

(A free translation of the original in Portuguese)

**MANAGEMENT REPORT, INDEPENDENT AUDITORS' REPORT
AND FINANCIAL STATEMENTS
As of December 31, 2023**



FUNDAÇÃO
renova



(A free translation of the original in Portuguese)

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, 2023 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 material accounting policies and other explanatory information.

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, 2023, and its financial performance and its 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 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 Note 1.1 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 Note 1.1, 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 independent auditor's 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.

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 statements or with our knowledge obtained in the audit or otherwise appears to be materially misstated.



Fundação Renova

If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

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 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.



Fundação Renova

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 25, 2024

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

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Message from Management

Fundação Renova (“Renova” or the “Renova Foundation”) is the organization responsible for carrying out the remediation and compensation measures in response to the damage caused by the failure of the Fundão dam in Mariana (MG), eight 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 Foundation 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 damage and required social remediation caused by the failure of the dam demands complex interventions and groundbreaking initiatives on a global basis. Renova is carrying out these actions with the collaboration of thousands of people. It is implementing partnerships with teaching and research institutions as well as socio-environmental entities in Brazil and abroad which today total over 25 universities and 40 non-governmental organizations and partnering institutions.

Renova Foundation

In 2023, we made progress on several fronts in remediating the damage caused by the failure of the Fundão dam. Many of the agreed actions have been completed and others are being carried out under careful governance providing parameters for our work.

Over these past years, Renova has been operating in a fair and balanced way, producing and accumulating knowledge about problems and solutions for remediation – this knowledge is collated and disseminated to a wide public. The complexity of the interventions in the affected territories, an unprecedented task not seen before, has required learning, studies and research for all activities in implementing the programs. The success of these interventions requires the search for synergy and the construction of integrated solutions to bring technical consistency and legitimacy to deliveries.

This commitment, embraced by all at Renova, involves ethical measures accountable to society at large, not only for the financial resources it consumes, but also for the level of expectations generated to improve the lives of those affected.

Reporting and complaint mechanisms, such as the Ombudsman's Office (directed to external stakeholders) and the Confidential Channel (directed to internal stakeholders), for remediation cases and handling of complaints and claims, are part of this commitment.

New management

In August 2023, Luiz Scavarda, Director of Programs at Renova Foundation, assumed the role of Interim CEO of the organization. Luiz is the executive officer responsible for ensuring the strategic alignment of all Renova Foundation's socioeconomic and environmental programs. The new management continues to focus on managing and executing the measures in the “TTAC” quickly and efficiently, with a strong systemic vision and broad knowledge and understanding of the challenges faced by the teams.

Luiz Scavarda is an electrical engineer, a graduate from PUC-RJ with a master's degree in International Management from abroad plus specializations in finance, leadership, management and health. His work experience includes large organizations such as Shell, Whirlpool and Vale, with global and regional responsibilities in the mining, consumer goods and energy industries. His focus has been in the areas of Engineering, Finance, Procurement and Sustainability, liaising with stakeholders in the private and public spheres in Brazil and internationally.

Scope of the Programs

The 42 programs carried out by Renova Foundation 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 those affected, setting compensation and indemnification; 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 aspects; tourism, culture, sports and recreation; support for physical and mental health of the population; promotion of innovation; resumption of water based and fishing activities; economic development and diversification; micro and small business recovery; fostering local hirings; 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:

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

Related programs: Reconstruction of 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 results in 2023

People and Communities

- **Monetary compensations and financial aid** - By December 2023, Renova Foundation had paid BRL 16.57 billion in compensation, including damages related to water (BRL 305.5 million) and general damages (BRL 13.58 billion), in addition to financial aid (BRL 2.68 billion) for approximately 439.5 thousand beneficiaries in Minas Gerais and Espírito Santo. Compensation and financial assistance paid totals BRL 3.00 billion in 2023 alone.

The advances reflect the implementation of the Simplified Indemnity System based on a court decision, accelerating monetary compensations for less formal categories. Since it was implemented, BRL 11.50 billion has been paid to more than 105.6 thousand people through the System.

During 2023, particular attention was given to indigenous peoples, to whom emergency subsistence aid was paid to a total of 1,348 families in the Tupiniquim-Guarani Indigenous Land in the amount of BRL 42.9 million and to 293 families in the Comboios Indigenous Land of BRL 16.5 million. Moreover, extra emergency aid payments were disbursed to 137 families from January to June 2023 and 181 families from July to December 2023 in the Indigenous Land of Resplendor in the total amount of BRL 22.6 million. BRL 82.0 million was paid in 2023 pursuant to the commitments assumed by the Renova Foundation for this target community. In all, by December 2023, BRL 435.1 million in financial aid was transferred to indigenous peoples. In this program alone, BRL 605.5 million were invested by December 2023.

With regard to traditional peoples, financial aid disbursements to the affected parties in the Quilombola Communities of Degredo, Santa Cruz do Escalvado and Rio Doce began, together with compensation for the general public from January 2022. Before this change, BRL 45.8 million in financial aid was transferred to this target community, with a total investment of BRL 73.4 million by December 2023.

- **Development Funds** - Since its creation in October 2017, the Desenvolvimento Rio Doce Fund has lent BRL 119.4 million for working capital financing for businesses in eligible municipalities in the states of Minas Gerais and Espírito Santo to encourage the local economy, totaling BRL 17.9 million in 2023 alone.

In December 2022, the Renova Foundation made BRL 5,0 million available to the Fundo Diversifica Mariana, Financing modality, for exclusive credit operations for companies based in the municipality of Mariana (MG) in partnership with Banco de Desenvolvimento de Minas Gerais ("BDMG"). A second contribution of BRL 20.0 million was made in July 2023, to total BRL 25.0 million. By December 2023, BRL 24.2 million had been lent by the Fund. New contributions up to the limit of BRL 30.0 million may be made next year, to total BRL 55.0 million.

The available products offer competitive interest rates, below the market average and with extended tenures. The credit facilities can be used for working capital and other financing formats, including for investment.

In all, the Development Funds offered by Renova Foundation (Desenvolve, Compete and Diversifica Mariana) had already released BRL 150.8 million by December 2023.

The disbursements made by the Desenvolve Rio Doce Fund contributed to the maintenance of more than 12,754 employment posts in Minas Gerais and Espírito Santo.

- **Professional Skills Development** - The offer of face-to-face professional skills and development courses was interrupted during the Covid-19 pandemic in early 2020 and resumed in 2022. In all, face-to-face professional skills training has delivered 353 classes with a total of 6,685 students trained by December 2023.

The municipalities contemplated with on-site professional skills development courses to date have been Aimorés, Barra Longa, Belo Oriente (Cachoeira Escura), Governador Valadares, Ipatinga, Itueta, Mariana, Periquito (Settlement Liberdade and Pedra Corrida), Resplendor and Sem Peixe, in the State of Minas Gerais and Baixo Guandu, Colatina and Linhares (Degredo, Povoação and Regência) in the State of Espírito Santo. Renova Foundation will maintain the offer of face-to-face professional skills development 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") and will provide input for the necessary remediation and mitigation actions. Renova Foundation 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 in the delta region of the Rio Doce (ES), to be launched by the government.

In December 2023, the last installment totaling BRL 36.2 million in compensatory funds was paid to the Rio Doce State Park (PERD), a total equivalent to BRL 106.9 million inflation indexed to the IPCA (amount provided for in a court judgement was BRL 93.1 million).

- **Forest Restoration** - The Renova Foundation is restoring springs, Permanent Preservation Areas ("PPAs") and water recharges in the Doce river watershed, integrated actions to improve water quality.

Forest restoration activities have so far reached around 29,500 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 2,378 springs are in the process of rehabilitation (in 2022 - 1,710 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 they own, especially springs and water sources, are being financially compensated 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 producers to be remunerated, are responsible for maintaining the areas for a period of five years. By December 2023, more than BRL 5.9 million had been paid to rural producers in the Doce River Watershed.

Reconstruction and Infrastructure

- **Sanitation** - A critical measure for the revitalization of the Doce River through compensatory actions is the allocation, by Renova Foundation, of funds to the impacted municipalities for projects to improve the collection and treatment of sewage and the adequate disposal of urban solid waste.

During 2023, the sewage collection and treatment and solid waste disposal program transferred BRL 54.0 million to sanitation actions in several municipalities and consortiums along the Doce river watershed. Construction (total of 11 works) were completed in eight municipalities - São José do Goiabal, Sem Peixe, Rio Casca, Marliéria, Ipatinga and Rio Doce (3 works) in Minas Gerais, and in Colatina and Linhares (2 works), in Espírito Santo. In addition, 21 works are in progress (in 16 municipalities) and 3 are suspended (3 municipalities), awaiting a decision from the public authorities to be resumed. In all, BRL 114.0 million has already been transferred, with the total cost of the program being BRL 138.4 million by December 2023.

City halls, concurrently, provide technical assistance and training workshops for the development of projects and monitoring of works. In 2023 alone, 14 training workshops were offered and 1,029 visits and technical support meetings were held to municipalities and consortia.

- **Resettlements** - The failure of the Fundão dam affected the communities of Bento Rodrigues and Paracatu de Baixo, in Mariana (MG), and Gesteira, in Barra Longa (MG). In Bento Rodrigues and Paracatu, new homes were built for families, businesses and assets for communal use such as squares, schools, service stations and basic health care units. The infrastructure of both districts is being completed.

Currently, Renova Foundation is working on refunding cases for 727 houses, businesses, farms, lots and communal assets, of which 511 (70.2%) have been resolved with the handover of the property or payment of compensation. To date, 295 properties have been returned with payment of compensation or other solutions and 216 properties delivered, totaling 511 cases closed. Of the 216 cases in progress, 101 properties had, in December 2023, completed works awaiting scheduled delivery, while another 32 properties are under construction. Of the remaining cases, 61 have an identified solution and construction is to be started, or compensation negotiated, and 22 properties are in other situations.

Bento Rodrigues – evolution:

- 250 properties forecast;
- 184 properties completed (73.6% of projection);
- 9 of the completed properties are communal assets, such as schools, water and sewage treatment plants and service stations;
- 105 properties delivered to residents;
- 26 other properties are under construction.

Paracatu – evolution:

- 95 properties planned;
- 75 properties completed (78.9% of planned properties);
- 12 of the properties with completed works are communal assets, such as elementary and nursery schools, health care units and service stations;
- 45 properties were handed over to future residents;
- 3 other properties are under construction.

Gesteira – evolution:

Since November 2019, the collective resettlement for Gesteira was being addressed in the Public Civil Action (“ACP”) in the 4th Federal Civil and Agrarian Court of the Judiciary Subsection of Belo Horizonte. Following a deadlock, an agreement for the transfer of BRL 126.0 million by Renova Foundation was approved by the Court in May 2023 and fully settled in June 2023. The amount is intended for the urbanization of the new land and monetary compensations for families.

The infrastructure and urbanization works on the land acquired for collective resettlement, entirely donated to the municipality, will be the responsibility of Barra Longa City Hall with the monitoring of residents and public inspection bodies.

Of the 31 families that chose family resettlement, in which they receive an amount to purchase a property wherever they want, all processes were completed. Of these, 24 have acquired properties, with updated titles to the property, and seven chose full payment of the agreement, without purchasing property. Five families opted for collective resettlement and will have their houses built on a single plot of land, which will have a water supply system, recreation areas, football field and projects to strengthen the local economy.

Other types of resettlements

In all, the owners of 120 affected properties chose to rebuild on the same land or buy, renovate or build a house in another location. Deliveries of these new homes began in 2019.

- 55 families received the keys to their houses and lots;
- 4 properties have completed construction;
- 3 properties are being renovated or built to suit the families' choices.

Restitution of the right to housing through monetary compensation

The affected parties opting for the right to refund for housing or ownership of 210 properties chose to be compensated in cash for the property lost, without the

construction of a new house or renovation by Renova Foundation. Of these, 203 properties were indemnified. The amount received is intended to restore the right to housing or property and is separate from other amounts paid as monetary compensation to families who lost their homes due to the dam failure.

By December 2023, BRL 4.73 billion had been invested in the Resettlements of Bento Rodrigues, Paracatu, in addition to cash refunds for Gesteira. In 2023 alone, BRL 1.25 billion was disbursed.

Non-financial data is subject to greater measurement challenges than financial data, given the diversity of methods used to determine, calculate or estimate such data. Qualitative interpretations of materiality 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 2023 commitment for the financial year. Presented below are the budget execution values for the "TTAC" programs by Renova Foundation and the amount disbursed by Samarco.

The "TTAC" requires the sponsors to make annual contributions to fund Renova Foundation in carrying out its programs. Annual contributions are defined as:

- I. **Compensation programs:** total value of BRL 4.10 billion covering 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 to meet different initiatives of a compensatory nature, such as the recovery of springs and permanent preservation areas and water recharge. Funds inflation-indexed to the IPCA, or another index that may replace it, in compliance with clause 257.
- II. **Remediation programs:** there is no ceiling, that is, the actions must be implemented without being restricted 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.

Allotment of funds

BRL 6,687.4 million were invested in "TTAC" programs in 2023, of which BRL 6,404.6 million by Renova Foundation and BRL 282.8 million by Samarco.

