return of these spaces is highly anticipated, due in part to the participatory way in which the project was developed, involving the entire community, which makes this model unique.

In Mariana (MG), for the Bento Rodrigues resettlement, work was concluded on the construction of over 100 houses, health and public service stations, the municipal school, the sewage treatment station and infrastructure, considering roads, drainage, electricity, water supply systems and street sewage.

In Paracatu de Baixo, also in Mariana (MG), with 7 assets for collective use being prepared, 02 houses completed, 55 houses under construction and 77 families being assisted, the actions carried out have generated the promised results for future residents. The future municipal school of Paracatu de Baixo is in an advanced stage of construction, with plastering of the internal and external areas. With this step completed, the next ones will focus on the internal finishings. The implementation of the structures of the new Advanced Health Station was completed, with 40% of the works completed, including the installation of electrical and hydraulic networks and external plastering.

All such expenditures are classified in non-current assets, and only after full completion of this program, expected for December 2024, the year in which all buildings and homes and public facilities in these districts will have been delivered to the respective owners and, then, recognized in the profit or loss of Renova Foundation.

This category comprises the amounts shown below:

		2022	2021
Civil works, topography and drilling	(a)	1,983,787	1,128,188
Management and others	(b)	320,186	168,462
Land	(c)	105,221	56,913
Engineering design	(d)	87,724	72,014
Consulting and environmental studies	(e)	39,741	31,921
Support, communication and dialogue	(f)	9,517	7,421
		2,546,176	1,464,919

- a) Expenses with civil works, earthworks, drilling and topographic services of the land acquired.
- b) Expenses with management of the works in Bento Rodrigues, Paracatu for the operation and maintenance of the projects related to the programs provided for in the "TTAC".
- c) Acquisition of land, land tenure regularization, and inspection for the construction of housing and infrastructure of the community resettlement program.
- d) Procurement of engineering, conceptual and urban project expenses.
- e) Consulting and environmental studies to support the project performance phase, as well as actions for environmental licensing and others.
- f) Expenses with communication, advertising, events, as well as all the support to the works (food, travel, vehicles, surveillance, IT, among others).

8. Amounts receivable - Fundo Desenvolve Rio Doce

	2022	2021
Fundo Desenvolve Rio Doce MG	40,020	35,345
Fundo Desenvolve Rio Doce ES	14,725	13,524
Diversifica Mariana Fund	5,000	-
Fundo Compete Rio Doce MG	3,882	5,297
	63,627	54,166
(-) Allowance for Doubtful Accounts	(4,823)	(3,220)
	58,804	50,946

The Desenvolve Rio Doce and Compete Rio Doce Funds were created as a partnership between the Renova Foundation, the Espírito Santo Development Bank (BANDES), and the Minas Gerais Development Bank ("BDMG"), to offer credit facilities to micro and small companies in 39 municipalities in the States of Minas Gerais and Espírito Santo. For the creation of the Funds, the Renova Foundation made available BRL 40,000, of which BRL 30,000 for the State of Minas Gerais and BRL 10,000 for the State of Espírito Santo. In addition, in December 2022, the Renova Foundation provided BRL 5,000 to the Diversifica Mariana Fund, a financing modality for exclusive credit operations for the municipality of Mariana (MG) in partnership with the Minas Gerais Development Bank ("BDMG").

On December 31, 2022, the balance totaled BRL 63,627, given the surplus condition of the funds. Of these, BRL 8,947 are available in the Funds' cash, and the other BRL 54,680 were borrowed, predominant, over a term of 24 months.

Management assessed the risk of expected loss of receivables, on December 31, 2022, and constituted a provision for doubtful accounts, in the amount of BRL 4,823.

The Rio Doce Development Fund was launched in October 2017 and is effective for 10 years. Since its creation in October 2017, this Fund, which fosters development in the local economy, has already

released BRL 101,530 for working capital financing for micro and small companies, BRL 40,702 in 2022 alone, an increase of 359% compared to the previous year. As of November 2017, the Fund began to drawdown borrowed amounts.

The Compete Rio Doce Fund is a complementary fund to the Desenvolvimento Rio Doce Fund, which offers guidance on management through specialized consultancy (oriented credit), which was launched in February 2019 and, as of March 2019, began to drawdown the borrowed amounts, being available for 27 months, meeting the stipulated term of two years. However, ceased providing new loans in May 2021; over the entire period, BRL 7,181 had been released.

The Diversifica Mariana Fund, Financing modality, started in December 2022 and there are still no operations approved. Contributions from the Renova Foundation of up to BRL 25,000 are planned for this Fund in the coming years.

The Desenvolvimento Rio Doce, Compete Rio Doce and Diversifica Mariana Funds, Financing modality are reimbursable, with competitive interest rates, below the market average and extended terms. The credit facilities can be used for working capital and other modalities, including investment.

Since the Funds were formed and up to December 31, 2022, 2,684 credit operations (unaudited) were carried out, with a drawdown of BRL 108,711. The disbursements made by the Rio Doce Development Fund contributed to the maintenance of over 11.2 thousand jobs in Minas Gerais and Espírito Santo.

9. Property, plant and equipment and intangibles

As the Renova Foundation model had reached maturity, no new units or offices were added 2022, and there were no major investments in furniture, machinery, IT equipment and intangibles.

The Improvements in Third-Party Assets refers mainly to the construction of the Fazenda Floresta complex, in the Municipality of Rio Doce – MG, which aims to recover the Risoleta Neves Hydroelectric Power Plant. Additions in 2022 totaled BRL 26,933, of which BRL 22,970 refer basically to civil works, earthworks, containments, dikes and drainage of the Fazenda Floresta complex.

9.1 Impairment analysis

In 2021 Renova Foundation identified operational and economic indicators suggesting an impairment of assets in the Fazenda Floresta complex, in the Municipality of Rio Doce - MG.

