

KEY PERFORMANCE INDICATORS

November 2016



Headcount

Employee Headcount

Direct Productivity

Diversity

Overtime

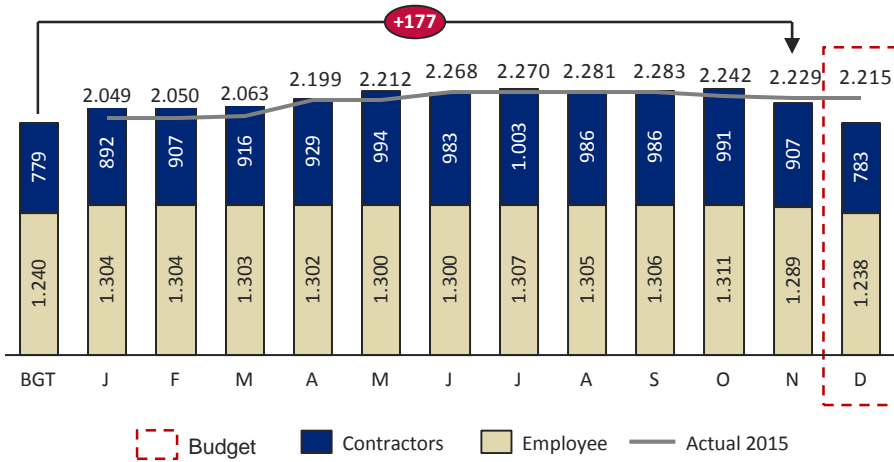
Labor Cost

Turnover

NICKEL

HEADCOUNT

Total Headcount



Comments

Employees

Barro Alto: In Operation headcount over budget because the negotiations ACT agreed by the non-realization of reduction in staff provided for in the restructuring OLD BAP from Jul/16 (the outlook was scheduled for Nov/16). In Overhead is up due to the non-realization of planned restructuring in some areas, due to the divestment process and Nébulas project.

Note: Operational headcount counts with 05 employees in contract situation for a determined period (being total of 04 employees in the month of Jul/16, and 05 as of Aug/16).

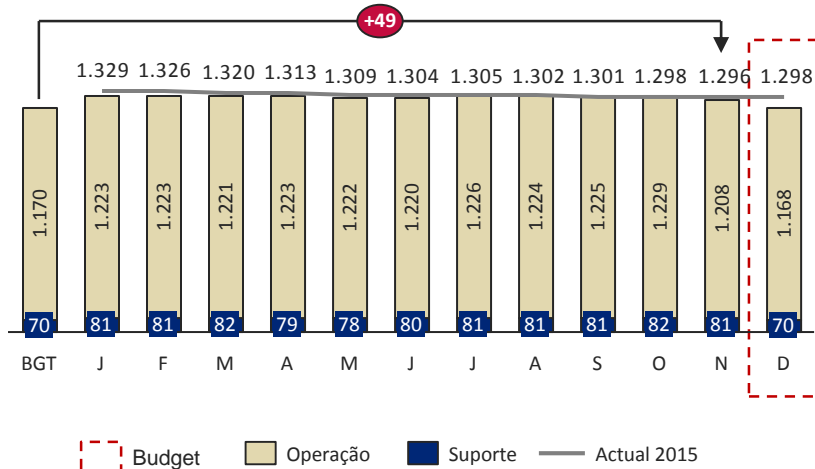
Niquelândia: HC below budget due to the synergy of vacancies with Barro Alto and vacancies that are in recruitment process for replacement.