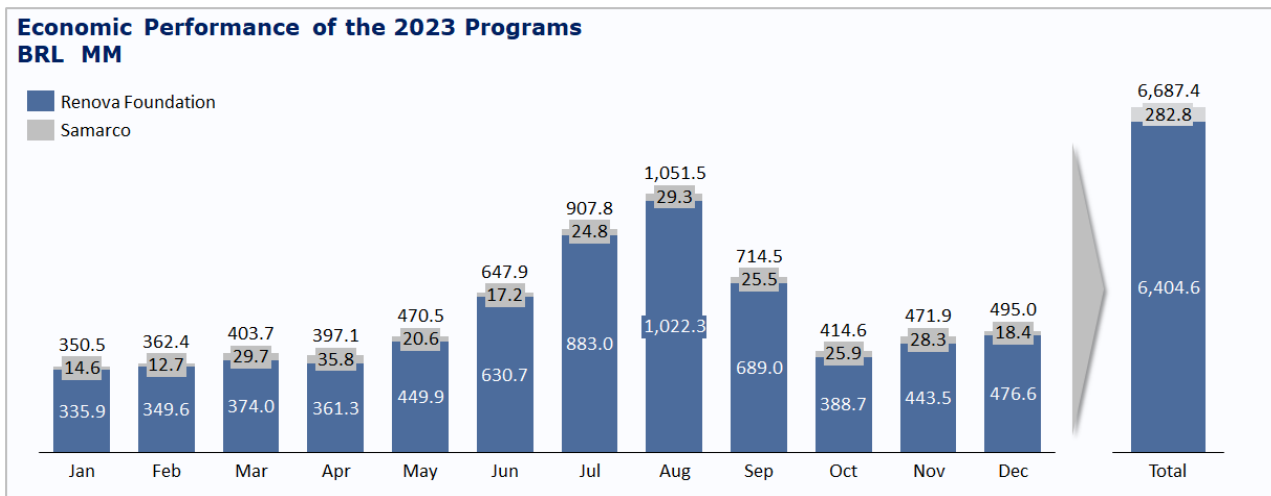


Chart 1: Monthly economic performance - BRL million

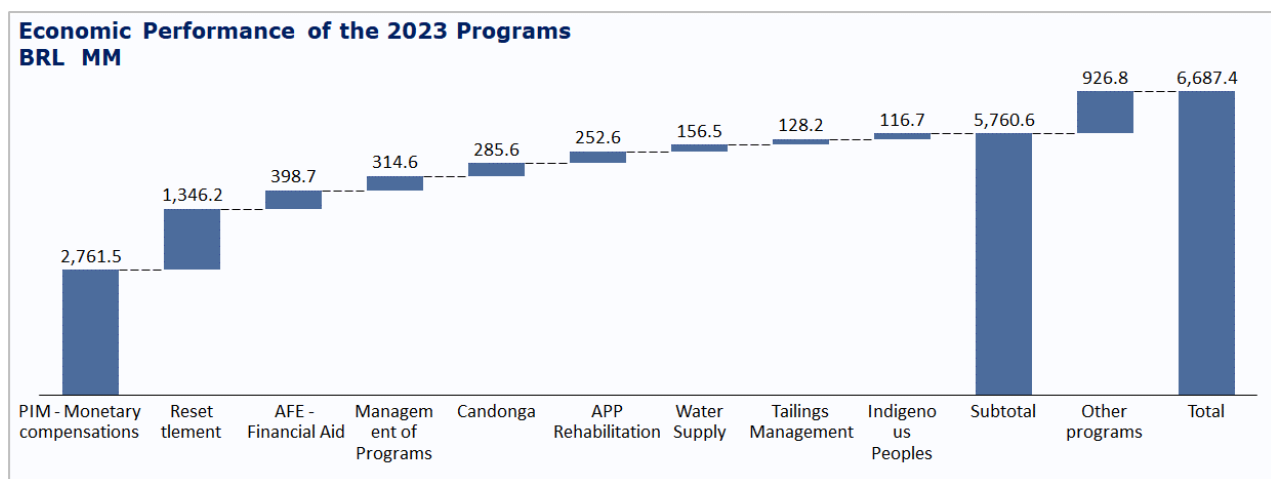


Chart 2: Economic performance of programs in 2023 – BRL million

The economic performance of the programs to 2023 totaled BRL 34,757.6 million, of which BRL 32,116.9 million by Renova Foundation and BRL 2,640.7 million by Samarco.

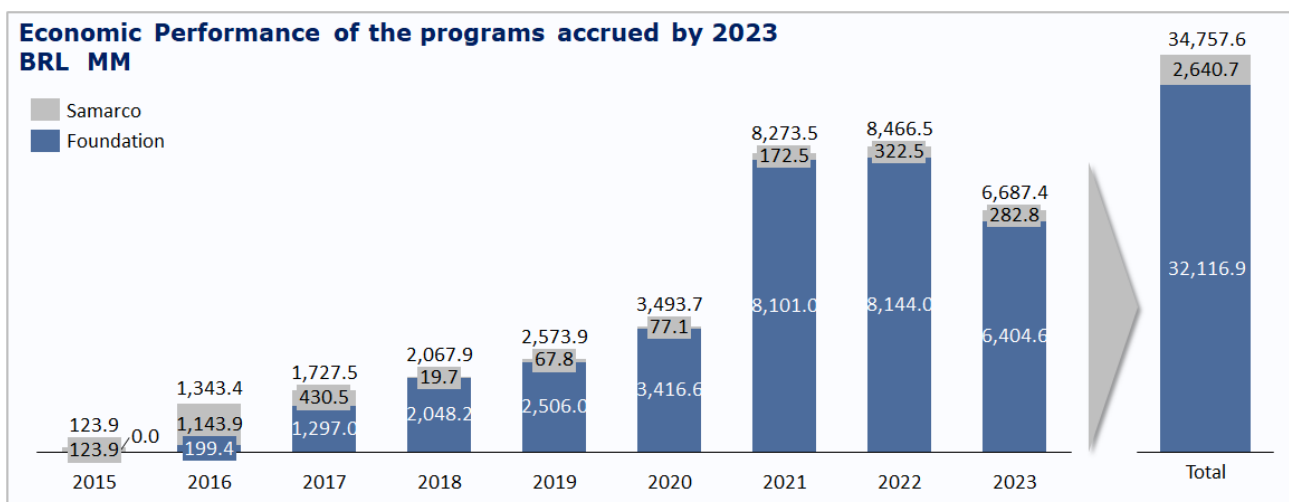


Chart 3: Annual and accumulated economic flow - BRL million

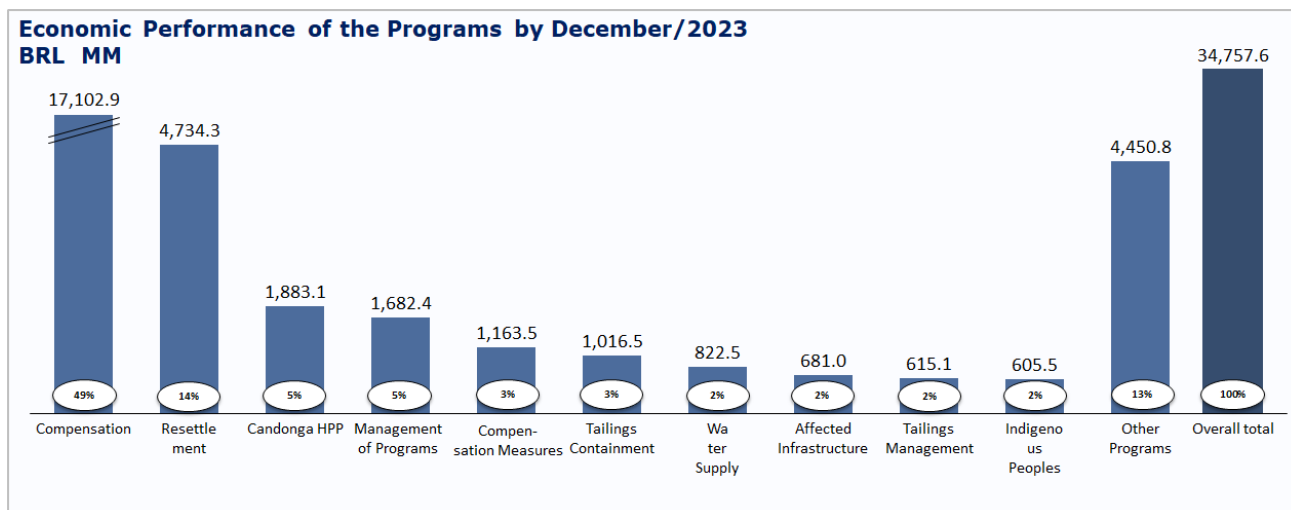


Chart 4: Economic performance of programs (accumulated) - BRL million

Source of funds: funding from the sponsors

In order to fulfill its obligations for 2023, BRL 6,600.0 million were invested in Renova Foundation in 2023, by the sponsors Samarco, Vale S.A. and BHP Billiton Brasil Ltda, as shown below:

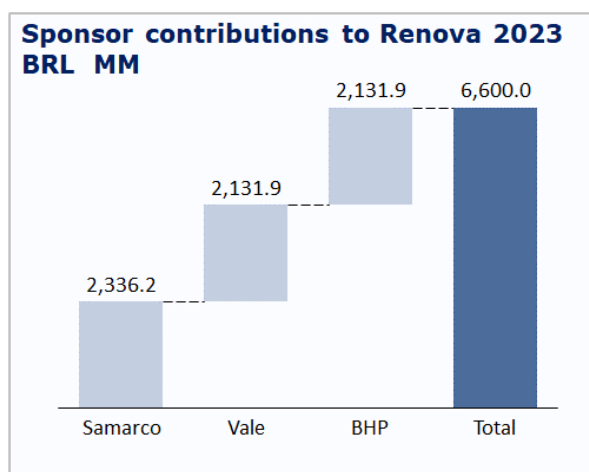


Chart 5: Contributions to Renova Foundation 2023 – BRL million

In addition to the contributions of BRL 6,600.0 million to Renova Foundation, BRL 282.8 million were made by Samarco for activities in which it participated in 2023 to fulfill the “TTAC” programs.



Chart 6: Economic performance of Samarco 2023 – BRL million

These amounts are considered in the annual allocations and added to the contributions to Renova Foundation, resulting in BRL 6,882.8 million in contributions in 2023.

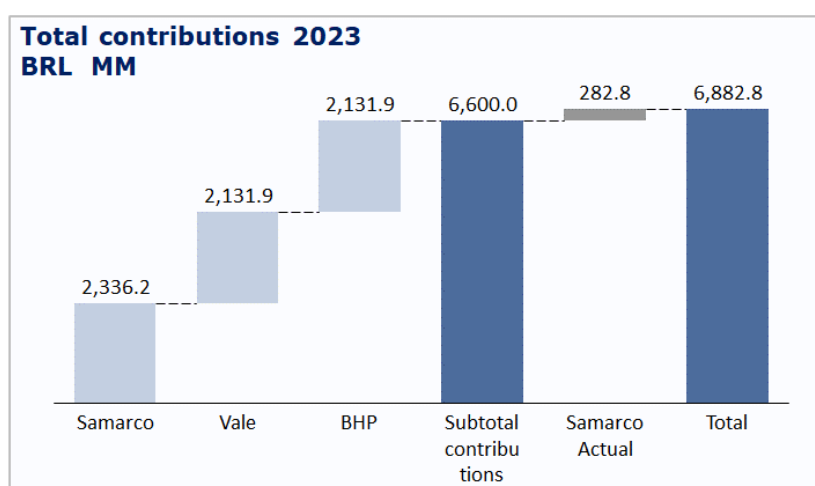


Chart 7: Total contributions 2023 - BRL million

Contributions for compensatory programs

In compliance with "clause 232, Renova Foundation will allocate BRL 240.0 million, for a period of 15 years, starting in 2016, for the execution of projects of a compensatory nature and measures within the scope of the programs, duly adjusted for inflation by the IPCA". In 2023, this was BRL 108.1 million, totaling BRL 348.1 million, already considered in the total amount contributed of BRL 6,600.0 million, carried out by the sponsoring companies in Renova Foundation.

Transfer of the total allocation for 2023

The funds transferred in 2023 by the sponsors through deposits to the Renova Foundation, as recorded by Samarco, were considered for the purpose of complying with the "TTAC" program actions, duly audited. A breakdown of the allocation of the amounts contributed by the sponsors, and the amounts invested by Samarco in programs, totaling BRL 6,882.8 million as below:

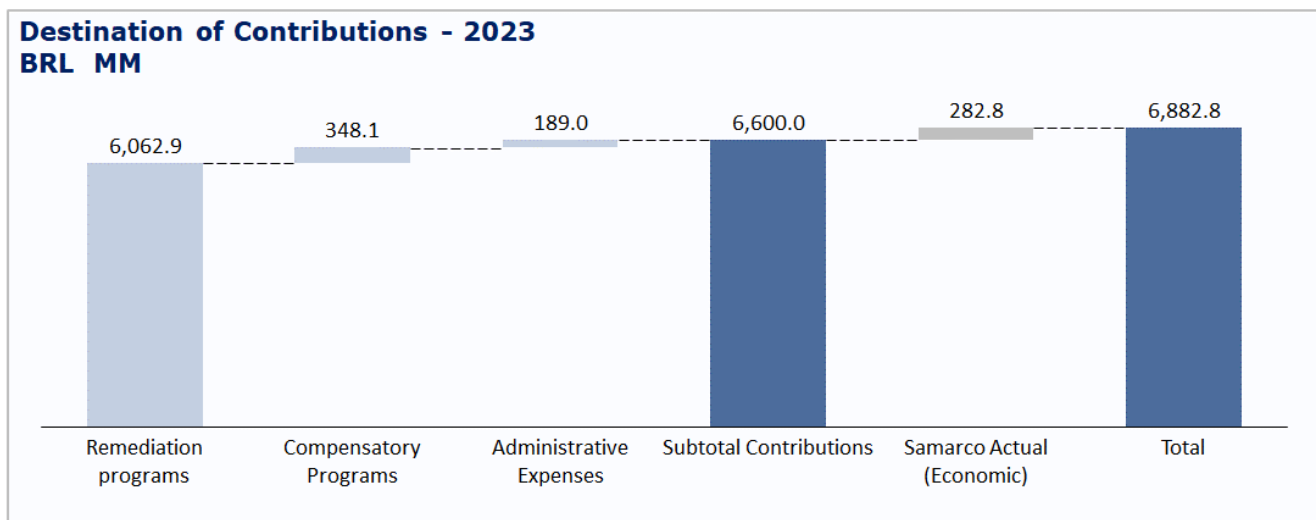


Chart 8: Allocation of contributions in 2023 – BRL million

On a cumulative basis, the contributions made directly to Renova Foundation totaled BRL 33,708.3 million, which, added to the amounts disbursed by Samarco to fund the programs, total BRL 36,349.0 million.