Accordingly, in compliance with CVM Resolution No. 583/09, which approved Technical Pronouncement CPC 27 – Fixed Assets and the application of the Impairment Test for Assets (Impairment – CPC 01), issued by the Accounting Pronouncements Committee, and approved by CVM Resolution No. 527, a specialized in Fixed Asset Management and Asset Impairment Testing (Impairment) firm was hired in 2021. Its report indicated a loss of BRL 419 which was charged to income, based on an appraisal real estate report issued by the firm.

In 2022, Renova Foundation did not identify operational and economic indicators suggesting an impairment of assets, and it was not necessary to carry out another asset appraisals.

9.2 Useful life and residual book value

In compliance with technical pronouncement CPC 27 – Fixed Assets, Renova Foundation concluded in December 2021 the inventory and appraisal of its assets, in which the residual useful life of its assets was reviewed together with the residual book value.

In 2022, there were no significant changes in the standards, methods and values of depreciation, as evidenced by the appraisal report for movable assets, which showed that the state of conservation of the assets of the Renova Foundation are suitable for the purposes of its operations.

a) Fixed Assets

	Balances 2020	Additions / (Write-offs)	Depreciation	Impairment	Transfers	2021 Balances	Additions / (Write-offs)	Depreciation	Transfers	2022 Balances
Improvements to third-party assets	1,043	146	(687)	-	-	502	227	(2,927)	22,970	20,772
Data processing equipment	3,498	201	(1,548)	-	749	2,900	385	(1,599)	3,274	4,960
Machinery and equipment	4,574	82	(549)	-	-	4,107	(2)	(609)	-	3,496
Fixed assets in progress	10,084	17,033	-	-	-	27,117	4,049	-	(26,933)	4,233
Furniture and fixtures	2,161	23	(262)	-	-	1,922	211	(332)	67	1,868
Land	1,069	1,016	-	(419)	-	1,666	-	-	-	1,666
Total Fixed Assets	22,429	18,501	(3,046)	(419)	749	38,214	4,870	(5,467)	(622)	36,995

b) Intangible assets

Intangible assets are accounted for under CPC 04 or IAS 38.

The economic useful life of intangible assets is classified as "definitive" or "indefinite". The intangible assets are classified as having definitive useful life. Most of the Entity's intangible assets comprise business management software.

An appraisal report presented by a firm specialized in Fixed Asset Management, was carried out at historical cost, with no changes to residual book values, or useful lives currently used.

	Balances in 2020	Additions	Repayment	Transfers	Balances in 2021	Additions	Repayment	Transfers	Balances in 2022
Software Systems	5,691	244	(1,369)	(749)	3,817	1,260	(1,726)	622	3,973
Total Intangible Assets	5,691	244	(1,369)	(749)	3,817	1,260	(1,726)	622	3,973

c) Right-of-use asset - Leases

Renova Foundation has recognized its right-of-use leased assets and lease liabilities for contracts that were previously accounted for only through income; these leases started to make up the group of fixed assets in the recorded on the balance sheet.

	Balances in 2020	Additions	Repayment	Balance 2021	Additions	Repayment	Balances in 2022
Right-of-use assets	1,860	825	(1,463)	1,222	6,074	(5,283)	2,013
Total Lease	1,860	825	(1,463)	1,222	6,074	(5,283)	2,013

d) Liabilities – Leases

	2020 Balances	Additions	Transfers	Amortization	Financial expenses	2021 Balances	Additions	Transfers	Amortization	Financial expenses	2022 Balances
Current	1,407	692	281	(1,761)	298	917	5,796	278	(6,070)	787	1,708
Non-current	453	133	(281)	-	-	305	278	(278)	-	-	305
Total	1,860	825	-	(1,761)	298	1,222	6,074	-	(6,070)	787	2,013

e) Loan-for-use assets

In 2016, Renova Foundation received, as a loan from its sponsors Samarco and Vale, assets to carry out its operational and administrative activities. In 2019, Renova Foundation partially returned some IT equipment, furniture and fixtures. The other items on loan still remain at Renova Foundation, and basically consist of furniture, fixtures, IT and telecommunication equipment.

In 2018, the Entity received property under a loan agreement:

- Vale – Fazenda Mina da Alegria (enrollment 10,034) and Fazenda Fábrica Nova (enrollment 17,189);
- Samarco – Fazenda Asa Branca (enrollment 15,313 - 95.93ha area);
- Aliança Group - Land (enrollment 1,553).

These are the residual book values of the assets in the companies that own them.

Renova Foundation has an obligation to return these items to the sponsors at the end of the contracted period. The assets are recorded as follows:

LOAN-FOR-USE ASSETS	2022	2021
Land	2,027	2,027
Furniture and fixtures	176	176
Data processing equipment	7	7
Subtotal	2,210	2,210

LOAN-FOR-USE ASSETS TO BE RETURNED	2022	2021
Land	(2,027)	(2,027)
Furniture and fixtures	(176)	(176)
Data processing equipment	(7)	(7)
Subtotal	(2,210)	(2,210)

10. Trade payables

Trade payables are for service providers and purchases of material, as below:

	2022	2021
Domestic market	321,484	232,795
	321,484	232,795

11. Payroll, provisions and payroll taxes

a) Payables for salaries, provisions and contributions are detailed below:

		2022	2021
Vacation provision	(a)	17,622	14,823
INSS of employees payable	(b)	3,500	3,106
FGTS payable	(c)	1,286	1,084
Others	(d)	278	236
		22,686	19,249

- a) The vacation provision is booked in proportion to the period worked, considering the legal requirements.
- b) Employee contribution amounts are duly withheld for transfer to the National Institute of Social Security – INSS.
- c) Monthly contribution of 8% duly withheld from employee's salaries pursuant to the legislation in force.
- d) Principally PIS on payroll and group life insurance for permanent employees.
- b) On December 31, 2022, the Entity's ValiaPrev Benefit Plan presented a surplus. According to Technical Pronouncement CPC 33 (R1), the asset can only be recognized if it can clearly reduce the sponsor's contributions or will be refundable in the future. Given that no the surplus cannot be converted to an economic benefit for the Entity it will revert to the ValiaPrev plan. The asset limit to be recognized is zero, as shown in the table below.