Contractors

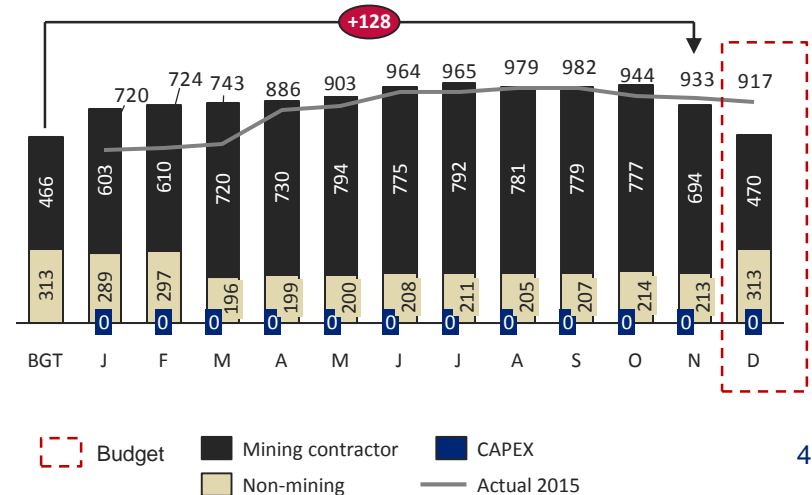
Mining contractor: In Barro Alto and Niquelândia, The TGL and CTBA companies responsible for internal and external ore transportation opted to keep bigger their drivers staff. Anglo American pays the service for mass quantity (tons) transported and there is no additional cost to the contract if the company maintains an active bigger staff.

Note: Compared to the budget, the chart shows a negative variation in Mining contractor and positive in the category Non-mining, this is by reclassification that was the same after the validation of the BAP.

Employees



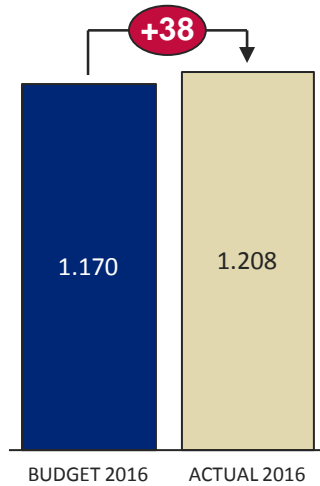
Contractors



EMPLOYEE HEADCOUNT

Operation Nickel – November/16

Total Deviation

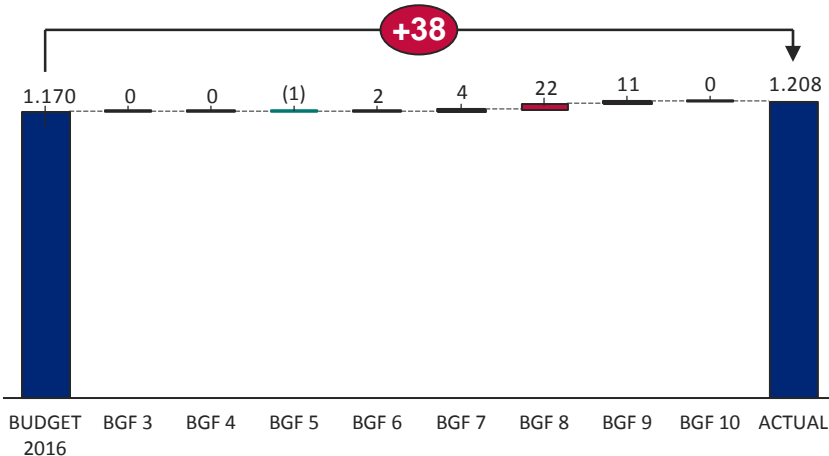


Comments

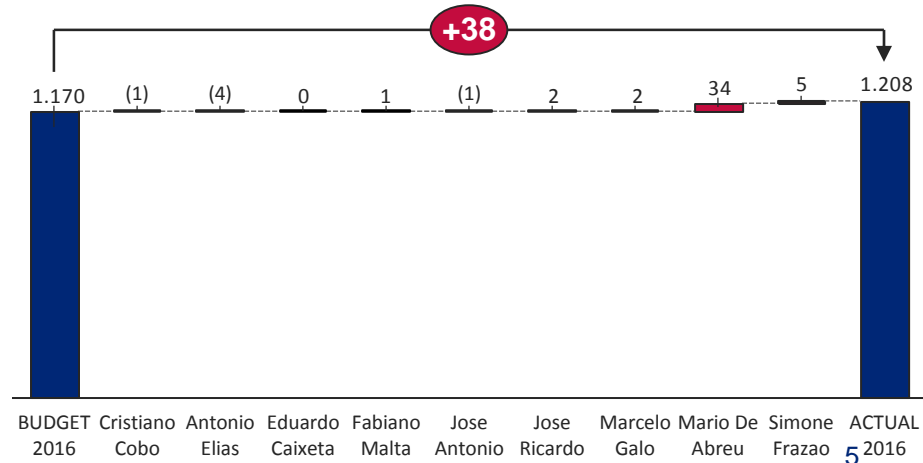
Headcount over budget because the negotiations ACT agreed by the non-realization of reduction in staff provided for in the restructuring OLD BAP from Jul/16 in Barro Alto (the outlook was scheduled for Nov/16).