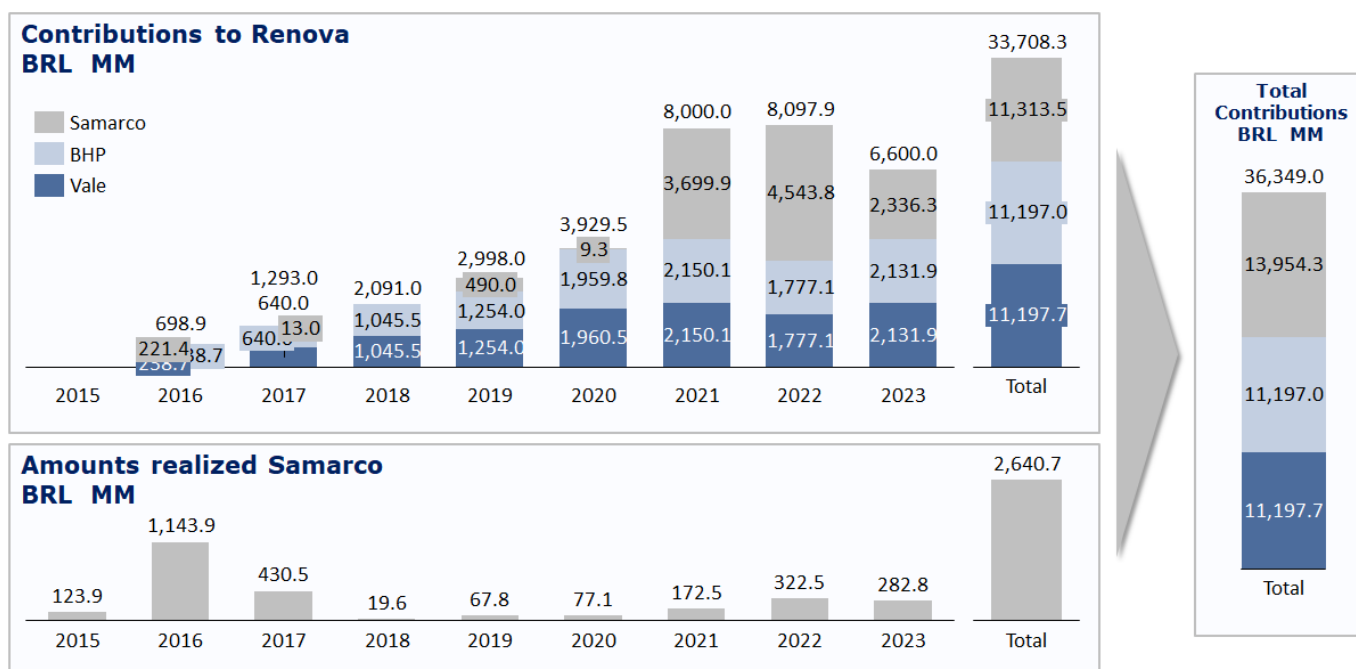


Chart 9: Accumulated contributions - BRL million

Additionally, amounts held in escrow by ACP 0400.15.004335-6 (“ACP Mariana”) are part of the contributions to Renova Foundation, pursuant to item II of clause 227 of the “TTAC”. Of the initial amount of BRL 300 million, blocked in 2015, BRL 71.1 million had been released by December 2023. Once the interest accruals are added, the December 2023 position is BRL 330.1 million of funds blocked. The blocked inflation-indexed balance, earmarked for the execution of the programs, added to the accumulated amount of contributions, totals BRL 36,679.1 million.

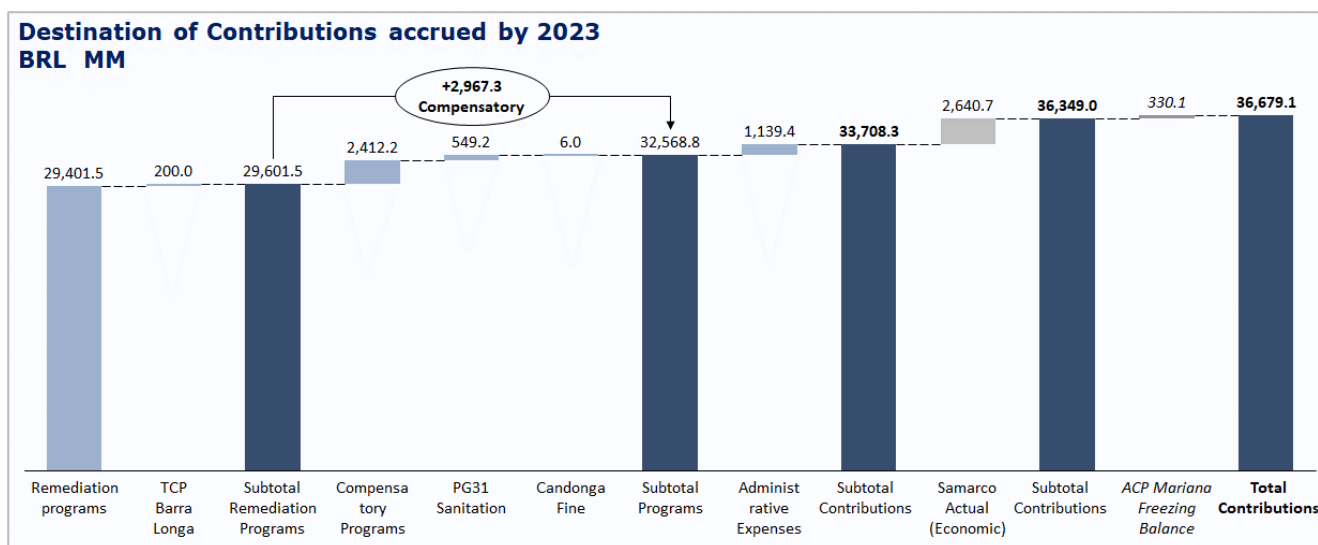
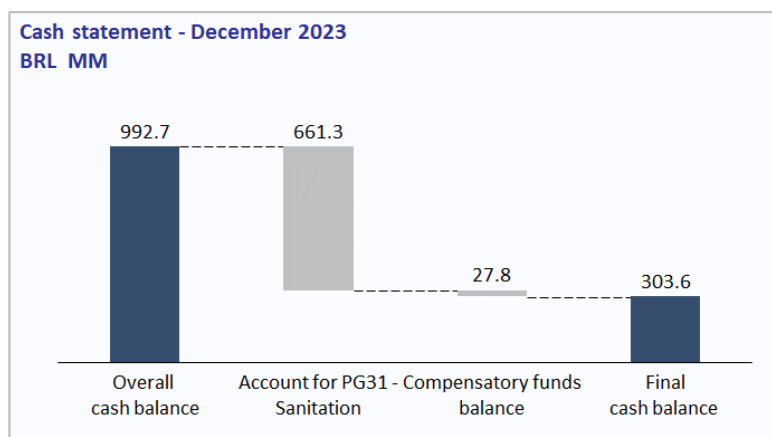


Chart 10: Allocation of contributions (accumulated) - BRL million

In the graph above, the ACP Mariana Blocked Balance is included as it forms the basis of Renova Foundation's contributions, despite the amount being controlled by Samarco and not included in the Renova Foundation Economic Flow.

Cash position

The total resources in Renova Foundation's cash at the end of December 2023 was BRL 992.7 million, of which BRL 661.3 million refer to funds for PG31 - Sanitation, according to clause 169 of "TTAC" and the remainder allocated to other obligations of the programs.



Graph 11: Cash statement in Dec/2023 - BRL million

Management expenses

All those related to the funding of Renova Foundation's corporate structure are treated as management expenses. The total amount in 2023 was BRL 400.2 million, of which 58% (BRL 233.3 million) were allocated to final expenses – in a structure focused on the performance of programs – and the remainder (BRL 166.9 million), as administrative expenses of the support areas, except provisions and taxes recorded directly in the expense accounts.

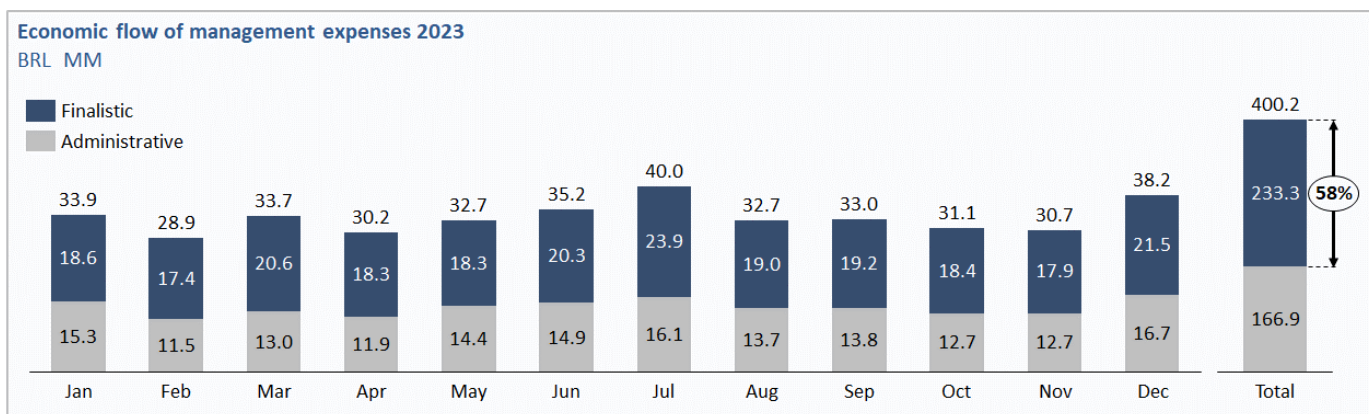


Chart 12: Economic flow of management expenses 2023 - BRL million

Governance system costs

In addition to expenses for compliance with program actions and administrative expenses, Renova Foundation is responsible for funding the structure of the CIF System (“Interfederative Committee”) under the full functioning of the CTs (“Technical Chambers”), which includes travel expenses for members of the CIF, funding for the participants in meetings, management contract, independent audit and infrastructure. Renova is also responsible for the costs of ATIs (“Independent Technical Advisories”), under the terms of ATAP (“Amendment to the Preliminary Adjustment Term”) and TAC-Gov, funding the Budget of Affected Parties, according to Clause 62 of TAC-Gov, hiring of the Affected Parties manager, in compliance with Clause 84 of the TAC-Gov, maintenance of the physical and personnel structure of the Mariana Affected Parties Commission and service provision contract for the Social Governance team.

The total cost of the governance system in 2023 was BRL 54.2 million.

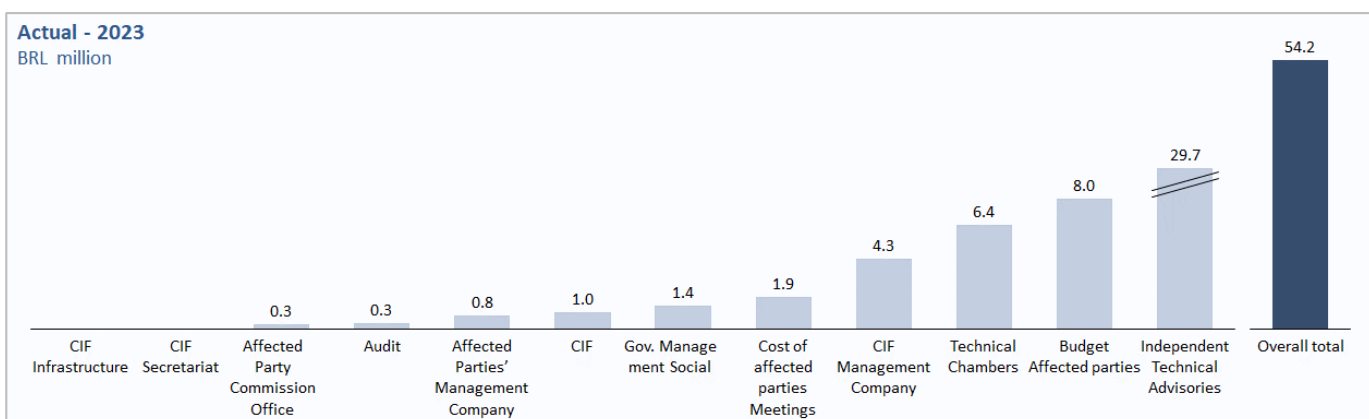


Chart 13: Costs incurred in the 2023 Governance system - BRL million

The governance system costs began in August 2018, and the amounts since that period totaled BRL 156.8 million.

The amounts disbursed under the Technical Advisories are compliant with the court ruling of November 30, 2022, handed down by the 4th Federal Court, which determined the their constitution for the affected territory. By December 2023, in compliance with court ruling, the amount of BRL 109.9 million was made available to the “ATIs”.

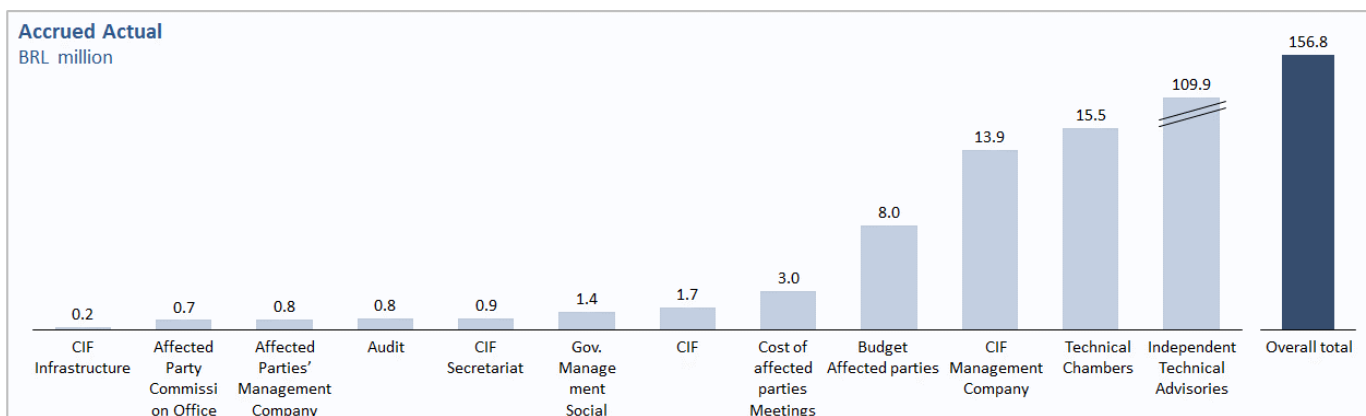


Chart 14: Costs incurred for the governance system (accumulated) - BRL million

Direct economic value generated and distributed

The remediation process currently generates more than 6,420 direct and indirect jobs. Of the total number of posts generated, 58% are occupied by professionals from the affected municipalities themselves.

By December 2023, the value of the contracts signed with local suppliers throughout Renova Foundation's area of operation was BRL 1.66 billion, which corresponds to 44% of all contracts signed by Renova. The stimulus to local procurement privileges local suppliers and service providers, in order to boost the economy of the affected municipalities and increase municipal tax revenue.

The operations carried out by Renova Foundation in 2023 generated BRL 352.7 million in municipal and federal taxes, BRL 21.6 million less than the previous year, when BRL 374.3 million was generated.

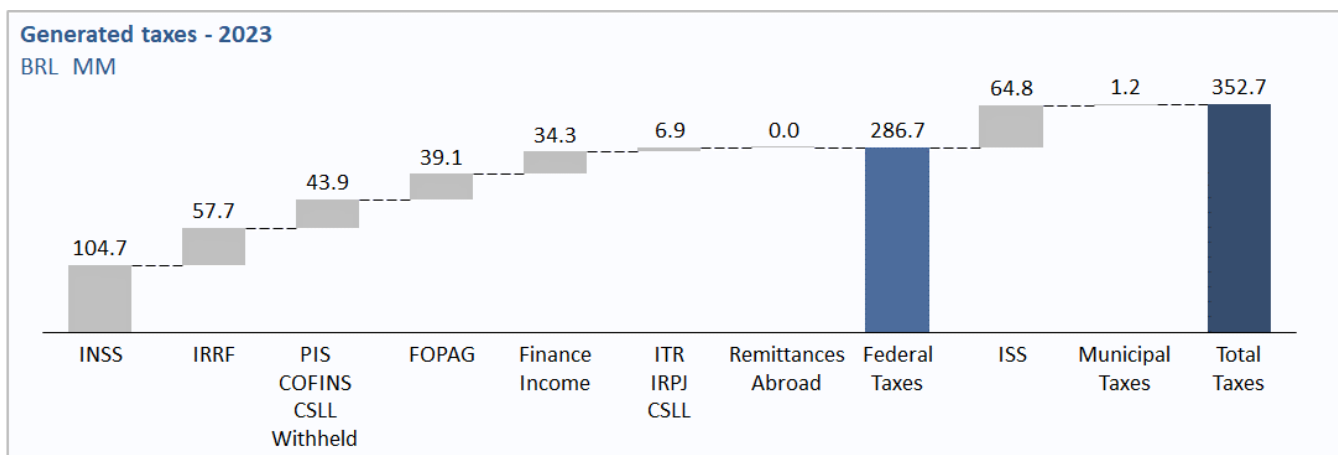


Chart 15: Taxes generated in 2023 - BRL million

For the period between 2016 and 2023, the tax burden was BRL 389.0 million from direct taxes. In addition to direct taxes, the operations generated BRL 1,328.7 million in municipal and federal indirect taxes withheld accumulated from the beginning of the operations. The total amount calculated up to December 2023 was BRL 1,717.7 million.