Fiscal Year Closing	31-Dec-2022	31-Dec-2021
1 Present value of the obligation (PVO)	(10,470)	(9,599)
2 Fair Value of Assets (VJA)1	25,793	18,110
3 Surplus/(deficit)	15,323	8,511
4 Unrecoverable surplus (asset cap effect)	(15,323)	(8,511)
5 Net assets/(liabilities) of defined benefit	-	-

The main actuarial risks are: beneficiaries survive longer than that expected in the life-table analysis, lower than expected turnover, higher than expected salary growth, return on equity below the actuarial discount rate plus the accumulated variation of the IPC-BR and actual family composition of retirees different from the base hypothesis.

Participant data used in the actuarial valuation is summarized below:

Registration date	30-Jun-2022	30-Jun-2021
Active Participants	Number	544
	Average Annual Salary	165,399
	Average age	42.09
	Average Length of Service	4.16
Assisted Participants	Number	2
	Annual Average Benefit	289,859

Assumptions used in the assessments:

Renova Foundation considers that the actual rate of 2.00% reflects the salary readjustment policy to which the Entities are committed. Combined with the inflation rate, the nominal rate is 5.57% p.a., up to age 55.

Fiscal Year Closing	31-Dec-2022	31-Dec-2021
1 Discount rate	9.680%	8.720%
2 Inflation rate	3.500%	3.250%
3 Salary growth rate	5.570%	5.320%
4 Growth of benefits granted	3.500%	3.250%
5 Growth of deferred benefits	N/A	N/A
6 Registration date	30-Jun-22	30-Jun-21

Willis Towers Watson suggests adopting a long-term inflation of 3.50% p.a., estimated on the basis of the expectations of the Willis Towers Watson Investment Committee after the analysis and projection of macroeconomic scenarios developed at the September 2022 meeting (still valid in December). Renova Foundation chose to use this long-term inflation rate in its assessments.

All participant data were provided by the plan administrator on the base date of registration and adjusted to reflect terminations that occurred after that date.

Benefits assessed in this report:

- Normal Retirement Income;
- Early Retirement Income;
- Supplementation of the Disability Pension;
- Supplementation of Surviving Spouse Pension;
- Income of Surviving Spouse Pension;
- Income of Deferred Benefit due to Dismissal;
- Supplementation of Annual Bonus;
- Annual Allowance Income;
- Redemption

12. Taxes payable

		2022	2021
IRRF - Interest and monetary compensation LC (Loss of Profit)	(a)	2,756	21,306
INSS - withheld from suppliers	(a)	8,034	3,783
IRRF - Withholding tax	(a)	7,940	9,763
ISS - Withholding of service tax	(a)	7,375	5,509
Federal taxes withheld	(b)	4,210	3,080
Taxes on financial income	(c)	770	576
		31,085	44,017

- a) Taxes withheld from suppliers, generally service providers, and from monetary compensations paid to individuals and legal entities;
- b) Withholding of federal taxes PIS, COFINS and CSLL, in accordance with Law 13,137/2015 of June 19, 2015.
- c) Amounts payable related to direct taxes arising from Renova Foundation's operations.

Income taxes and payroll taxes on net income

Renova Foundation is subject to income tax at the rate of 15%, plus a surcharge of 10% and a rate of 9% of the payroll taxes on the profit arising from the financial profit/loss.

	2022	2021
Current tax		
Current income tax for the year	-	-
Adjustments from previous years	5	197
Total current tax	5	197
Deferred tax (a)		
Temporary tax differences	151	3,478
Carryforward tax losses	3,399	9,129
(-) Write-off of deferred tax	(3,550)	(12,607)
Total current tax	-	-
Income Tax and Payroll taxes Expense	5	197

	2022	2021
Profit before tax	(8,847)	(59,066)
Tax calculated based on statutory tax rates (34%)	(3,008)	20,082
Non-deductible expenses	(326)	(10,646)
Tax losses for which no deferred tax has been recognized	3,334	(9,436)
Others	5	197
Tax charge	5	197

(a) Deferred income tax and payroll taxes

The 2022 tax loss reflects Renova Foundation operations including accruals for socio-economic and socio-environmental obligations (IPCA indexed), according to clause 237 of the "TTAC", net of accrued income from financial investments, which affected the calculation of income tax and social contribution.

Tax loss carryforwards would normally require a deferred tax asset to be recorded as established by CPC 32 - Income Taxes. However, following an analysis of the recoverability of this tax asset, based on projections of future taxable income, no such asset was recorded.

Such projections were prepared based on Management's best estimates, but as they involve several assumptions that are not under the control of Renova Foundation, such as inflation rates, interest rates and other economic uncertainties in Brazil, future results may differ materially from those considered in the preparation of this projection.

Management concluded that future taxable profits will not be sufficient to offset tax assets.

13. Indemnities payable and others

The Entity subcontracts third parties to carry out some activities. At December 31, 2022, certain suppliers had not yet issued invoices for services already provided and approved. The Entity also has commitments to several municipalities negotiated as monetary compensations for Loss of Profits ("LC") for damage caused by the failure of the Fundão Dam. Management assessed its existing obligations and recorded these based on its internal controls on an accruals basis. The monetary compensations and services already performed and not billed, are as below:

		2022	2021
Monetary compensation - Loss of Profit	(a)	96,266	67,547
Civil works	(b)	6,837	-
Institutional Communication	(c)	1,024	-
Consulting	(d)	942	4,644
Earthworks	(e)	106	837
Licensing Services	(f)	-	801
Expert technical services	(g)	-	791
Other contracted services	(h)	372	1,202
		105,547	75,822

- a) Lost Profits - correspond to the loss of income from productive activities when individual earnings ceased as a direct result of the failure of the Fundão dam. The compensation amounts refer to the full year of 2022 for individuals who signed the agreement in the Mediated

Indemnity Program ("PIM") and continue being adversely affected, even if only partially. Pursuant to a decision issued by the CIF, the payment is due in the year following the loss, that is, by March 31, 2023.

