



VALE EMBARKS ON FIRST BLOCKCHAIN TRANSACTION WITH NANJING IRON & STEEL GROUP INTERNATIONAL TRADE CO. LTD.

Executed by Standard Chartered Bank, Transaction Marks a Milestone for One of the World's Largest Mining Companies and Malaysian Digital Financial Ecosystem

KUALA LUMPUR, 4 September 2020 – Vale, in collaboration with Nanjing Steel Group International Trade Co. Ltd., Contour, eSS-Docs, Standard Chartered Bank Malaysia Berhad and DBS Bank Ltd. performed its first blockchain transaction for a cargo of 170,000 tonnes of Brazilian Blend Fines (BRBF) from Teluk Rubiah Maritime Terminal (TRMT), in Malaysia to China. It is Vale's first sale of iron ore using blockchain technology.

It is an important milestone towards the digitisation of the sales and trade finance process, bringing innovation to the traditional paper-intensive trade transactions and offering a better service to the clients as well as predictability in the steel value chain.

The Letter of Credit (LC) was issued through Contour blockchain platform whilst the shipping documents and the Electronic Bill of Lading were transferred via eSS DOCS through a single platform. The systems were integrated, enabling transparency with real time visibility of the documentation to all stakeholders and reducing drastically the amount of emails and paperwork exchanged among the parties.

This achievement is aligned with Vale's strategy of becoming a more innovative and customer-centred company through greater integration with clients and partnering for the development of new solutions. Ultimately, this paves the way towards greater efficiency and cost reduction for all parties.

Rodrigo Ribeiro de Araújo, Chief Executive of Vale Malaysia Minerals Sdn Bhd, the Malaysian subsidiary of Vale said: "TRMT plays a pivotal role in Vale's global supply chain, creating greater flexibility for our clients in China – the world's largest iron ore market. The milestone represents a major step forward in Vale's foray into the digital economy and underlines the capability of the Malaysian digital financial ecosystem in coming up with innovative solutions for cross-border trade."

As a founding member of Contour, Standard Chartered Bank also benefits from Contour's network which simplifies the LC process, delivering shorter settlement times, instant discrepancy resolution and simplified sanctions screening.

Abrar A. Anwar, Managing Director and Chief Executive Officer of Standard Chartered Malaysia said: “We are proud to be executing our first blockchain-enabled LC in the country. This milestone is all the more significant as we are also supporting Vale in their first ever blockchain LC transaction. This demonstrates the Bank’s keen commitment and digital capability in supporting cross-border trade using cutting-edge technology platforms. Technology has always been at the heart of our strategy as a leading bank in the digital space to drive efficiencies, increase automation, introduce global platforms, reduce manual errors and strengthen our defence against financial crime. We also recognise that, increasingly, our clients are looking for new solutions to address their need for greater efficiency and security.”

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About Vale

Vale is a global mining company whose mission is to transform natural resources into prosperity and sustainable development. One of the world’s leading producers of iron ore and nickel, Vale is headquartered in Rio de Janeiro and operates in five continents. Its operations comprise integrated logistics systems, including approximately 2,000 kilometers of railroads, maritime terminals and 10 ports distributed across Brazil, Indonesia, Malaysia and Oman. Vale’s Teluk Rubiah Maritime Terminal (TRMT) began operations in 2014. At USD1.4 billion, the port remains the largest single Foreign Direct Investment (FDI) in the state of Perak.

Vale upholds the highest standards of governance and strives to be recognized as one of the safest mining companies in the world. The company is also invested in broadening engagement with shareholders and other stakeholders and in mitigating the effects of its activities. The goal is to take a transparent approach to management while contributing actively to environmental, biodiversity and sustainable development initiatives.

Standard Chartered Malaysia

Standard Chartered Bank, a member of the Standard Chartered Group was established in Malaysia in 1875. As Malaysia’s first bank, Standard Chartered leads the way through product innovation, consistent and strong growth performance and sustainability initiatives. The Bank provides a comprehensive range of financial solutions to corporates, institutions and individuals through its network of branches across Malaysia. The Bank has an Islamic banking subsidiary, Standard Chartered Saadiq; a global shared services centre, Standard Chartered Global Business Services; a sales arm, Price Solutions and an offshore facility in Labuan. Standard Chartered employs over 7,000 employees in all its Malaysian operations.

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