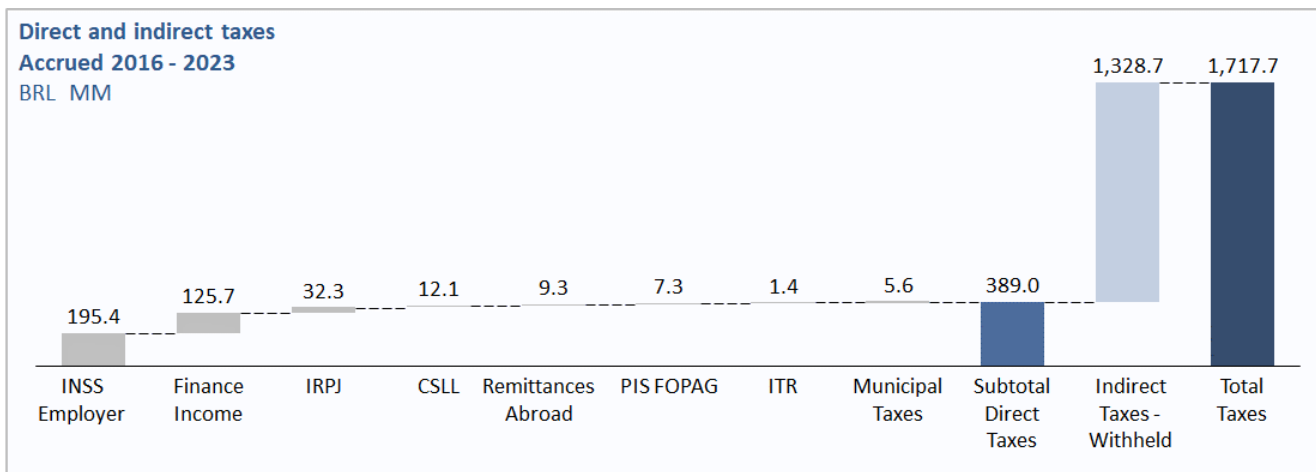


Chart 16: Direct and indirect taxes (accumulated) – BRL million

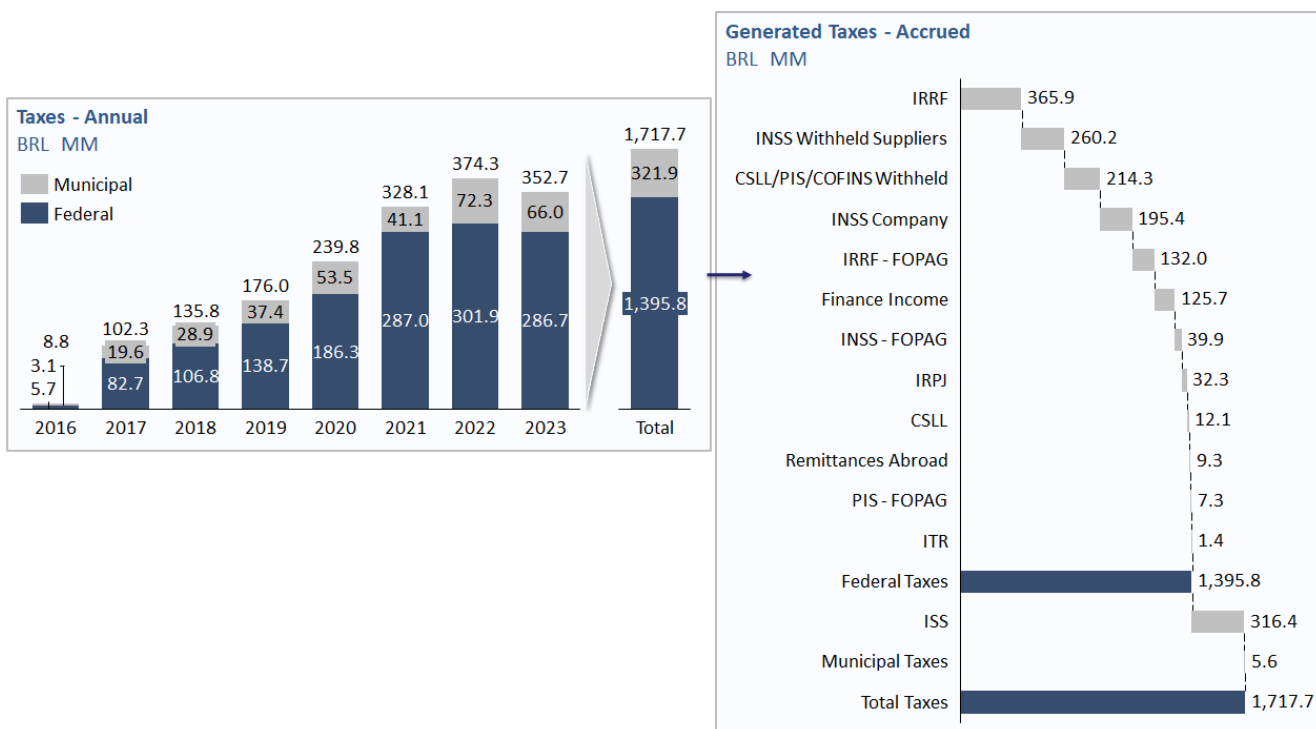


Chart 17: Evolution annual tax revenue - BRL million

Prospects for 2024

A BRL 6,089.9 million spend has been budgeted for 2024. The forecast, with no new obligations, considers the costs for the performance of the "TTAC" programs (BRL 5,736.2 billion), administrative expenses (BRL 131.3 million), and the cost of the governance system (BRL 222.4 million).

For compensation programs (BRL 4,764.9 million), the most significant amount continues to be for the payment of monetary compensations and emergency financial aid (BRL 1,895.6 million). Renova Foundation is working to conclude the monetary compensation

proceeding, which will be terminated in stages, by decision of the Court. By December 2023, BRL 16.57 billion in compensation and financial aid had been paid.

An investment of BRL 971.3 million is planned for compensatory programs - with emphasis on actions to rehabilitate Permanent Preservation Areas ("APPs") and water recharge ("ARH") and recovery of springs - for the year will be approximately BRL 475.0 million .

In order for Renova Foundation to have sufficient funds to carry out the activities planned for 2024, contributions of approximately BRL 6.00 billion will be required. The sponsors of Renova Foundation are committed to honoring their obligations assumed by Renova to subsidize 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 2024.

Court judgements may change these forecasts, especially regarding compensation. Renova Foundation is mobilized to cover the short-term liabilities generated by such decisions.

Projections are based on scenarios and any material variation in forecast or realized amounts over time may be due to factors over which Renova Foundation has no or limited control. Last year, management was successful in meeting 98.7% of the goals related to the financial execution of the programs.

Summary

BRL 34.76 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 32.28 billion for remediation actions and BRL 2.48 billion for compensation actions.

In 2023 alone, funds invested in programs totaled BRL 6.69 billion. Administrative management expenses totaled BRL 166.9 million, except for provisions and taxes recorded directly in expense accounts, and the funding for the governance system required BRL 54.2 million in 2023.

Indemnities paid were BRL 3.00 billion in 2023 accumulating BRL 16.57 billion, comprising water damage (BRL 305.5 million) and general damage (BRL 13.58 billion), in addition to financial aid (BRL 2.68 billion).

The sponsors directly contributed BRL 33.71 billion to Renova Foundation, of which BRL 6.60 billion in 2023.

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

Luiz Antônio Roris Rodrigues Scavarda do Carmo
Interim CEO

Juliana Borges Ferreira Souto
Chief Planning and Management Officer

Wallace Magalhães Ferreira
Chief Engineering and Civil Works Officer

Flavio Chantre
Chief Institutional Relations Officer

Luiz Antônio Roris Rodrigues Scavarda do Carmo
Chief Program Officer

BALANCE SHEET

As of December 31
In thousands of reais

(A free translation of the original in Portuguese)

ASSETS

Current	Note	2023	2022
Cash and cash equivalents	3	687	225
Financial investments	3	991,964	1,031,288
Taxes recoverable	4	21,020	42,562
Prepayment - Partnerships and agreements	5	156,051	136,820
Other assets	6	19,372	62,733
Total current assets		1,189,094	1,273,628
Non-current			
Long-term assets			
Third party Assets	7	3,614,563	2,546,176
Amounts receivable - <i>Fundo Desenvolve Rio Doce</i>	8	81,763	58,804
Court deposit	15	218,751	185,496
		3,915,077	2,790,476
Property, plant and equipment	9	39,373	36,995
Intangible assets	9	2,555	3,973
Right-of-use asset - Lease	9	2,137	2,013
Biological asset	9	153	-
Total non-current assets		3,959,295	2,833,457
TOTAL ASSETS		5,148,389	4,107,085

LIABILITIES AND NET EQUITY

Current	Note	2023	2022
Trade payables	10	188,898	321,484
Salaries, provisions and payroll taxes	11	23,007	22,686
Taxes payable	12	27,437	31,085
Indemnities payable and others	13	105,924	105,547
Socio-environmental and socio-economic obligations	14	594,553	625,559
Contribution - administrative expenses to be appropriated	17.a	36,215	70,767
Lease	9	2,033	1,708
Other liabilities		1,806	7
Total current liabilities		979,873	1,178,843
Non-current			
Socio-environmental and socio-economic obligations	14	4,134,744	2,918,984
Provision for lawsuits	15	11,299	17,805
Lease	9	104	305
Total non-current liabilities		4,146,147	2,937,094
Total liabilities		5,126,020	4,115,937
Net Equity			
Corporate assets	16	32,568,834	26,157,834
Transfer socio-environmental and socio-economic obligations	16	(32,568,834)	(26,157,834)
Surplus (Deficit) for the year		22,369	(8,852)
Total net equity		22,369	(8,852)
TOTAL LIABILITIES AND NET EQUITY		5,148,389	4,107,085

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

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

(In thousands of reais)

(A free translation of the original in Portuguese)

	Note	2023	2022
Contributions			
Socio-environmental and socio-economic contributions	17	5,319,870	7,035,324
Contributions to administrative expenses	17	223,552	253,112
Volunteer work	17	1,330	2,625
Total contributions		5,544,752	7,291,061
Operating expenses			
Programs	18	(5,319,870)	(7,035,324)
General and administrative	19	(223,552)	(253,112)
Volunteer work	19	(1,330)	(2,625)
Total operating expenses		(5,544,752)	(7,291,061)
Operating income before financial result		-	-
Financial result			
Financial income	20	134,728	207,918
Financial expenses	20	(105,749)	(216,843)
Net exchange rate variations		(1)	76
Other operating income		-	2
Profit/loss before income tax and payroll taxes		28,978	(8,847)
Income tax and payroll taxes	12	(6,609)	(5)
Surplus (deficit) for the year		22,369	(8,852)

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

STATEMENT OF COMPREHENSIVE INCOME

Years ended as of December 31

(In thousands of reais)

(A free translation of the original in Portuguese)

	2023	2022
Surplus (Deficit) for the year	22,369	(8,852)
Other comprehensive income	-	-
Total comprehensive income (loss) for the year	22,369	(8,852)

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

**STATEMENT OF CHANGES IN
NET EQUITY**
Years ended as of December 31

(In thousands of reais)



(A free translation of the original in Portuguese)

	Note	Equity	Transfers	Accumulated surplus (deficit)	Total
Balance at December 31, 2021		18,350,904	(18,350,904)	(58,869)	(58,869)
Contributions from sponsors	16	7,806,930	-	-	7,806,930
Transfer to socio-environmental and socio-economic obligation accounts	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)
Contributions from sponsors	16	6,411,000	-	-	6,411,000
Transfer to socio-environmental and socio-economic obligation accounts	16	-	(6,411,000)	8,852	(6,402,148)
Surplus of the year		-	-	22,369	22,369
Balance as of December 31, 2023		32,568,834	(32,568,834)	22,369	22,369

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

STATEMENT OF CASH FLOWS

Years ended December 31

(In thousands of reais)



(A free translation of the original in Portuguese)

	Note	2023	2022
Cash flows from operating activities			
Surplus (deficit) for the year		22,369	(8,852)
Adjustments to reconcile surplus (deficit) for the year with cash from operating activities:			
Depreciation and amortization	9	5,166	7,193
Socio-environmental and socio-economic obligation accruals	14	98,709	199,772
Provision (write-back) for services payable and others		1,804	(4,907)
PCLD - Fundo Desenvolve Rio Doce	8	808	1,604
Provision (write-back) for lawsuits	15	(6,506)	3,748
		122,350	198,558
(Increase) decrease in operating assets:			
Receivables - Desenvolve Rio Doce Fund	8	(23,766)	(9,462)
Court escrow deposits	15	(33,254)	(144,903)
Taxes recoverable	4	21,542	(23,205)
Prepayment - Partnerships and agreements	5	(19,232)	6,517
Other assets	6	43,360	(22,169)
Increase (decrease) in operating liabilities:			
Trade payables	10	(132,586)	88,689
Salaries, provisions and payroll taxes	11	322	3,436
Taxes payable	12	(2,266)	(12,372)
Indemnities payable and others	13	377	29,725
Socio-environmental and socio-economic obligations	14	1,094,896	755,562
Contribution - administrative expenses to be appropriated	17.b	(34,552)	37,888
Other liabilities		(7)	4
Net cash generated by operating activities		1,037,184	908,268
Social contribution paid		(1,382)	(560)
Net cash generated by operating activities		1,035,802	907,708
Cash flows from investing activities			
Assets acquired from third parties	7	(1,068,387)	(1,081,257)
Acquisition of fixed, intangibles and biological assets	9	(6,278)	(6,132)
Unrestricted financial investments	3	(139,949)	276,821
Restricted financial investments - investments	3	(240,000)	(240,000)
Restricted financial investments - returns	3	(137,974)	(133,891)
Restricted financial investments - withdrawals	3	557,248	276,466
Net cash used in investing activities		(1,035,340)	(907,993)
Net increase (decrease) in cash balance and cash equivalents		462	(285)
Cash and cash equivalents at the beginning of the year	3	225	510
Cash and cash equivalents at the end of the year	3	687	225
Net increase (decrease) in cash balance and cash equivalents		462	(285)

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

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

(In thousands of reais - BRL , unless otherwise stated)

1. Operations

Renova Foundation ("Foundation" or "Entity") is a non-profit, private legal entity organized on June 24, 2016, and established in the city of Belo Horizonte - MG, with its registered place of business at Avenida Getúlio Vargas 671, 4th floor. Renova Foundation was founded 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 being the maintainers ("Sponsoring 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.