- b) Civil works - reconstruction services for properties and infrastructure in the region of Paracatu de Baixo/MG. These services have already been performed, measured, but not yet billed.
- c) Institutional Communication - service for planning and operational support for the Caravana event, promoted by the Renova Foundation People Management area in line with the Transaction and Conduct Adjustment Term ("TTAC"). The scope covers communication projects linked to organizational culture and values, concepts, planning, logistical and operational support to engagement, mobilization and fraternization actions present in the programming of all these actions, focusing on the internal public of Renova Foundation, which may involve direct collaborators and/or third parties. Both services have already been performed, measured, but not yet billed.
- d) Consulting - independent technical consulting services on rural properties, preparation of the Biotic Integrity index for the Rio Doce Basin, research, development and innovation projects in for environmentally affected areas; services for diagnosing, protecting and improving the conservation status of endangered terrestrial mammalian and avifauna species in the Rio Doce region and the Sete Salões State Park; program for the Conservation of Terrestrial Biodiversity; restoration services; plantation maintenance, erection of fencing and firebreaks on properties located in the municipality of Barra Longa - MG. Both services have already been performed, measured, but not yet billed.
- e) Earthmoving - Earthmoving services related to the resettlement of Paracatu de Baixo/MG.
- f) Licensing services for Microsoft software and cloud services.
- g) Expert technical services, in compliance with a court decision, for experts developing the work plan of the Integrated Agenda for Public Civil Action ("ACP").
- h) Other contracted services - other minor expenses, such as: auditing services; engineering services; transportation; management, among others. These services have already been performed, measured, but not yet billed.

14. Socio-environmental and socio-economic obligations

The socio-environmental and socio-economic obligations are met by the sponsors' allocations and intended as final expenses with the programs defined in the "TTAC". Once the allocations are received they are transferred to liabilities. The socio-environmental and socio-economic obligations are detailed below:

	Balance in 2020	Contributions (Note 16)	New Entries	Write-off (Note 17.a)	Transfer	Update Fundo Desenvolve Rio Doce (Note 8)	IPCA update (Note 20)	Balance in 2021
Remediation programs	923,669	7,570,441	(58,424)	(6,990,567)	(1,444,884)	-	-	235
Remediation programs - Barra Longa	20,035	-	-	-	(20,035)	-	-	-
Compensation programs	704,888	-	-	(663,980)	333,562	4,999	28,556	408,025
Compensation programs - actions related to the preparation of basic sanitation plans	56,508	-	-	(21,640)	16,632	-	4,837	56,337
Remediation Program - Monitoring Equipment for the Doce River Water	3,174	-	-	(457)	-	-	-	2,717
TOTAL CURRENT	1,708,274	7,570,441	(58,424)	(7,676,644)	(1,114,725)	4,999	33,393	467,314
Remediation programs	-	-	-	-	1,464,919	-	-	1,464,919
Compensation Programs	134,891	297,559	-	-	(333,562)	-	34,526	133,414
Compensation programs - actions related to the preparation of basic sanitation plans	540,971	-	-	-	(16,632)	-	58,092	582,431
TOTAL NON-CURRENT	675,862	297,559	-	-	1,114,725	-	92,618	2,180,764
OVERALL TOTAL	2,384,136	7,868,000	(58,424)	(7,676,644)	-	4,999	126,011	2,648,078

	Balance 2021	Contributions (Note 16)	New Entries	Write-off (Note 17)	Transfer	Update Fundo Desenvolve Rio Doce (Note 8)	IPCA update (Note 20)	Balance 2022
Remediation programs	235	7,179,458	(58,869)	(6,485,071)	(762,439)	-	135,130	8,444
Compensation programs	408,025	337,472	-	(272,746)	53,313	4,462	20,795	551,321
Compensation programs - actions related to the preparation of basic sanitation plans	56,337	-	-	(26,322)	30,604	-	2,967	63,586
Remediation Program - Water Monitoring Equipment	2,717	-	-	(509)	-	-	-	2,208
Remediation Program - Candonga linked to Samarco	-	290,000	-	(271,182)	(18,818)	-	-	-
TOTAL CURRENT	467,314	7,806,930	(58,869)	(7,055,830)	(697,340)	4,462	158,892	625,559
Remediation programs	1,464,919	-	-	-	781,257	-	-	2,246,176
Compensation programs	133,414	-	-	-	120,603	-	8,441	262,458
Compensation programs - actions related to the preparation of basic sanitation plans	582,431	-	-	-	(204,520)	-	32,439	410,350
TOTAL NON-CURRENT	2,180,764	-	-	-	697,340	-	40,880	2,918,984
OVERALL TOTAL	2,648,078	7,806,930	(58,869)	(7,055,830)	-	4,462	199,772	3,544,543

Details of certain remediation and compensation programs to which Renova Foundation is a party (not addressed in Note 15 as contingencies) are as follows:

- a. Proceeding No. 0039564-83.2018.8.13.0400 (PJE 5001148-24.2019.8.13.0400) - Public Civil Action for the Defense of the Right to Health and Social Assistance requested: (i) contracting a specialized firm to structure a simplified selection process, for the Municipality of Mariana /MG, through a bank deposit; (ii) an advance payment to the Municipality of Mariana/MG to finance supplementary provision of health and social assistance services for victims of the disaster; (iii) freezing of balances in the bank accounts of Renova Foundation, Vale, Samarco and BHP in the amount of BRL 47,800 to guarantee the funds to provide services for the Municipal Health Department and the Municipal Department of Social Development for the provision of services to the affected parties. An agreement was signed among the parties, ratified in court, in which Renova committed and has made transfers, provided for in Clause 12 of this agreement, observing the ceiling of BRL 11,170 for the Municipal Health Department (supplementation of human resources for health, renovations, equipment, vehicles) and BRL 5,548 for the Municipal Department of Social Development and Citizenship (complementation of human resources for social protection, furniture, rental, logistics), and rendering of accounts. Management believes that there are no additional obligations that require a provision.