Note: In Barro Alto the operational headcount counts with 05 employees in contract situation for a determined period (being total of 04 employees in the month of Jul/16, and 05 as of Aug/16).

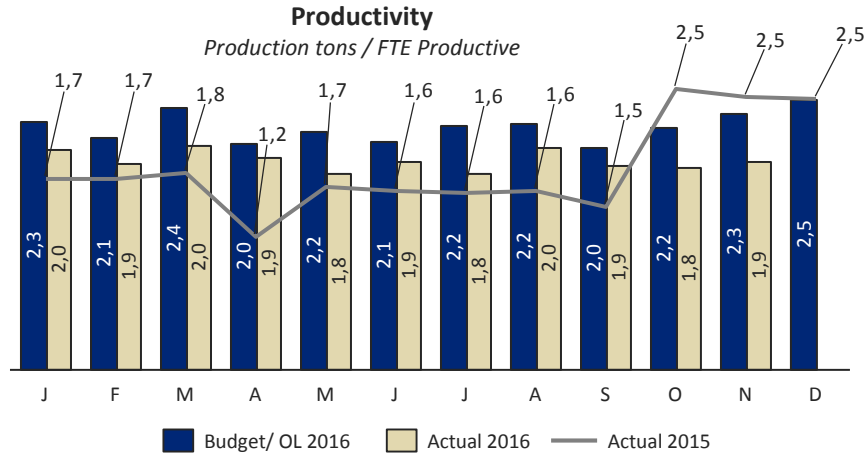
Deviation by Band



Deviation by Manager

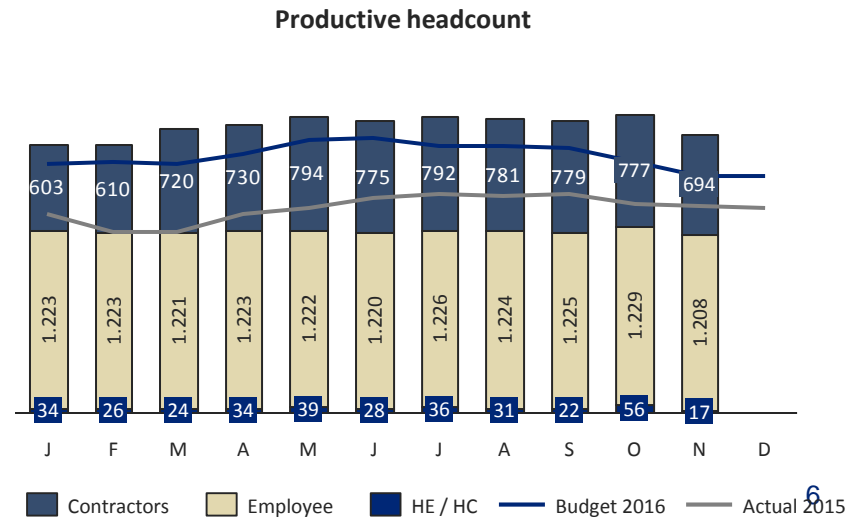
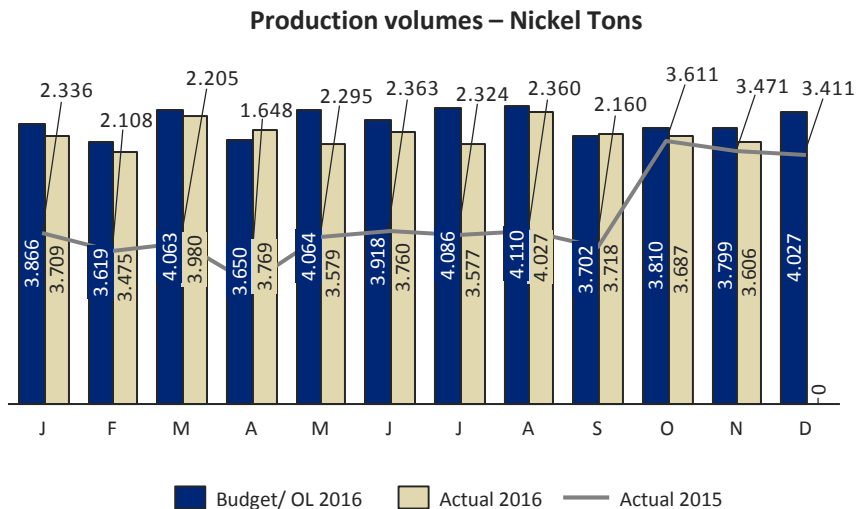