Renova Foundation's registered documents are:

- 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 Updated information on the Public Civil Action requesting intervention, the rejection of accounts and termination of Renova Foundation by the Public Prosecution Office of Minas Gerais - Prosecutor's Office Specialized in Tutelage of Foundations ("MPMG")

The Public Prosecution Office of the State of Minas Gerais filed, on February 24, 2021, Public Civil Action No. 5023635-78.2021.8.13.0024, before the 5th Civil Court of the District of Belo Horizonte/MG, to request a judicial intervention in Renova Foundation, to establish a transitional design and subsequent extinction of the Foundation, on the grounds of its alleged deviation from the Foundation's purpose with regard to its goals set forth in the Articles of Incorporation.

Following the filing of this measure by the MPMG, 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 of the Judiciary Subsection of Belo Horizonte), within the scope of Public Civil Action No. 1024354-89.2019.4.01.3800, the creation of a priority decision axis to remodel Renova Foundation's the governance model.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

(In thousands of reais - BRL , unless otherwise stated)

On March 16, 2021, the Federal Court granted the AGU's preliminary injunctions, to inaugurate Priority Axis No. 13 (file No. 1011729-52.2021.4.01.3800), in order to carry out a complete diagnosis of Renova Foundation, by a court appointed expert (A.T. Kearney Ltda.), which provided an expert work plan for the preparation of a report addressing "the performance of an organization whose purpose is the delivery of a complex program involving several initiatives" to be evaluated based on four fundamental dimensions: (i) Governance, (ii) Program Preparation, (iii) Resources and (iv) Monitoring. 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") filed with the Superior Court of Justice a Conflict of Jurisdiction No. 179.834 claiming the recognition of jurisdiction of 12th Federal Civil and Agrarian Court of the Judiciary Section of the State of Minas Gerais - SJMG (current 4th Federal Court) to process and judge Public Civil Action 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, which is concluded with the Reporting Justice since August 29th, 2022. In compliance with the judgement rendered by the STJ, the Court of the 5th Civil Court of Belo Horizonte suspended the Public Civil Action filed by the MPMG, which remains suspended to this date.

Priority Axis No. 13 continued its work with the appointment of a court expert to prepare a Diagnosis on the Internal Governance of Renova Foundation, having presented a preliminary report, on November 1, 2021, and a complementary report, on May 23 of 2022 on the topic. This, in general, concluded that the structure of Renova Foundation is appropriate and capable of achieving the remediation process, within the directives of the governance system. These reports suggested adjustments to some of the Foundation's practices and a new governance design, focused on the execution of the Programs, with the aim of accelerating remediation to meet the needs of the municipalities and the affected parties.

After posing additional questions by the Sponsoring Companies and by Renova Foundation, the Official Expert presented his clarifications, with the parties being summoned to comment on these on November 11th, 2022. The sponsoring companies and AGU filed a statement, requesting and reiterating some clarifications.

Before the requested clarifications were provided, the 4th Federal Court issued a judgment on May 16, 2023 stating the precautionary judicial intervention of Renova Foundation, on the basis that such a measure would be necessary to ensure the autonomy of the aforementioned Foundation in achieving of its activities and its statutory purposes. This included determining that the sponsors observe, with regard to Renova Foundation, "the absence of hierarchical subordination, due to functional, decision-making, administrative and financial autonomy, in addition to the stability of its directors" while the precautionary judgement is in force. Finally, it ordered the notification of the Official Expert, to express his opinion on the inclusion of the "CIF" in the object of the expert assessment, whether

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

(In thousands of reais - BRL , unless otherwise stated)

it is necessary to complement the work plan and whether or not this task is included, in his opinion, in the calculated fees.

After the filing of Interlocutory Appeal No. 1005987-88.2023.4.06.0000, against the judgement that determined its precautionary judicial intervention, the 4th Federal Court reconsidered the appealed decision, revoking the judicial intervention, through the decision issued on July 24, 2023, also denying the inclusion of the "CIF" in the expert assessment. Finally, it summoned the parties to comment on other pending issues and in particular specific conflicts with difficulties in complying with the agreement and in relation to the report presented by the Official Expert.

The parties presented their statements, with the 4th Federal Court issuing a decision on November 9, 2023, through which (i) it observed that the clarifications requested by the Companies were presented by AT Kearney, considering them sufficient to answer the questions raised; (ii) argued that "No legal decision, through the so-called priority axis, which has no legal recognition, can change an agreement ratified by a court judgement" and that "the request for restructuring formulated through the courts is not appropriate, due to the clear inadequacy of the chosen path", (iii) summoned AT Kearney to express its interest and propose fees, to resolve the pending issue on this point in a consensual manner, determining that, subsequently, the Sponsoring Companies would be notified on the matter, as well as the other parties.

On December 7, 2023, the Official Expert presented his considerations, in compliance with the decision of November 9, 2023. Up to the present time, the Court Secretariat of the 4th Federal Court has yet to send the subpoena to the Sponsoring Companies, requesting a response.

1.2 Approval of the issuance of financial statements

The issuance of these financial statements was authorized by the Board of Trustees on April 25, 2024. The Fiscal Council issued its favorable opinion on April 10, 2024.

2. Presentation of financial statements and material accounting policies

The material accounting policies applied in the preparation of these financial statements are set forth 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)", the pronouncements, interpretations and instructions issued by the Accounting Pronouncement Committee ("CPC"), approved by the Federal Accounting Council ("CFC"), and disclose all information of significance to the financial statements,

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

(In thousands of reais - BRL , unless otherwise stated)

which is consistent with the information utilized by management in the performance of its duties.

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, 2023:

- Amendment to CPC 26(R1) - Disclosure of accounting policies: change of the term "significant accounting policies" to "material accounting policies". The amendment also defines what is "material accounting policy information", explains how to identify it and clarifies that immaterial accounting policy information does not need to be disclosed, but if so, that it should not obscure relevant accounting information.
- Amendment to CPC 23 - Accounting Policies, Changes in Estimates and Rectification of Errors: the amendment clarifies how entities must distinguish changes in accounting policies from changes in accounting estimates, as changes in accounting estimates are applied prospectively to future transactions and others future events, but changes in accounting policies are generally applied retrospectively to prior transactions and other prior events, as well as to the current period.
- Amendment to CPC 32 - Taxes on Profit: the amendment requires entities to recognize deferred tax on transactions that, upon initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This typically applies to lease transactions (right-of-use assets and lease liabilities) and decommissioning and restoration obligations, as an example, and requires the recognition of additional deferred tax assets and liabilities.

These changes had no material impacts on the financial statements.

2.3 Leases

The Entity leases several floors of commercial buildings for its administrative area. In general, rental contracts are for fixed periods of six months to two years, although they may include extension options.

Right-of-use asset are for lease agreements for administrative and operational properties. Costs are recognized in profit or loss through amortization relating to the right-of-use asset, and interest expense relating to lease obligations.

The measurements are: (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 14.07% p.a., (ii) the value of the right-of-use asset on the date of initial application was measured using a simplified approach.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

(In thousands of reais - BRL , unless otherwise stated)

2.4 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, income and expenses.

Accounting estimates and judgments are continuously reviewed, based on past experience and other factors, including expectations of future events deemed reasonable under the circumstances.

Consistent with CPC 25 "Provisions, Contingent Liabilities and Contingent Assets" and CPC 48 "Financial instruments", Renova Foundation makes estimates regarding the future. By definition, the resulting accounting estimates will seldom be equal to the respective actual results. The estimates and assumptions that present a significant risk of causing a material adjustment in the carrying amounts of assets and liabilities for the next year are discussed below.

2.4.1. Provisions for civil, tax and labor risks

The Entity recognizes a provision for civil, labor and tax claims. The appraisal 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. 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 (Note 15).

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

(In thousands of reais - BRL , unless otherwise stated)

2.4.2. Allowance for Doubtful Accounts

The provision to cover doubtful debts is set up and reviewed monthly, based on assumptions as to the risk of default, expected loss rates and maturity dates.

2.5 Functional currency and presentation currency

The financial statements were prepared in Brazilian Real/ Reais (BRL or R\$), 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.

2.6 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.

2.7 Financial instruments

2.7.1. Financial assets

The Entity classifies non-derivative financial assets into the following measurement categories:

- financial assets recorded at fair value through profit or loss
- amortized cost.

Receivables and deposits are recognized 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.

2.7.1.1 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 the 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.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

(In thousands of reais - BRL , unless otherwise stated)

2.7.1.2 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 cover amounts receivable from the Fundo Desenvolve Rio Doce and other assets.

2.7.2. 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.

2.7.3. 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.

2.7.4. 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, based on reasonable and sustainable information available without excessive costs or efforts, which are an indication of significant increases in credit risk since initial recognition. Management prepares an asset impairment tests pursuant to CPC 48 – Financial Instruments; the results indicated the need for an impairment provision (Note 8).

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2.8 Assets allocated to 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, Intangible assets and Biological assets

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

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

Depreciation is calculated based on the straight-line method, considering costs and residual values over the estimated useful life. The accounting residual useful life was reviewed through 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	7 years
Furniture and fixtures	7 years
Data processing equipment	7 years
Systems - Software	5 years

In 2023, the Entity acquired mature biological assets, mostly cattle and horses which are not held for reproduction or consumption. The recognition of these assets was measured pursuant to CPC 29 and assessed at fair value (CPC 46), through a technical valuation report, in which they were incorporated into the Entity's balance sheet. Amortization is recognized monthly over the residual useful life.

2.10 Taxes Payable

2.10.1. Income tax and social contribution tax

Taxes on income (Income tax and social contribution tax) are calculated in accordance with interpretations of current legislation which typically involves complex estimates to determine the tax due (Note 12). Management periodically evaluates the positions taken by the Entity in the income tax returns and social contribution regarding situations in which the applicable tax regulations give rise to interpretation. It establishes provisions, when appropriate, based on amounts payable to the tax authorities.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

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2.11 Employee benefits

(a) Health care

Renova Foundation grants benefits including life insurance, private pension plan and medical assistance plan to employees and employees' dependents, which observe the accrual basis of accounting, upon 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, based on assumptions. An 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. This 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; hence, it does not involve actuarial risk for the Entity. All results presented are in accordance with applicable actuarial practice standards (Note 11 b).

2.12 Liabilities for socio-environmental and socio-economic obligations

These are the contributions received by Renova Foundation from its Company Sponsors, which are linked to responsibilities for obligations under "TTAC" agreements, and initially recorded in equity and recognized as liabilities of socio-environmental and socio-economic obligations. These obligations are controlled in accordance with the short- and long-term commitments approved in the budget, which in 2023 followed the assumptions below:

- Basic Sewage Program - Sewage Collection and Treatment and Solid Waste Disposal Program (PG 31) - the total balance amounts to BRL 648,170 in December 2023, of which BRL 127,989 is a current liability based on the program budget information and the remainder is a non-current liability;
- Other compensatory programs – the total balance amounts to BRL 471,829 at December 2023 and is a current liability based on the program budget information.
- The remediation costs for the Bento Rodrigues, Paracatu and Gesteira reconstruction programs are recognized as Assets for third parties and are classified in non-current assets (Note 2.8.5), and will only be recognized in profit or loss, after the full completion of this program.

As these obligations are realized, the liability is settled, against income, as required by Technical Interpretation of "Non-Profit Entities" – ITG 2002. Income is recorded at amounts identical to the expenses incurred to fulfill the respective obligations in the same accounting period, except for the Bento Rodrigues, Paracatu and Gesteira reconstruction program, which will only be recognized upon completion of this program.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

(In thousands of reais - BRL , unless otherwise stated)

2.13 Net Equity

These are the contributions from the founding grantors (Sponsoring Companies), 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 Calculation of surplus (deficit)

Profit or loss is calculated on the accrual basis of accounting and includes income and expenses, as well as earnings, charges and indexation effects 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 current liabilities as contribution to administrative expenses, when the amounts are effectively received and, subsequently, are recorded as contributions to administrative expenses in the income, when corresponding expenses are incurred.

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

The services provided by the Sponsoring Companies, Board of Trustees, Advisory Board and Fiscal Council were recognized when effectively performed, 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 for the same amount without generating changes in the surplus/deficit for the year nor affecting 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 expenses with tax on financial operations ("IOF"), COFINS tax on financial income, banking expenses, interest on civil and labor claim provisions and socio-environmental and socioeconomic obligation accruals. 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.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

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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 in banks and other financial institutions, as well as credit exposures of amounts receivable from the Fundo Desenvolve Rio Doce, intended to finance working capital for companies in the affected municipalities and where Renova Foundation operates.

Credit risk is managed centrally 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 counter 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 through 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.

Management performed asset impairment tests pursuant to CPC 48 Financial Instruments and concluded the need to recognize a provision (Note 8).

(b) Liquidity risk

The cash flow forecast is carried out by the Treasury, which monitors the continuous forecasts of the Entity's liquidity requirements to ensure that it has sufficient cash to meet the operational needs and obligations established by the "TTAC".

Treasury invests 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.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

(In thousands of reais - BRL , unless otherwise stated)

3. Cash and cash equivalents and financial investments

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

a) Cash and cash equivalents

Cash and cash equivalents is as below:

	2023	2022
Cash and banks		
In Brazil	687	225
	687	225

The remaining cash balance will be applied to other compensation programs and the maintenance of Renova Foundation.

b) Unrestricted financial investments

	2023	2022
Financial investments		
In Brazil	302,957	163,008
	302,957	163,008

Non-linked financial investments are CDBs with immediate liquidity with top-tier banks with an average yield of 98.99% of the CDI in 2023.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

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c) Restricted financial investments

Part of the funds contributed by the Sponsor Companies is destined exclusively in accordance with the "TTAC" provisions and, therefore, are restricted. The table below shows the details of the balance of financial investments of such funds:

DESTINATION	NOTE	2023	2022
Compensation programs - clause 232 "TTAC"	(i)	27,722	209,488
Sanitation and solid waste programs - PG31	(ii)	661,285	658,792
Total		689,007	868,280

- i. Resources received for projects of a compensatory nature, provided for in clause 232 of the "TTAC" invested in CDBs with immediate liquidity, in top-tier banks. In the 2023 BRL 240,000 was received (inflation indexed to the IPCA - BRL 348,141) and BRL 529,907 disbursed, leaving a program balance at the end of the year of BRL 27,722.
- ii. A segregated account totaling BRL 661,285 (2022 - BRL 658,792) is split between two investment funds, namely, Itaú Corporate Diferenciado IQ FICFI (yielding 113.73% of the CDI rate) and Itaú BBA RF Crédito Privado Active FIX5 FICFI (yielding 99.73% of the CDI rate), with immediate liquidity and liquidity in T+5 (credit available in current account five business days from the redemption request). This amount earmarked for 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 will be fully transferred to the municipalities indicated by the Interfederative Committee ("CIF"). Transfers to municipalities began in 2019.