- b. Proceedings No. 5000917-94.2019.8.13.0400 - Public Civil Action for the implementation of the full-time education program for the Municipality of Mariana. An agreement was entered into between the parties, ratified in court, by which Renova committed and has made transfers according to the amounts stipulated herein, limited to BRL 13,255, the installments of which have already been deposited in court. Management believes that there are no additional obligations that require a provision. Currently, the parties are negotiating an amendment to the agreement to extend the period for the Municipality to use the resource, without the need for any additional payment by the Renova Foundation.

15. Provision for lawsuits

Management, under the advice of its internal and external legal counsel, set up provisions for contingencies of BRL 17,805 which it believes is sufficient to cover the probable losses.

Description	Balance sheet on 12/31/2020	Additions	Write-backs	Balance sheet on 12/31/2021
(i) Provision for Civil Claims	4,088	1,579	-	5,667
(ii) Provision for Labor Claims	68	2,735	-	2,803
(iii) Provision for Tax Claims	5,587	-	-	5,587
Subtotal	9,743	4,314	-	14,057
(-) Court Deposit	8,355	32,252	(14)	40,593

Description	Balance sheet on 12/31/2021	Additions	Write-backs	Balance sheet on 12/31/2022
(i) Provision for Civil Claims	5,667	2,951	-	8,618
(ii) Provision for Labor Claims	2,803	3,209	-	6,012
(iii) Provision for Tax Claims	5,587	-	(2,412)	3,175
Subtotal	14,057	6,160	(2,412)	17,805
(-) Court Deposit	40,593	144,942	(39)	185,496

Renova Foundation is a party to lawsuits arising in the normal course of its operations, involving civil, labor and tax issues, in addition to class actions that discuss terms and compliance with the "TTAC" clauses. The claims for which there is a probable risk of loss refer to: (i) civil actions that claim the inclusion of the plaintiffs in the emergency financial assistance or monetary compensation programs and new Indemnity System, (ii) labor claims of own employees and outsourced employees, decisions of which rendered up to the appellate court are unfavorable to Renova Foundation, (iii) tax lawsuit (annulment of tax debt) to for disputes over the filing of a spontaneous complaint, suspension of enforcement of a fine and providing a clearance liability certificate to proceed with its operations and legal obligations.

Court deposits – fine imposed by the “CIF” – Compliance with judgement No. 1014427-94.2022.4.01.3800 filed by the Interfederative Committee (“CIF”), assigning to Samarco the obligation to dredge the first 400m of the Risoleta Neves HPP reservoir (“Candongá”) by December 31, 2016. The expectation of loss is possible (item (a) in the table below) - on August 11, 2022 Renova Foundation deposited the amount (adjusted for accruals) in court, avoiding possible constrictive measures being filed against the Renova Foundation, and annulling a possible 10% fine and 10% attorney fees charge, as provided for in art. 523 paragraph 1 of “CPC”.

In addition to these lawsuits, others are in progress for which, under the advice of legal advisors, no provisions are required as the risk of loss is only possible. These are grouped as shown in the table below:

Description	2022	2021
(a) Civil class actions	27,645,338	11,990,938
(b) Individual civil claims	35,253,757	9,650,993
(c) Labor claims	3,593	2,856
Total possible risk of loss	62,902,688	21,644,787

a) Civil Class Actions: filed by the Public Prosecution Offices or Public Defender's Offices, Municipalities, States, Commissions for Affected Parties against Renova Foundation (“ACPs”), management concluded that the risk of possible is loss. These amount to BRL 27,645,338 as of December 31, 2022, including:

- i) Action No. 5023635-78.2021.8.13.0024 filed by the Public Prosecution Office of Minas Gerais requesting the intervention and extinction of Renova Foundation (updated amount in dispute: BRL 11,818,028. The amount in dispute have no financial impact on Renova Foundation, as the requests refer to the execution of programs provided for in the “TTAC”, already budgeted). The process has been suspended since August 2021 in compliance with the decision issued by the STJ, in Conflict of Competence No. 179.834;
- ii) Action No. 1023835-46.2021.4.01.3800: filed by the Federal Public Prosecution Office, Public Prosecution Office of Minas Gerais, Federal Public Defender's Office and Public Defender's Office of Minas Gerais and Espírito Santo, questioning the Renova Foundation's advertising expenses. The claim includes collective moral damages in an amount to be arbitrated by the Federal Court equivalent to twice the budget for the advertisement campaigns plus expenses incurred). Following the presentation of the Anti-Injunction Petition and the Defense by the Renova Foundation, a decision was handed to the 12th Federal Court (currently the 4th Federal Court) the exclusive right to judge the case (a decision that has already become final), ratifying the acts issued by the Judgment of the 4th Federal Court and granting the request made by the Institutions of Justice, to suspend the action for a period of 120 days. The records have been suspended since then;

- iii) Action No. 1033379-58.2021.4.01.3800 filed by the municipalities of Rio Doce (MG) and Santa Cruz do Escalvado (MG) with a claim for amounts that they failed to collect in taxes from the generation of energy from a hydroelectric plant affected by the failure of the Fundão dam – Request for remediation/revenue recovery due to (i) ICMS linked to VAF power generation; and (ii) financial compensation for the use of water resources (“CFURH”), based on the allegation that earnings ceased from energy generation at Risoleta Neves HPP as a result of the dam failure). Following the presentation of the defense, on 12/19/2022, a decision was handed down which, granted, among others, the request for provisional urgent relief, for the Defendants to be paid in the monthly installments, for ICMS and CIFURH, under the terms presented until the resumption of regular operation of Risoleta Neves HPP. The Defendants met the obligation through a Fundação Renova deposit, in court, of BRL 314,744.64.
- iv) Action No. 5001476-80.2021.8.13.0400, filed by the Public Prosecution Office of Minas Gerais, upon laying an 80 meter asphalt for access to the resettlement works of the community of Bento Rodrigues, the Renova Foundation caused pollution to the environment by allowing asphalt to be transported diluted with oil. The Defendant claims a pecuniary compensation payment, to be arbitrated by the court in favor of the State Defense Fund Diffuse Rights (FUNDIF), managed by the State Council for the Defense of Diffuse Rights (CEDIF - EMG SEDESE FUNDIF). Renova Foundation challenge this ruling which was filed on June 1, 2022.