DIRECT PRODUCTIVITY



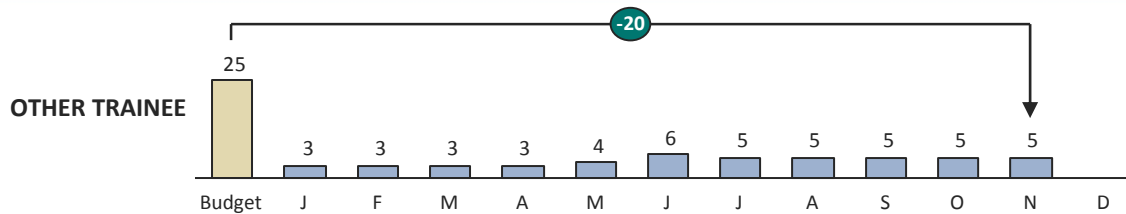
Production Volume/ Productive Headcount (Contractors + Employee + HE/HC)

Comments	
• Throughput:	Barro Alto: Slightly lower than OI(139,6 TMS/h Act vs 143,2 TMS/h OI) mainly due to short circuit in electrical substation cable, and Niquelândia: Lower than OL (33.8 TMS/h Act vs 35.6 TMS/h OI) mainly due to unexpected Rk1 refractories repair.
• Operating Time:	Barro Alto: Slightly lower than OI (94,2% Act vs 94,8% OI), and Niquelândia: Slightly lower than OI (94.1% Act vs 95.1% OI).
• Ni Grade (Calcined ore):	Barro Alto: In line with OI(1.77 Ni Act vs 1.75% Ni OI), and Niquelândia: Slightly higher than OI (1.76% Ni Act vs 1.70% Ni OI).
• Recovery (Smelt x Ref):	Barro Alto: Lower than OI (85.6% Act vs 88.2% OI), and Niquelândia: Slightly lower than OI (88.4% Act vs 90.5% OI).

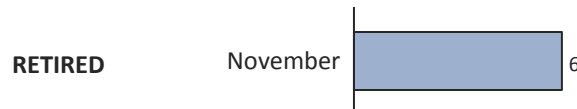


Includes employees involved in mine operation activities, maintenance, plant, and geology.

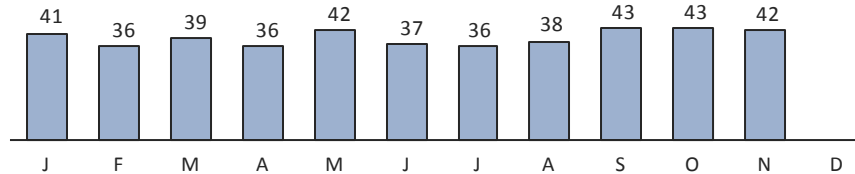
DIVERSITY



Hiring others trainees was suspended for review of the program.



LEAVE OF ABSENCE



TYPE	< 6 months	> 6 months
Work accident – INSS	1	2
Retired by disability	-	4
Disease aid – INSS	18	15
Maternity leave	2	-
Total	21	21

DISABLE



Filled Quota

Note: The company with one hundred or more employees are required to complete 2% to 5% of its positions with rehabilitated or disabled.