4. Taxes recoverable

Taxes recoverable are detailed below:

		2023	2022
IRRF on financial investment	(a)	20,253	41,247
CSLL recoverable		-	560
ISSQN recoverable		160	189
INSS on payroll recoverable		319	319
Corporate income tax (IRPJ) recoverable		47	42
Other taxes recoverable		241	205
		21,020	42,562

- a) IRRF retentions on financial investments withheld, reflecting the redemption volume carried out in the period. The remaining balance is recovered via "PERDCOMP"

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

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(Electronic Request for Refund, Reimbursement or Reimbursement and Compensation Statement), after delivery of the "ECF" (Tax Accounting Records), pursuant to the income reports made available by the banks for support.

5. Prepayments - Partnerships and agreements

In 2023, 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". Of note are 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, and upon rendering of accounts for the previous stage.

	2023	2022
Monitoring of aquatic biodiversity – Espírito Santo	68,876	64,595
Land Fauna Flora	14,617	-
Recovery of springs and basic sanitation	12,086	5,748
Tourism Culture Recreation and Sports	10,679	4,730
Conservation and biodiversity	9,962	11,002
Forest recovery	8,340	11,427
CIF and Technical Chambers	7,905	5,289
Environmental education	6,728	5,623
Innovation	3,402	2,908
Economy Diversification	2,722	-
Technical assistance and rural extension	2,574	3,604
Social protection and health remediation	825	8,060
Forestry consultancy and support for degraded areas	123	392
Technical assistance to affected population in Barra Longa and surrounding areas	-	7,168
Other partnerships	7,212	6,274
	156,051	136,820

6. Other assets

Comprised mainly of advances to suppliers in Brazil, the purpose of which is to enable the performance of resettlement works in the municipalities of Bento Rodrigues and Paracatu, and the provision of support services to management and inspection of such works, aiming at the implementation of programs for impacted areas. The significant drop in balances in 2023, is consistent with the schedule for completion and delivery of houses, thus concluding several demands related to resettlement.

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	2023	2022
Advance to Brazilian suppliers	15,611	59,518
Prepaid expenses - Insurance	1,197	1,250
Other assets	2,564	1,965
	19,372	62,733

7.Assets allocated to third parties

In 2016, Renova Foundation began investing in the resettlement program for Bento Rodrigues, Paracatu and Gesteira, as provided for in the "TTAC", prepared with the active participation of future residents.

This project resembles the construction of a city, with public infrastructure, paving roads and providing energy, water and sewage networks, school, service and health care units, village squares, churches, court, football field, sanitary landfill, recycling plant, among others.

Collective resettlements begin to offer conditions for communities to reestablish their social, economic and cultural life by moving families to the Bento Rodrigues and Paracatu resettlements. The conclusion of these spaces is highly anticipated due to the detail applied in project development, involving the entire community, which makes this model unique.

The district infrastructure has already been completed and of the 345 properties planned for construction, 259 (75%) properties have already concluded their work, 184 properties in the Bento Rodrigues resettlement and 95 properties in Paracatu/MG. All construction works were carried out from scratch, respecting the choices of future residents of the districts who selected everything from the land for the location of the resettlement to the design of their houses, respecting the needs and expectations of each family.

The resettlement program continues to advance, with the construction of dozens of houses and public equipment, with the physical completion of the works scheduled for December 2024.

The expenses incurred in this program remain classified as non-current assets, until all constructed properties and public facilities in these districts are fully transferred to their respective owners and the purpose of the program is fully fulfilled, scheduled for December 2025 and; therefore, will be recognized in Renova Foundation's accounts.

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The balances are shown below:

		2023	2022
Civil works, topography and drilling	(a)	2,837,149	1,983,787
Management and others	(b)	472,194	320,186
Land	(c)	144,343	105,221
Engineering design	(d)	95,960	87,724
Consulting and environmental studies	(e)	51,519	39,741
Support, communication and dialogue	(f)	13,398	9,517
		3,614,563	2,546,176

- 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) Outlays related to expenses with the procurement of engineering, conceptual and urban projects.
- e) Consulting and environmental studies necessary to support the project performance phase, as well as actions for environmental licensing and other measures.
- f) Communication, advertising and event expenses, as well as all the support for the works (food, travel, vehicles, security, IT, among others).

8.Amounts receivable - Fundo Desenvolve Rio Doce

	2023	2022
Fundo Desenvolve Rio Doce MG	43,532	40,020
Diversifica Mariana Fund	25,208	5,000
Fundo Desenvolve Rio Doce ES	15,850	14,725
Fundo Compete Rio Doce MG	2,804	3,882
	87,394	63,627
(-) Allowance for Doubtful Accounts	(5,631)	(4,823)
	81,763	58,804

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On December 31, 2023 and 2022, the breakdown of amounts receivable – Fundo Desenvolvimento Rio Doce by maturity was as follows:

	2023	2022
Not yet due	81,763	58,804
Overdue		
From 1 to 30 days	-	1
From 31 to 60 days	2	2
From 61 to 90 days	2	2
From 91 to 180 days	15	24
Over 180 days	5,612	4,794
	87,394	63,627

The *Desenvolve Rio Doce* and *Compete Rio Doce* Funds were created from 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, Renova Foundation made available the amount of 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 December 2022, Renova Foundation made BRL 5,000 available to the *Fundo Diversifica Mariana*, Financing modality, for exclusive credit operations for micro, small and medium-sized companies based in the municipality of Mariana (MG) in partnership with *Banco de Desenvolvimento de Minas Gerais* (“BDMG”). A second contribution of BRL 20,000 was made in July 2023, totaling BRL 25,000. On December 31, 2023, the balance of the Funds was BRL 87,394.

Management assessed the risk of expected loss of receivables, on December 31, 2023, and it constituted an allowance for doubtful accounts of BRL 5,631.

The Rio Doce Development Fund was launched in October 2017 and is effective for ten years. As of November 2017, the Fund began to draw down amounts.

The Fundo Compete Rio Doce is a complementary fund to the Fundo Desenvolve Rio Doce, which offers guidance for management through specialized consulting services (oriented credit). This fund was launched in February 2019 and from March 2019 onwards, it began to receive the loaned amounts, available for 27 months, meeting the stipulated validity period of two years. It closed its activities for new loans in May 2021; during its entire period of operation BRL 7,181 were released.

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

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9. Property, plant and equipment, intangibles, right of use-lease and biological assets

Due to the consolidation and maturity of Renova Foundation's units and offices, with an increase in work-from-home practices, there were no major investments in furniture, machines, IT equipment and intangible assets.

Additions to property, plant and equipment in progress are mainly for the project to develop the new system of the Mediated Indemnity and Emergency Financial Aid Program (PIM / AFE) in the amount of BRL 5,722 expected to be completed in the 1st quarter of 2024.

9.1 Impairment analysis

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

In compliance with CPC 27 – Property, plant and equipment and the application of the Asset Impairment test (Impairment – CPC 01), a specialized firm in Fixed Asset Management and Impairment Testing services was hired in 2021, which estimated the impairment loss of BRL 419,000. This has now been charged to income, based on an appraisal report of the property assets, issued by the firm.

In 2023, Renova Foundation did not identify further events or operational and economic changes indicating impairment of recoverable value. Therefore, no further asset valuation reports were prepared.

9.2 Useful life and residual book value

In compliance with technical pronouncement CPC 27 – Property, plant and equipment, Renova Foundation concluded the inventory and appraisal of its assets, in which the residual useful life of its assets was reviewed, as well as the presentation of the residual book value.

In 2023 there were no significant changes in the standards, methods and amounts of depreciation, as evidenced by the movable assets valuation report which demonstrated that the state of conservation of Renova Foundation's assets is suitable for its operations.

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a) Property, plant and equipment

	Balance 2021	Additions (Write-offs)	Depreciation	Transfer	Balance 2022	Additions (Write-offs)	Depreciation	Transfer	Balance 2023
Improvements to third-party assets	502	227	(2,927)	22,970	20,772	-	(2,892)	-	17,880
Data processing equipment	2,900	385	(1,599)	3,274	4,960	188	35	-	5,183
Machinery and equipment	4,107	(2)	(609)	-	3,496	(297)	(610)	255	2,844
Property, plant and equipment in progress	27,117	4,049	-	(26,933)	4,233	7,628	-	(499)	11,362
Furniture and fixtures	1,922	211	(332)	67	1,868	(16)	(188)	(1)	1,663
Land	1,666	-	-	-	1,666	(1,225)	-	-	441
Total Property, plant and equipment	38,214	4,870	(5,467)	(622)	36,995	6,278	(3,655)	(245)	39,373

b) Intangible assets

Intangible assets are recorded in accordance with Accounting Pronouncement Committee ("CPC 04").

Intangible asset lives are classified as "defined" or "indefinite". All Entity's assets are classified as having a defined useful life, being mostly business management software.

The appraisal by a firm specialized in Fixed Asset Management services, was carried out using the historical cost method, with no changes to residual book values or economic useful lives.

	Balance as of 2021	Additions	Repayment	Transfer	Balance as of 2022	Additions	Repayment	Transfer	Balance as of 2023
Software Systems	3,817	1,260	(1,726)	622	3,973	-	(1,492)	74	2,555
Total Intangible Assets	3,817	1,260	(1,726)	622	3,973	-	(1,492)	74	2,555

c) Right-of-use asset - Leases

Right-of-use assets are recorded in accordance with Accounting Pronouncement Committee standard CPC 06 (R), recognizing its right-of-use assets and lease liabilities. Lease contracts, previously classified in the Entity's results, are, since CPC 06 (R), now treated as property, plant and equipment in the balance sheet.

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	Balance as of 2021	Additions	Depreciation	Balance 2022	Additions	Depreciation	Balance as of 2023
Right-of-use assets	1,222	6,074	(5,283)	2,013	3,059	(2,935)	2,137
Total Lease	1,222	6,074	(5,283)	2,013	3,059	(2,935)	2,137

d) Liabilities – Leases

	Balance 2021	Additions	Transfers	Depreciation	Financial expenses	Balance 2022	Additions	Transfers	Depreciation	Financial expenses	Balance 2023
Current	917	5,796	278	(6,070)	787	1,708	2,955	305	(3,273)	338	2,033
Non-current	305	278	(278)	-	-	305	104	(305)	-	-	104
Total	1,222	6,074	-	(6,070)	787	2,013	3,059	-	(3,273)	338	2,137

e) Biological Asset

In 2023, the Entity acquired mature biological assets, mostly cattle and horses, measured pursuant to CPC 29 and assessed at fair value, through a technical valuation report. Depreciation is recognized monthly over the residual useful life.

	Balance as of 2022	Transfers	Depreciation	Balance as of 2023
Biological Asset	-	171	(18)	153
Total	-	171	(18)	153

f) Loaned assets

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

Additionally, in 2018, the Entity received land on a loan for its use:

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

The amounts reflect the book values of the assets in the companies that own them.

Considering Renova Foundation's obligation to return these items to the sponsors, at the end of the contracted period, the amounts of these assets are recorded as follows:

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LOANED ASSETS	2023	2022
Land	2,027	2,027
Furniture and fixtures	176	176
Data processing equipment	7	7
Subtotal	2,210	2,210

LOANED ASSETS TO BE RETURNED	2023	2022
Land	(2,027)	(2,027)
Furniture and fixtures	(176)	(176)
Data processing equipment	(7)	(7)
Subtotal	(2,210)	(2,210)

10. Trade payables

The balance of trade payables is due to service providers and for the purchase of materials, as below:

	2023	2022
Domestic market	188,858	321,484
Foreign market	40	-
	188,898	321,484

11. Payroll, provisions and payroll taxes

a) The balance of salaries, provisions and contributions is as below:

		2023	2022
Vacation provision	(a)	18,027	17,622
INSS of employees payable	(b)	3,366	3,500
FGTS payable	(c)	1,274	1,286
Others	(d)	340	278
		23,007	22,686

- The vacation provision is proportional to the period worked, considering the legal requirements.
- Employee contribution, were withheld for transfer to the National Institute of Social Security – INSS.
- Monthly contribution of 8% of the employee's salary, mandatory payment by the employer, pursuant to the legislation in force.
- Payable for PIS on payroll and group life insurance for the Entity's permanent employees.

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- b) On December 31, 2023, the Entity's ValiaPrev Benefit Plan presented a surplus. According to Technical Pronouncement CPC 33 (R1), the asset can only be recognized if it is clearly evidenced that this asset can effectively reduce the sponsor's contributions or that it will be refundable in the future.

However, given that the surplus will not likely become an economic benefit for the Entity, it will return to ValiaPrev plan. The asset limit to be recognized is zero (nil), as shown in the table below.

Fiscal Year Closing	2023	2022
1 Present value of the obligation (PVO)	(11,947)	(10,470)
2 Fair Value of Assets (VJA)1	28,088	25,793
3 Surplus (deficit)	16,141	15,323
4 Unrecoverable surpluses (asset cap effect)	(16,141)	(15,323)
5 Net assets/(liabilities) of defined benefit	-	-

The main actuarial risks are: longer life expectancy than 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 established hypothesis.

Participant census data used in the actuarial valuation is summarized below:

Registration date		2023	2022
Active Participants	Number	538	544
	Average Annual Salary	184,698	165,399
	Average age	42.46	42.09
	Average Length of Service	4.75	4.16
Assisted Participants	Number	3	2
	Annual Average Benefit	206,101	289,859

Assumptions used in the assessments:

Renova Foundation believes that a 2.00% rate for salary adjustment is appropriate. Combined with the inflation rate, the nominal rate is 5.57% p.a., up to age 55.

Fiscal Year Closing	2023	2022
1 Discount rate	9.17%	9.68%
2 Inflation rate	3.50%	3.50%
3 Salary growth rate	5.57%	5.57%
4 Growth of benefits granted	3.50%	3.50%
5 Growth of deferred benefits	N/A	N/A
6 Registration date	30-jun-23	30-Jun-22

Willis Towers Watson indicated 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 November 2023 meeting (still valid in December). Renova Foundation chose to use this long-term

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inflation rate in its assessments. The combination of the long-term inflation rate and the real discount rate generated the nominal discount rate of 9.17% p.a. at December 31, 2023.