Similar claims for remediation and/or indemnity include: payments of monetary compensations for individual and collective pain and suffering, presentation of remediation action plans, monitoring of water quality, reimbursement of extraordinary expenses, request for nullity and guarantees of certain clauses of the Mediated Indemnity Program, among others.

- b) Individual Civil Actions: similar to item (a), filed against Renova Foundation, Samarco, BHP and Vale, in which the Plaintiffs claim compensation for damages and pain and suffering due to (i) interruption of water supply in the affected cities; (ii) lack of or maintenance of payment of the Emergency Financial Aid; (iii) compensation for loss of property or equipment; (iv) loss of profits; (v) failure to receive the indemnity installment under the PIM – Mediated Indemnity Program; (vi) compensation for physical displacement or damage caused by the flooding of Lagoa Juparanã in Linhares; (v) claims arising from the new indemnity system – Novel.
- c) Labor Claims: Most were filed against a contracted service provider and Renova Foundation as a secondary obligor and in some cases, against the sponsors, as jointly liable. Most of the requests refer to non-payment of employee severance pay for service providers.

16. Net Equity

The Public Deed of organization of Renova Foundation determines that the allocation of assets, referred to in article 62 of the Civil Code, required to meet Renova Foundation’s objectives, will correspond to the sum of the installments made by 2022, as well as any further installments as later indicated by the curatorship as necessary for the project targets from 2023.

Contributions made by sponsor companies, intended for final expenses with socio-economic and socio-environmental programs and to cover administrative expenses, are initially recognized in Net Equity.

As the contributions are effectively received, the portion intended for final expenses with the programs is transferred to the socio-environmental and socioeconomic obligations account, while the

portion to cover administrative expenses is transferred to the contribution account for administrative expenses, both included in liabilities.

As Renova Foundation disburses funds to cover these expenses, the liability accounts are amortized and contributions from final programs and contributions are recognized in income.

As defined in the "TTAC", Samarco and its shareholders, Vale and BHP, provided resources to Renova Foundation with contributions, as follows:

Amounts contributed to Social Equity to cover final expenses

Description	Balance 2020	Contribution	Balance 2021	Contribution	Balance 2022
Samarco Mineração S.A.	684,677	3,626,832	4,311,509	4,409,360	8,720,869
Vale S.A.	4,899,459	2,120,584	7,020,043	1,698,785	8,718,828
BHP Billiton Brasil Ltda.	4,898,768	2,120,584	7,019,352	1,698,785	8,718,137
Subtotal	10,482,904	7,868,000	18,350,904	7,806,930	26,157,834

Values contributed to cover Administrative Expenses

Samarco Mineração S.A.	48,925	73,034	121,959	134,470	256,429
Vale S.A.	239,252	29,483	268,735	78,265	347,000
BHP Billiton Brasil Ltda.	239,252	29,483	268,735	78,265	347,000
Subtotal	527,429	132,000	659,429	291,000	950,429
Total contributions to Renova Foundation	11,010,333	8,000,000	19,010,333	8,097,930	27,108,263

The sponsoring companies will provide the funds as stated in the public deed, as follows:

- From 2020 to 2021, annual contributions to the Renova Foundation will be sufficient to cover the estimated performance of remediation and compensation projects for each year, as per the "TTAC". The annual reference amounts for these contributions will range from BRL 800,000 to BRL 1,600,000. From 2022 onwards, the amounts to be contributed to the Renova Foundation will be based on the program budgets approved by the Renova Foundation on the same date. The "TTAC" did not specify a minimum or maximum amount in this period for remediation programs.
- From the date of signing of the "TTAC", Renova Foundation will allocate BRL 240,000, annually for a period of 15 years, adjusted for inflation under the terms of clause 257, for the performance of compensation projects. These amounts are already included in the contained amounts of reported contributions for the first six years (2016 – 2021). Additionally, a contribution of BRL 500,000 was allocated to a program for sewage collection and treatment and disposal of solid waste to serve the municipalities along the Doce River, in the years 2016, 2017 and 2018, in the amounts of BRL 50,000, BRL 200,000 and BRL 250,000, respectively.

The contributions provided for in the "TTAC" through contributions registered with Renova Foundation, plus the unaudited contributions made directly by the sponsors, are reconciled as below:

Description	Balance 2020	Contribution	Balance 2021	Contribution	Balance 2022
Total Contributions to Renova Foundation	11,010,333	8,000,000	19,010,333	8,097,930	27,108,263
Samarco Programs - "TTAC"	1,862,976	172,472	2,035,448	322,466	2,357,914
	12,873,309	8,172,472	21,045,781	8,420,396	29,466,177

Description	Balance 2020	Lifting of freeze	Balance 2021	Lifting of freeze	Balance 2022
Public Civil Action (ACP) - Mariana	338,885	(46,398)	292,487	10,481	302,968
Total Contribution	13,212,194	8,126,074	21,338,268	8,430,877	29,769,145

17. Income

The Entity's source of funds is from the contributions made by its sponsors. It also recognizes as income all volunteer services and unremunerated time dedicated by the Board Members. The amounts for 2022 are shown below:

		2022	2021
Socio-environmental and socio-economic contributions	(a)	7,035,324	7,676,644
Contributions to administrative expenses	(b)	253,112	142,296
Gratuity and volunteer work - Board members	(c)	776	1,283
Gratuity and volunteer work - Granted	(d)	1,849	2,451
		7,291,061	7,822,674

- (a) Contributions received from the sponsors to be invested in the programs managed by Renova Foundation, allocated to social equity. As the obligations are realized, the liability is "settled" pursuant to ITG 2002(rev.1) and recorded as operating income from contributions.
- (b) Contributions received from the sponsoring companies to cover administrative expenses, allocated to net equity and once expenses are calculated, recorded as contributions to administrative expenses.
- (c) Refer to the non remunerated time donated by Renova Foundation Directors, in activities carried out by the Board of Trustees, Audit Board and Advisory Board. These provide services voluntarily free of charge, the values of services being recognized at fair value, despite no financial disbursement having occurred, consistent with accounting standard ITG2002.

