

# Vale Europe

## Our Approach to Tax in the UK

### Our Business

Vale is one of the world's largest mining companies, working with passion to transform natural resources into prosperity. Our headquarters are located in Brazil and we have worldwide operations in South America, North America, Europe, Africa, the Middle East and Asia. In the UK, our principle activity is the toll refining of intermediate nickel products into finished nickel products

For more information on our global business, please click [here](#).

As a global group, we conduct our business activities guided by a set of values that reflect high ethical and moral standards, aimed at assuring credibility and preserving the company's image in the markets in which it regularly operates, in the short and long term and this extends to our approach to tax.

As a business, our main commitments are:

- To promote complete transparency in terms of governance, policy, procedures, practices and the Vale's performance to our global stakeholders;
- To pursue opportunities that contribute to global targets' achievements related to our business, by seeking partnerships, solutions and technology for challenges to sustainable development;
- To work harmoniously with our stakeholders in order to contribute to the construction of a positive legacy for future generations, balancing the social, environmental and economic aspects of our business, and
- To monitor and anticipate trends in global themes of sustainability by developing, adopting, sharing and promoting insights of best practices, so as to continuously improve our performance.

Our approach to tax outlined below applies to our UK entities.

### Our approach to tax risk management and governance

Our approach to tax is set by the Global tax compliance team of the Group's headquarters in Brazil which supports the Group's business activities and commitments. The Global tax compliance team in Brazil implemented a global compliance program with the involvement of local experts in each country in which the Group operates, to assist and support local Finance teams to ensure that each of the affiliates comply with local laws and requirements for tax purposes.

Vale Europe is part of the Base Metals sub-group of the Vale Group and as such those with responsibility for tax at Vale Europe report to the Base Metals tax team and ultimately to the Global tax compliance team in Brazil and to the Board of Directors of the Vale Group where necessary.

The UK Board of Directors ('the UK Board') of Vale Europe is ultimately accountable for our tax affairs with day to day responsibilities delegated to the Corporate Accounting Manager.

Our tax affairs are discussed at UK Board level. Tax is also regularly discussed with other business functions at refinery management meetings in order to ensure that the tax implications of significant business developments are appropriately considered.

We aim to ensure that our tax returns are prepared accurately and are submitted in a timely manner. Whilst preparing our returns, we ensure that there is a segregation of duties. For example, separate individuals review

the tax returns before these are submitted. We seek third party advice from external advisors on complex tax matters where necessary.

We have a low tax risk tolerance and we seek third party advice on significant or complex tax matters in order to mitigate potential tax risks as necessary.

### **Our attitude to tax planning**

Our approach to tax is aligned with the commercial activities of our business. We benefit from government incentives in a manner as intended by government, these include capital allowances. The Base Metals Tax team in Canada provides support and additional expertise to the UK's Finance Team on uncertain tax matters where necessary. Significant tax decisions in the UK are discussed with the Group Tax team in Canada to ensure that our approach to tax is consistent with the wider group. In addition to this, we will seek third party advice from external advisors, as necessary.

### **Our approach to engaging with tax authorities**

In the UK, we maintain an open, transparent and collaborative relationship with HMRC. We are in regular contact with our Customer Compliance Manager at HMRC and proactively discuss significant tax matters and business developments.

*This tax strategy has been prepared in accordance with the requirements of paragraph 19 (2) contained within Schedule 19 of the Finance Act 2016. It has been approved by the Board of Directors of Vale Europe Limited and relates to the year ended 31st December 2021.*