All participant census data provided by the plan administrator on the base date of registration was 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

		2023	2022
IRRF - Withholding tax	(a)	8,603	7,940
INSS - withheld from suppliers	(a)	6,157	8,034
ISS - Withholding of service tax	(a)	5,695	7,375
Federal taxes withheld	(b)	4,746	4,210
IRRF - Interest and monetary compensation LC (Loss of Profit)	(a)	2,111	2,756
Taxes on financial income	(c)	125	770
		27,437	31,085

- 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.

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Income taxes and payroll taxes on net surplus

Renova Foundation is subject to income tax (IR) at the rate of 15%, plus a surcharge of 10% and social contribution (CS) tax of 9% on the surplus arising from the financial and operational profit/loss.

Income taxes payable were:

	2023	2022
Current tax		
Current tax on the surplus for the year	6,609	-
Adjustments from previous years	-	5
Total current tax	6,609	5
Deferred tax (a)		
Generation and reversal of temporary differences	(1,324)	151
Generation and reversal of tax losses	(6,633)	3,399
(-) Constitution of deferred IR/CS (write-off due to non-recoverability)	7,957	(3,550)
Total current tax	-	-
Income Tax and Social Contribution Expense	6,609	5
	2023	2022
Profit/loss before offset	28,978	(8,847)
Tax loss offset	(8,519)	-
Profit/loss after offset	20,459	(8,847)
Tax calculated based on local tax rates (34%)	6,956	(3,008)
Non-deductible expenses for tax purposes	-	(326)
Deferred tax assets not recognized on losses	-	3,334
Others	(347)	5
Income Tax and Social Contribution Expense	6,609	5

(a) Deferred income tax and social contribution

The 2023 taxable income essentially originates from tax timing differences as per Income Tax legislation, combined with socio-economic and socio-environmental obligation accruals to reflect clause 237 of the "TTAC", net of income from financial investments earned in the same period.

The determination of income tax and social contribution due supports the recognition of a deferred tax asset, as established in CPC 32 - Taxes on Profit, following the Entity's analysis as to the recoverability of this tax asset, through projections of future taxable surpluses and timing difference reversals.

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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, future results may differ materially from those considered in the preparation of this projection.

As the Entity concluded that the projections do not support the probable recovery of the tax assets, it chose not to recognize a deferred income tax and social contribution asset for carryforward losses.

13. Monetary Compensation payable and others

The Entity contracts services from third parties to carry out its activities. However, at year end, certain suppliers were unable to issue invoices for services provided and approved. The Entity works with several municipalities to establish monetary compensations for Loss of Income ("LC"), following the failure of the Fundão Dam, generating commitments of amounts payable. Management estimated its obligations based on its internal controls and measurements. Unbilled but incurred monetary compensations and for services already performed and not billed, were:

		2023	2022
Monetary compensation - Loss of Income	(a)	105,729	96,266
Civil works		-	6,837
Institutional Communication		-	1,024
Consulting		51	942
Earthworks		-	106
Other contracted services		144	372
		105,924	105,547

- a) Loss of Income - correspond to income lost from productive activities of the affected persons as a direct result of the failure of the Fundão dam. The monetary compensation amounts for loss of income refer to the period in 2023 consistent with agreement signed by the affected parties in the Mediated Indemnity Program ("PIM") with continued, or partial, impacts on their economic activities. Pursuant to a decision issued by the CIF, the payment of loss of income must be made in the year following the year in which they occurred, that is, by March 31, 2024.

14. Socio-environmental and socio-economic obligations

The socio-environmental and socio-economic obligations comprise the contributions from the sponsors earmarked to meet final expenses under the "TTAC"; hence, as the allocations are received they are recorded as liabilities. The balance of such socio-environmental and socio-economic obligations is detailed below:

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	Balance 2021	Contributions (Note 16)	Additions	Write-off (Note 17)	Transfer	Update <i>Fundo Desenvolve Rio Doce</i> (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

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	Balance 2022	Contributions (Note 16)	Addition s	Write-off (Note 17)	Transfer	Update Fundo Desenvolve Rio Doce (Note 8)	IPCA update (Note 20)	Balance 2023
Remediation programs	8,444	6,062,859	(8,852)	(4,742,514)	(1,260,346)	-	18,710	78,301
Compensation programs	551,321	348,141	-	(544,854)	(13,127)	3,766	12,020	357,267
Compensation programs - actions related to the preparation of basic sanitation plans	63,586	-	-	(31,995)	86,216	-	10,182	127,989
Remediation Program - Water Monitoring Equipment	2,208	-	-	(506)	29,294	-	-	30,996
TOTAL CURRENT	625,559	6,411,000	(8,852)	(5,319,869)	(1,157,963)	3,766	40,912	594,553
Remediation programs	2,246,176	-	-	-	1,345,615	-	22,772	3,614,563
Compensation programs	262,458	-	-	-	(275,352)	-	12,894	-
Compensation programs - actions related to the preparation of basic sanitation plans	410,350	-	-	-	87,700	-	22,131	520,181
TOTAL NON-CURRENT	2,918,984	-	-	-	1,157,963	-	57,797	4,134,744
OVERALL TOTAL	3,544,543	6,411,000	(8,852)	(5,319,869)	-	3,766	98,709	4,729,297

When the remediation and compensation programs were addressed by judicial review, some proceedings to which Renova Foundation is a party, do not appear in Note 15 as lawsuits/contingencies, but are contemplated in the economic flow of programs in progress, namely:

- a. Case No. 0039564-83.2018.8.13.0400 (PJE 5001148-24.2019.8.13.0400) - Public Civil Action in Defense addressing the right to health and social assistance, filed by the Public Prosecution Office of Minas Gerais and the Municipality of Mariana against Samarco Mineração S/ A, Vale S/A, BHP Billiton Brasil Ltda. and Renova Foundation, claiming: (i) full compensation for hiring a specialized company to provide a simplified selection process, in favor of the Municipality of Mariana/MG, through bank credit; (ii) advances to the Municipality of Mariana/MG to finance the supplementary provision of health and social assistance services for victims of the disaster; (iii) freezing of amounts existing in the bank accounts of Renova Foundation, Vale, Samarco and BHP in the amount of BRL 47,800 to guarantee funds necessary for the provision of services by the Municipal Health Department and the Municipal Department of Social Development for the promotion of services to the affected parties. An agreement was signed among the parties, judicially approved, in which Renova Foundation committed and has made transfers, provided for

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in Clause 12 of this agreement, observing the ceiling of BRL 11,170 for the Municipal Health Department (supplementation of human resources for health, renovation or construction of the "CPAS IJ", PHC recovery in Ponte da Gama, supply of equipment, rental of vehicles, training for the "SUS" team, rental of property, supply of medicines and medical supplies) and BRL 5,548 for the Municipal Secretariat for Social Development and Citizenship (supplementation of human resources for social protection, supply of furniture, vehicle rental and "CREAS", training for the "SUAS" team, logistical support for the "SCFV" workshops and accountability. Management believes that there are no additional obligations to the amounts provisioned.

- b. Case No. 5000917-94.2019.8.13.0400 - Public Civil Action, filed by the Municipality of Mariana against Renova Foundation, with the aim of collecting amounts related to the implementation of the full-time education program for the Municipality of Mariana and moral damages. An agreement was signed between the parties, approved by court, by which Renova Foundation committed and made all transfers, through judicial deposits, as stipulated in the agreement, limited to BRL 13,255. Management believes that there are no obligations additional to the amounts provisioned. In 2023, an amendment to the agreement was signed to extend the period for the Municipality to use the funds, without the need for any additional payment by Renova Foundation.

15. Provisions for lawsuits

Management, based on the information and assessments from its internal and external legal advisors, set up provisions for contingencies in an amount of BRL 11,299 assessed as sufficient to cover the losses considered probable.

Description	Balance in 31-Dec-2021	Additions	Write-backs	Balance in 31-Dec-2022	Additions	Write-backs	Balance in 31-Dec-2023
(i) Provision for Civil Claims	5,667	2,951	-	8,618	-	(8,618)	-
(ii) Provision for Labor Claims	2,803	3,209	-	6,012	-	(506)	5,506
(iii) Provision for Tax Claims	5,587	-	(2,412)	3,175	2,618	-	5,793
Subtotal	14,057	6,160	(2,412)	17,805	2,618	(9,124)	11,299
(-) Court deposits	40,593	144,942	(39)	185,496	33,537	(282)	218,751

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 around "TTAC" clauses. The probable risk of loss claims are: (i) civil actions that for the inclusion of the plaintiffs in the emergency financial assistance or monetary compensation programs and new Indemnity System, (ii) labor claims from 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) challenging claims on reported instances, suspend the enforcement of fines and provide a liability clearance certificate to proceed with its operations and legal obligations.

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The balance of court deposits is recorded in assets in the amount of BRL 218,751, including:

- i. 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 400 meters of the Risoleta Neves HPP reservoir ("Candongá") by December 31, 2016. The expectation of loss is considered to be possible for (a) as per table below, Renova Foundation made a deposit in court in the amount of BRL 130,304 on August 11, 2022, to avoid possible restrictive measures against Renova Foundation and avoid a 10% fine and 10% legal fees, as provided for in art. 523, paragraph 1, of the Civil Procedure Code ("CPC").
- ii. Integrated agenda – class action between Renova Foundation and the governments of Minas Gerais and Espírito Santo, for agreements to transfer funds to the affected municipalities as determined by TTAC for investments in infrastructure, health and education. The judicial deposit were granted to municipalities the for the "new areas" and appeals were filed against this decision (not yet judged). The amounts were deposited in court by Renova Foundation and an appellate court judgement determined that an expert opinion should be procured to determine whether or not these municipalities would be included as Renova Foundation's area of operation.

In addition to these lawsuits, others are in progress for which, under the advice of its legal counsel, and in line with the accounting practices adopted by the Entity, no provisions were recorded as the expectation of loss was assessed as possible. These are grouped as shown in the table below:

Description	2023	2022
(a) Civil class actions	30,857,405	27,645,338
(b) Individual civil claims	43,358,470	35,253,757
(c) Labor claims	9,384	3,593
Total possible loss	74,225,259	62,902,688

a) Civil Class Actions: Those filed by the Public Prosecution Offices or Public Defender's Offices, Municipalities, States, Commissions for Affected Parties against Renova Foundation ("ACPs"); the legal advisors concluded that the expectation of loss is possible. These amount to BRL 30,857,405 as of December 31, 2023, 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 in the amount (including charges) of BRL 10,000,000. The dispute has 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;

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- ii) Action No. 1006326-05.2021.4.01.3800 - compliance with the Judgment due to the failure of the Fundão dam and the spillage of mining tailings over the Santarém dam, located in the Germano Industrial Complex, Mariana/MG, in the amount (including charges) of BRL 3,969,000, affecting the community of Ipaba/MG (fishermen, fish dealers, traders, producers, among others). They require: (i) that the Municipality of Ipaba/MG be recognized as impacted; (ii) demanding the defendants pay monetary compensations for the categories mentioned; (iii) the relaxation of limiting criteria ("LMEO", Income, Proof of Residence); (iv) the means of proving activities and jobs are granted; (v) that the production of all types of evidence admitted is granted; (v) payment of single settlement amounts plus inflation indexation;

- iii) Action No. 1008405-88.2020.4.01.3800 - class action filed against Renova Foundation, in which the Plaintiff alleges that, despite three years having past since the failure of the Fundão dam, no effective compensation had been made with regard to the environment, no reconstruction of the degraded site, or dignified compensation for the victims or effective compensation to public coffers. The Plaintiff requested that Renova Foundation be ordered to pay BRL 2,200,000 to the Public Treasury of the State of Minas Gerais and, if it is understood that cash compensation was not applied in a class action, the arguments of unconstitutionality are to be proven;

- iv) Action No. 0052302-06.2018.8.13.0400 - Public Civil Action filed by the Public Prosecution Office of Minas Gerais (MPMG) against Renova Foundation, Samarco, Vale and BHP, in the amount of BRL 2,000,000 in which the Plaintiff alleges that some requests claimed in Public Civil Action No. 0400.15.004335-6 were not subject of the agreement approved on October 2, 2018 - reservation provided for in Clause 9 of the aforementioned Term of Transaction, and hence claimed in another collective action;

- v) Actions No. 1037386-93.2021.4.01.3800 and 1017333-91.2021.4.01.3800 by which the Author requests the extension of the Novel to the territory of Acaiaca/MG and for the recognition of the aforementioned Quilombola communities of São Mateus and Conceição da Barra, in amount of BRL 4,040,993 filed by the commission of the affected parties due to the environmental disaster that occurred in Mariana caused by the failure of the dam.

All have similar claims of a remediation and/or indemnity nature and their consequences, such as: 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 annulment and guarantees of certain clauses of the Mediated Indemnity Program, among others.

- b) Individual Civil Actions - these are actions similar to item a, filed against Renova Foundation, Samarco Mineração S.A, BHP Billiton Brasil Ltda. and Vale S.A., in which the Plaintiffs demand compensation for damages and pain and suffering due to (i)

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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 income ; (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 lawsuits - most of these are filed against a contracted service provider and against Renova Foundation and in some cases, against its sponsors, as jointly liable. Most of the requests refer to non-payment of severance pay to employees of these service providers for non-payment of labor obligations to employees of these service providers.

16. Net Equity

The Public Deed of organization of Renova Foundation describes that the appropriation of assets, referred to in article 62 of the Civil Code, necessary to meet the Renova Foundation's purpose, should correspond to the sum of the installments in 2023, as well as the installments later indicated by the curatorship as necessary for the accomplishment of the projects from 2024.

The contributions made by the sponsors, intended exclusively for final expenses with socio-economic and socio-environmental programs, are initially recognized in Net Equity and subsequently transferred to the socio-environmental and socio-economic obligations account in liabilities. The contributions made to cover administrative expenses are allocated to the administrative expenses contribution account, in liabilities.

As Renova Foundation disburses funds to cover these expenses, the liability accounts are relieved and the programs and administrative expenses are recognized in the income, with amounts identical to the expenses incurred, as provided for in the Technical Interpretation of ITG 2002 (R1).