The hours effectively dedicated by directors throughout 2022 are considered in the calculation, multiplied by the hourly rate of each one, this calculation resulted in 3,680 hours of dedication throughout 2022. The Board of Trustees dedicated 3,000 hours in 2022 (2021 – 3,880 hours), the Audit Board dedicated 680 hours in 2022 (2021 – 1,240 hours), the Advisory Board did not carry out activities in 2022 (2021 – 320 hours) – number of hours not audited.

(d) Refers to the costs of employees assigned by the sponsoring companies – Vale and BHP, for the continuity of various programs and sharing of the sponsor's knowledge, to the benefit of the Renova Foundation's processes. Costs refer to salaries, charges and benefits of these employees, incurred by each sponsor, as if the financial disbursement had occurred.

18. Program operating expenses

Operating expenses for programs refer to the socio-environmental and socio-economic remediation and compensation programs provided for in the "TTAC". The expenditures by group of measures and per program were:

		2022	2021
Socio-environmental programs - Remediation	(a)	759,298	647,938
Socio-economic Programs - Remediation	(a)	5,972,840	6,329,563
Socio-environmental programs - Compensation	(b)	255,884	135,249
Socio-economic Programs - Compensation	(b)	47,302	563,894
		7,035,324	7,676,644

a) Programs - Remediation

These comprise remediation measures and actions aimed at mitigating, remedying and/or redressing socio-environmental and socio-economic impacts arising from the failure of the dam. Among these programs, are:

- Tailings Management Program ("PG.23") - monitoring of vegetation and erosion processes, fourth hydrological year; second year studies deltaic region; monitoring and control of air quality; recovery of the marginal lakes, maintenance of bioengineering and works on the Nazareno embankment. Management of contaminated areas and containment structures Barramento Linhares.
- Water Supply Program ("PG.32") - execution of remediation works on the Water Treatment Stations ("WTSS") of Governador Valadares, works on the water supply system in the municipalities, with emphasis on Resplendor, Tumiritinga and Baixo Guandu, including water supply (water trucks).
- Aquatic Biodiversity Program ("PG.28") - monitoring (cycle 4) of the aquatic biodiversity of the Doce River, the delta and marine and estuarine environments in the environmental affected area 1 in the state of Espírito Santo; cycle 4 annual report on the reproductive monitoring of sea turtles; aquatic monitoring (cycle 2) Minas Gerais; preparation and delivery of the Integrated Action Plan report for the conservation of aquatic biodiversity.

SOCIO-ENVIRONMENTAL PROGRAMS	2022	2021
Tailings management program	119,036	118,753
Containment of tailings and treatment of impacted rivers	(37)	1
Recovery of the environmental area 1	23,531	23,819
Conservation of aquatic biodiversity	107,918	133,963
Conservation of terrestrial fauna and flora	28,389	2,520
Water supply systems	126,924	93,716
Water monitoring investigation	36,643	29,871
Consolidation of conservation units	3,474	2,255
Program management	313,420	243,040
	759,298	647,938

SOCIO-ECONOMIC PROGRAMS	2022	2021
Survey of the affected parties	33,818	19,860
Compensation damages for the affected parties	4,278,160	5,457,264
Protection of indigenous peoples	115,652	93,363
Protection of traditional community	5,838	7,084
Social protection program	12,765	4,695
Communication and dialogue	89,306	52,352
Assistance to animals	8,436	7,395
Reconstruction of Bento, Paracatu and Gesteira	358,380	305,393
Recovery of Risoleta Neves HPP reservoir	254,849	21,476
Recovery of impacted infrastructure	84,664	79,719
Recovery of schools	7,684	2,785
Preservation of historical heritage	11,611	4,704
Support for tourism, culture and sport	3,498	1,980
Physical and mental health of the affected parties	8,529	4,700
Resumption of fishing activity	17,927	8,766
Resumption of agribusiness activity	68,940	73,788
Recovery of micro and small businesses	9,239	3,590
Financial assistance to the affected parties	603,435	179,203
Reimbursement of extraordinary expenses	109	1,446
	5,972,840	6,329,563

b) Programs - Compensation

These comprise measures and actions for compensating non-mitigable or irreparable impacts arising from the dam failure, by improving the socio-environmental and socio-economic conditions of the affected areas, the redress of which is not possible or feasible, under the terms of the programs. Among these are:

- "PPAs" and "ARHs" Recovery Program ("PG.26") - Implementation of the acceleration process of engagement and validation activities in rural properties; mobilization of rural producers; fencing and protection of areas on rural properties.
- Water Supply Program ("PG.32") - execution of compensatory works for the Governador Valadares, Colatina and Linhares pipeline.

- Basic Sanitation Program ("PG.31") - Transfer for the implementation of basic sanitation and solid waste treatment projects; technical support and capacity building for municipalities to implement projects.
- Regional Economy Diversification Program ("PG.18") - Transfer of resources to the Business District of Mariana and Fundo Diversifica Mariana; delivery of the Meliponiculture project hives and inauguration of the Community Bank headquarters in Dionísio. Under completion Casa do Empreendedor; Agroecological projects MG and ES.
- Tourism, Culture, Sport and Leisure Support Program ("PG.13") - Edital Doce 1 edition, Edital Doce 2nd edition (cash payment and remediation); organization of the sport fishing tournament in the state of Minas Gerais (cash payment and remediation); revitalization of public libraries.

SOCIO-ENVIRONMENTAL PROGRAMS	2022	2021
PPA rehabilitation and erosion control	102,498	28,711
Recovery of springs	18,853	12,888
Fauna reintroduction screening structure	5,643	2,607
Sewage treatment collection program	26,884	21,640
Water supply systems	68,253	31,297
Environmental education system	15,689	5,531
Environmental emergency readiness	4,933	12,057
Information for population	826	477
Domestic and foreign communication	2,023	1,223
Consolidation of conservation units	8,433	18,212
Support for the implementation of environmental and rural inventories	1,849	606
	255,884	135,249

SOCIO-ECONOMIC PROGRAMS	2022	2021
Support for culture and sport tourism	13,434	6,443
Survey and remediation technologies	3,554	930
Diversifying the regional economy	21,501	3,470
Encouraging local hiring	7,217	1,576
Compensation measures	1,596	551,475
	47,302	563,894

19. Administrative / operating expenses

These are for the maintenance of Renova Foundation's operational activities, not being directly linked to the execution of the programs.

These also include expenses for volunteer services received by the Entity and the funding of the CIF governance system.

Volunteer service expenses are recognized at the fair value of the service provided, even if there has been no financial disbursement, according to accounting standard ITG2002 of the Federal Accounting Council ("CFC").

Governance system funding expenses are for the new governance system signed in June 2018 established through the Governance TAC (Conduct Adjustment Term), and include travel expenses of members of the technical chambers ("CT's"), Interfederative Committee ("CIF"), expenses with meetings of these groups and secretarial costs for the respective meetings.

The breakdown of administrative expenses as below.

	Note	2022	2021
Contracted services		69,928	53,458
Own personnel		58,220	49,653
Legal consulting		10,635	12,879
Consulting and studies		15,735	9,436
Governance system cost		87,387	4,131
Depreciation/amortization of administrative assets	9	4,038	2,792
Provision for lawsuits		(1,049)	2,295
Provision for losses on receivables – Fundo Desenvolve Rio Doce	8	1,603	1,659
Insurance		1,569	1,456
Travel		2,375	420
ITR - Rural Land Tax and ISS - Service tax - Withheld	12	275	190
Other expenses		2,396	3,927
	17.b	253,112	142,296
Volunteer services seconded employees	17.d	1,849	2,451
Volunteer services board members	17.c	776	1,283
		2,625	3,734
		255,737	146,030

20. Financial result

Financial income	2022	2021
Income from financial investments	207,884	74,880
Other income	34	12
	207,918	74,892
Financial expenses	2022	2021
(a) Financial update of socio-environmental and socio-economic obligations	199,772	126,011
COFINS on financial income	8,499	2,731
IOF - Tax on financial transactions	4,802	2,591
Interest – financial update on taxes payable and others	2,619	2,071
Financial Lease	787	298
Bank fees	364	370
Others	-	(70)
	216,843	134,002

- (a) Renova Foundation received funds from its sponsoring companies to meet its socio-environmental and socio-economic obligations (Note 14). However, as resources were not disbursed within the same period as receipt (Note 14) and they were invested in CDB's with immediate liquidity and investment funds; the income earned from the financial investments was transferred to liabilities, as an update of the Socio-environmental and socio-economic obligations, pursuant to the decision of Public Prosecution Office of Foundations of the state of Minas Gerais.

21. Sponsor Contributions

During 2022, the sponsors made contributions - allocations and donations – as presented below. The contributions are for maintaining Renova Foundation's on-going operation. These amounts do not constitute Renova's liabilities to the sponsors, as per the "TTAC" (Note 16).

	2022	2021
Vale S.A.	1,777,050	2,150,067
BHP Billiton Brasil Ltda.	1,777,050	2,150,067
Samarco Mineração S.A.	4,543,830	3,699,866
	8,097,930	8,000,000

22. Commitments

The Foundation has long-term contracts (table below) amongst which for audit services, civil works, water monitoring and aquatic biodiversity, PIM, management and inspection, forest recovery and restoration, bioengineering services, infrastructure and resettlement of Bento Rodrigues, Paracatu and Barra Longa, logistics services, expert technical services, operational support services for the territories, consulting on indemnity processes, containment services, water supply services, compliance with the Cooperation Agreement for the Rio State Park Doce, integrated registration services, dialogue services and customer service, meeting the demands of the technical chambers and CIF.

	2022	2021
Up to 1 year	1,698,292	2,628,576
From 1 to 2 years	1,349,727	280,790
From 2 to 3 years	502,699	69,183
From 3 to 5 years	233,350	26,399
	3,784,068	3,004,948

23. Insurance coverage (unaudited)

Given the scope of Renova Foundation's activities and the diverse nature of its operations, based on the guidelines of its management committees, Renova Foundation has taken out general civil liability insurance (third-party assets), D&O (civil liability for officers and executives), and cyber risk policy.

The General Civil Liability policy is valid for 24 months (May 2021 to May 2023), with a maximum indemnifiable limit of BRL 120,000.

The D&O policy is valid for 12 months (March 2022 to March 2023), with a maximum indemnifiable limit of BRL 263,000, established after hiring a consultancy to map all Renova's scenarios and interfaces.

Personal accident insurance policies, life insurance for all employees of Renova Foundation, and property insurance for Renova's offices are also in force.

Board of Trustees

Effective members

Cláudio Renato Chaves Bastos
Guilherme Almeida Tangari
Gustavo de Abreu e Souza Selayzim
Nelly Pazó Leon
Pedro Aguiar de Freitas
Reuber Luiz Neves Koury

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Lucas Brandão Filho
Luciana Cássia Nogueira
Taryn Nakayama
Tatiana Colnaghi Lima Thomaz
Tiago Fantini Magalhaes

Technical manager

Wandeir Campos da Silva
Accountant - CRC-MG 122183/O-9