As defined in the "TTAC", Samarco and its shareholders, Vale and BHP Billiton, provided contributions, as follows:

Amounts contributed to Equity to cover final expenses

Description	Balance 2021	Contribution	Balance 2022	Contribution	Balance 2023
Samarco Mineração S.A.	4,311,509	4,409,360	8,720,869	2,250,668	10,971,537
Vale S.A.	7,020,043	1,698,785	8,718,828	2,080,166	10,798,994
BHP Billiton Brasil Ltda.	7,019,352	1,698,785	8,718,137	2,080,166	10,798,303
Subtotal	18,350,904	7,806,930	26,157,834	6,411,000	32,568,834

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Amounts contributed to cover Administrative Expenses

Description	Balance 2021	Contribution	Balance 2022	Contribution	Balance 2023
Samarco Mineração S.A.	121,959	134,470	256,429	85,582	342,011
Vale S.A.	268,735	78,265	347,000	51,709	398,709
BHP Billiton Brasil Ltda.	268,735	78,265	347,000	51,709	398,709
Subtotal	659,429	291,000	950,429	189,000	1,139,429
Total contributions to Renova Foundation	19,010,333	8,097,930	27,108,263	6,600,000	33,708,263

The Sponsoring Companies are to provide the funds as stated in the public deed, as follows:

- From 2022 onwards, the amounts to be contributed to the Renova Foundation will match the planning of the programs approved by the Renova Foundation. The "TTAC" did not specify a minimum or maximum value for this period for remediation programs, but it should be sufficient and compatible with the plan.
- Renova Foundation will also allocate a fixed amount, not higher or lower than BRL 240,000 per year, adjusted for inflation pursuant to clause 257, for a period of 15 years, starting in 2016 for the execution of compensation projects, as provided for in clause 232. The total amount to be allocated will be BRL 3,600,000, duly adjusted for inflation pursuant to clause 257.

The reconciliation of the contributions provided for in the "TTAC" reflects the contributions to Renova Foundation, plus contributions made directly by the sponsors to fulfill the programs, as now audited by E&Y - Ernst & Young, as per the reconciliation below:

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Description	Balance 2021	Contribution	Balance 2022	Contribution	Balance 2023
Total Contributions to Renova Foundation	19,010,333	8,097,930	27,108,263	6,600,000	33,708,263
Samarco Programs - "TTAC"	2,035,448	322,466	2,357,914	282,833	2,640,747
Subtotal	21,045,781	8,420,396	29,466,177	6,882,833	36,349,010
Public Civil Action (ACP) - Mariana	292,487	10,481	302,968	27,167	330,135
Total Contribution	21,338,268	8,430,877	29,769,145	6,910,000	36,679,145

17. Contributions

The Entity receives funds through contributions made by its sponsors. It also recognizes volunteer services offered by them and their Board Members. The amounts in 2023 are shown below:

		2023	2022
Socio-environmental and socio-economic contributions	(a)	5,319,870	7,035,324
Contributions to administrative expenses	(b)	223,552	253,112
Gratuity and volunteer work - Board members	(c)	325	776
Gratuity and volunteer work - Granted	(d)	1,005	1,849
		5,544,752	7,291,061

- (a) Contributions received from the sponsors to be invested in the programs managed by Renova Foundation, recorded in equity; once these obligations are realized, the liability is relieved according to ITG 2002(R1) to the statement of surplus (deficit), as operating income from contributions.
- (b) Contributions received from the sponsoring companies to cover administrative expenses, recorded as liabilities and once settled recorded in the statement of surplus (deficit) as expense contributions administrative expenses.
- (c) Refer to the hours donated in activities carried out by Renova Foundation's Board of Trustees, Supervisory Board and Advisory Board, which provide services on a voluntarily basis free of charge. The services are recognized at fair value, despite no financial disbursement having occurred, as provided for in the Technical Interpretation of ITG 2002 (R1).

The hours effectively dedicated by the Directors throughout 2023 are considered in the calculation, multiplied by the hourly rate for each one; this calculation resulted in 1,204 hours dedicated throughout 2023 by Directors. The Board of Trustees dedicated 1,176 hours in 2023 (2022 – 3,000 hours), the Supervisory Board

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dedicated 28 hours in 2023 (2022 – 680 hours), the Advisory Board did not carry out activities in 2022 and 2023 – (number of hours are unaudited).

(d) Refers to employees assigned by the Sponsoring Companies – Vale and BHP Billiton, in view of the continuity of various programs and the dissemination of the sponsor's knowledge, to add to Renova Foundation's processes. The amounts correspond to the sum of the salaries, charges and benefits of these employees, spent by each sponsor, as if the financial disbursement had occurred”, as per Technical Interpretation of ITG 2002 (R1).

18. Operating expenses with programs

Operating expenses with the Entity's programs refer to expenses incurred in the period with socio-environmental and socio-economic remediation and compensation programs provided for in the “TTAC”. The tables below show the breakdown of expenditures per group of measures and per program as of December 31:

		2023	2022
Socio-environmental programs - Remediation	(a)	764,177	759,298
Socio-economic Programs - Remediation	(a)	3,988,597	5,972,840
Socio-environmental programs - Compensation	(b)	512,435	255,884
Socio-economic Programs - Compensation	(b)	54,661	47,302
		5,319,870	7,035,324

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:

- Monetary Compensations Programs (“PG.02” and “PG.21”) – Compensation for persons, micro and small companies due to material and moral damages, losses related to their economic activities with the acceleration of processing of applications in the NOVEL Indemnity System, prioritization of the treatment of remaining cases from Phase 1 Registration and acceleration of the processing of new registrations eligible for “PIM”, General Damage (“DG”) and “SPA”, submission of the “AFE” termination protocol in the “CIF” (Interfederative Committee).
- Resettlement Program (“PG.08”) - Reconstruction, rehabilitation and relocation of the locations of Bento Rodrigues, Paracatu de Baixo with specific projects per location. After the reconstruction and resettlement is completed, resettlement monitoring will be carried out within the scope of social programs *in loco*.

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- Agricultural Activity Program ("PG.17") - Compensate socioeconomic and environmental damage to impacted rural producers along the Rio Doce river channel, repairing agricultural damage to properties. Includes technical support and rural extension services to producers in order to enable the resumption of agricultural activities.
- Tailings Management Program ("PG.23") - Preparation of studies to characterize the impacts of river, estuarine delta, lake and coastal marine areas and definition of rehabilitation actions. Application of tailings management plans, biogeochemical, hydrodynamic and hydro-sedimentologic assessments, air quality monitoring, containment structures, risk assessment studies to human and ecological health, execution of tailings management solutions (maintenance of erosive processes and containment slopes, re-naturalization, containment structures, etc.).
- Aquatic Biodiversity Program ("PG.28") - Monitoring (cycle 4) of the aquatic biodiversity of the Doce River, its delta and marine and estuarine environments impacted in environmental area 1 in the State of Espírito Santo; (cycle 4) annual report on the reproductive monitoring of sea turtles; aquatic monitoring (cycle 2) State of Minas Gerais; preparation and delivery of the Integrated action plan report for the conservation of aquatic biodiversity.
- Water Supply Program ("PG.32") - execution of remediation works on the Water Treatment Stations ("WTSs") and water main of Governador Valadares, works on the water supply system in the municipalities, with emphasis on Resplendor, Tumiritinga and Baixo Guandu, including water supply (by water trucks).

SOCIO-ENVIRONMENTAL PROGRAMS	2023	2022
Tailings management program	128,221	119,036
Containment of tailings and treatment of rivers impacted	-	(37)
Recovery of the environmental area 1	30,864	23,531
Conservation of aquatic biodiversity	107,621	107,918
Conservation of terrestrial fauna and flora	30,352	28,389
Water supply systems	116,405	126,924
Water monitoring investigation	32,316	36,643
Consolidation of conservation units	2,919	3,474
Program management	315,479	313,420
	764,177	759,298

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

(In thousands of reais - BRL , unless otherwise stated)

SOCIO-ECONOMIC PROGRAMS	2023	2022
Survey of the affected parties	89,649	33,818
Compensation damages to affected parties	2,755,962	4,278,160
Protection of indigenous peoples	116,654	115,652
Protection of traditional community	13,914	5,838
Social protection program	16,848	12,765
Communication and dialogue	75,378	89,306
Assistance to animals	8,184	8,436
Reconstruction of Bento, Paracatu and Gesteira	277,886	358,380
Recovery of Risoleta Neves HPP reservoir	3,071	254,849
Recovery of impacted infrastructure	75,513	84,664
Recovery of schools	11,449	7,684
Preservation of historical heritage	14,001	11,611
Support for tourism, culture and sport	5,268	3,498
Physical and mental health of the affected parties	3,063	8,529
Resumption of fishing activity	15,374	17,927
Resumption of agribusiness activity	95,006	68,940
Recovery of micro and small businesses	12,715	9,239
Financial assistance to the affected parties	398,662	603,435
Reimbursement of extraordinary expenses	-	109
	3,988,597	5,972,840

b) Programs - Compensation

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

- Regional Economy Diversification Program ("PG.18") - Delivery of the entrepreneur's house to the city of Mariana, completion of meliponiculture and agroecological projects in settlements in the Rio Doce watershed and cocoa project in the State of Espírito Santo, inauguration of the community banks of Povoação and Regência (Linhares/ES), Cachoeira Escura (Belo Oriente/MG) and Itueta/MG.
- Spring Recovery Program ("PG.27"); of "APPs" and "ARHs" ("PG.26") - Implementation of the process of accelerating engagement and validation activities on rural properties, mobilization of rural producers, fencing and protection of areas on rural properties and implementation of areas under regeneration.
- 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.
- Water Supply Program ("PG.32") - execution of compensatory works for the Governador Valadares, Colatina and Linhares pipeline.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

(In thousands of reais - BRL , unless otherwise stated)

- Consolidation of "UCs" ("PG.38") - Investigation and monitoring of the Rio Doce Watershed, estuarine and coastal areas, generating information on water and sediment quality to support decision-making and development of programs and related actions.

SOCIO-ENVIRONMENTAL PROGRAMS	2023	2022
PPA rehabilitation and erosion control	252,524	102,498
Recovery of springs	45,178	18,853
Fauna reintroduction screening structure	4,267	5,643
Sewage treatment collection program	61,159	26,884
Water supply systems	39,330	68,253
Environmental education system	14,149	15,689
Environmental emergency readiness	5,372	4,933
Information for population	598	826
Domestic and foreign communication	2,407	2,023
Consolidation of conservation units	83,452	8,433
Support for the implementation of environmental and rural inventories	3,999	1,849
	512,435	255,884

SOCIO-ECONOMIC PROGRAMS	2023	2022
Support for culture, sport and tourism	13,670	13,434
Survey and remediation technologies	13,635	3,554
Diversifying the regional economy	5,709	21,501
Encouraging local hiring	4,902	7,217
Compensation measures	16,745	1,596
	54,661	47,302

19. Administrative / operating expenses

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

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

Voluntary services are recognized at the fair value of the service provided, even if the financial disbursement has not occurred, as provided for in the Technical Interpretation of ITG 2002 (R1) of the Federal Accounting Council ("CFC").

Governance Costing - these are expenses necessary for the functioning of Renova Foundation Governance System structure and are accounted for as administrative expenses and do not include program-related expenses. The breakdown of administrative expenses is detailed below.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

(In thousands of reais - BRL , unless otherwise stated)

	Note	2023	2022
Own personnel		71,075	58,220
Contracted services		56,537	69,928
Governance system expenses		54,163	87,387
Legal consulting		14,991	10,635
Consulting and studies		14,066	15,735
Depreciation/amortization of administrative assets	9	2,783	4,038
Travel		2,584	2,375
Insurance		2,375	1,569
Provision (write-back) for law suits		(1,523)	(1,049)
Provision for loss of receivables – Fundo Desenvolve Rio Doce	8	808	1,603
ITR - Rural Land Tax and ISS - Service tax - Withheld	12	396	275
Other expenses		5,297	2,396
	17.b	223,552	253,112
Volunteer services seconded employees	17.d	1,005	1,849
Volunteer services Board members	17.c	325	776
		1,330	2,625
		224,882	255,737

20. Financial result

Financial income	2023	2022
Income from financial investments	134,641	207,884
Other income	87	34
	134,728	207,918

Financial expenses	2023	2022
(a) Financial update of socio-environmental and socio-economic obligations	98,709	199,772
COFINS on financial income	5,900	8,499
IOF - Tax on financial transactions	5,127	2,619
Interest (write-back) on lawsuits	(4,967)	4,802
Bank fees	642	364
Financial Lease	338	787
	105,749	216,843

(a) Renova Foundation received funds from its Sponsoring Companies to meet its socio-environmental and socio-economic obligations (Note 14). However, resources were not realized within the same period of receipt (Note 14) and, therefore, were invested in CDB's with immediate liquidity and investment funds; the income earned from the respective financial investments was transferred to liabilities, as an update of the Socio-environmental

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

As of December 31, 2023

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and socio-economic obligations, pursuant to the decision of Public Prosecution Office of Foundations of the State of Minas Gerais.

21. Sponsor Contributions

The sponsors made the contributions presented below throughout 2023 for maintaining the continuity of Renova Foundation. These amounts do not constitute Renova Foundation's liabilities to the sponsors, as regulated in the "TTAC" and detailed in Note 16 – Equity.

	2023	2022
Vale S.A.	2,131,875	1,777,050
BHP Billiton Brasil Ltda.	2,131,875	1,777,050
Samarco Mineração S.A.	2,336,250	4,543,830
	6,600,000	8,097,930

22. Commitments

The Foundation has long-term contracts, as shown in the following table including for civil works services, water monitoring and biodiversity, PIM, management and inspections, forest recovery and restoration, infrastructure and resettlement of Bento Rodrigues, Paracatu and Barra Longa, expert analyses, partnerships, operational support to the territories, supply of drinking water, implementation of the water supply system in Alpercata/MG, improvements to ETA's, integrated registration services, dialogue, customer service, the demands from technical chambers and CIF, transfers to the municipality - integrated agenda, social consultancy, recovery of permanent preservation areas and road maintenance.

	2023	2022
Up to 1 year	2,179,720	1,698,292
From 1 to 2 years	701,377	1,349,727
From 2 to 3 years	426,957	502,699
From 3 to 5 years	188,604	233,350
	3,496,658	3,784,068

23. Insurance coverage (unaudited)

Given the scope of Renova Foundation's activities and the diversity 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), cyber risk policy, property policy (business comprehensive) and aeronautical insurance (drones).

The General Civil Liability policy period is from May 2023 to May 2024 with a maximum indemnity limit of BRL 100,000.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

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The D&O policy is valid for 12 months (March 2023 to March 2024), with a maximum indemnifiable limit of BRL 263,000, as advised by a consultancy that mapped all of Renova Foundation's scenarios and interfaces.

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

Board of Trustees

Effective members

Felipe Moreira dos Santos Starling
Guilherme Almeida Tangari
Gustavo de Abreu e Souza Selayzim
Nelly Pazó Leon
Murilo Muller
Pedro Aguiar de Freitas

Supervisory Board

Effective members

José Carlos Pocidonio de Morais Júnior
Lucas Brandão Filho
Paulo Germano da Silva Azevedo
Tiago Fantini Magalhaes

Executive Board

Luiz Antônio Roris Rodrigues Scavarda do Carmo
Interim CEO

Juliana Borges Ferreira Souto
Chief Planning and Management Officer

Wallace Magalhães Ferreira
Chief Engineering and Civil Works Officer

Flavio Chantre
Chief Institutional Relations Officer

Luiz Antônio Roris Rodrigues Scavarda do Carmo
Chief Program Officer

Technical manager

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

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