APPRENTICE

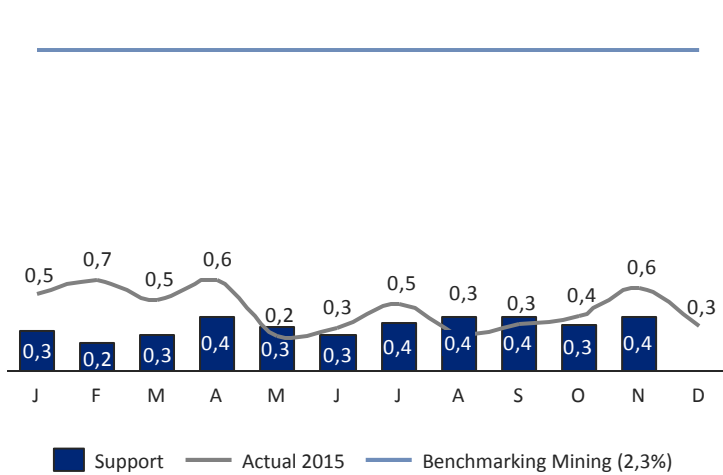


Filled Quota

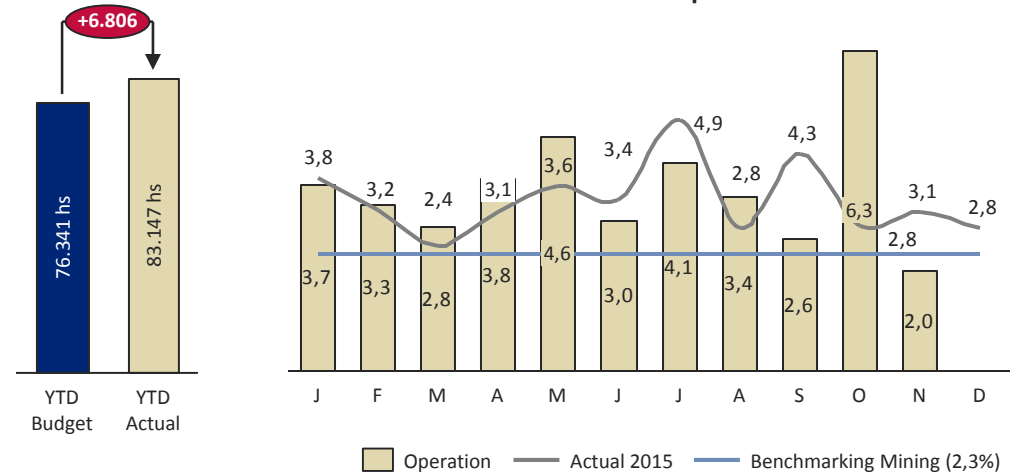
Note: Law No. 10,097 / 2000, expanded by Federal Decree No. 5,598 / 2005. Determines that all medium and large companies employ a number of apprentices equivalent to a minimum of 5% and a maximum of 15% of its staff whose duties require professional qualification.

OVERTIME

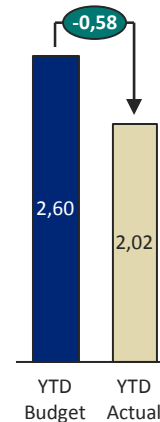
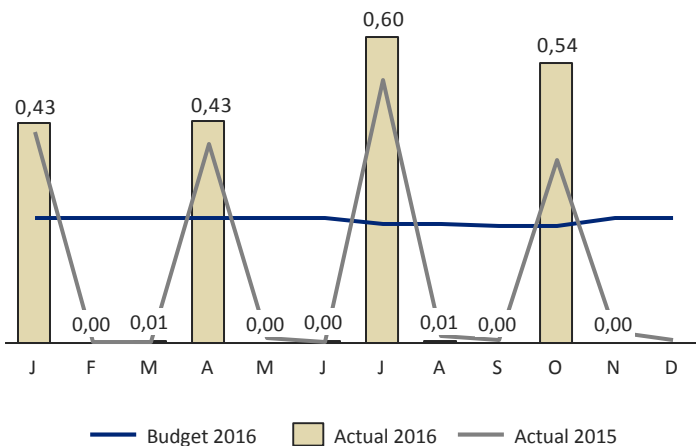
% Overtime – Support



% Overtime – Operation



Paid Overtime – R\$ MM



Comments

Overtime more impact in the areas below:

BARRO ALTO

- Industrial Workshops (33%)
- Materials Management (20%)
- Refining (14%)

CODEMIN

- Industrial Mechanics (30%)
- Machine Shop (27%)
- Refining (11%)

Main Reasons:

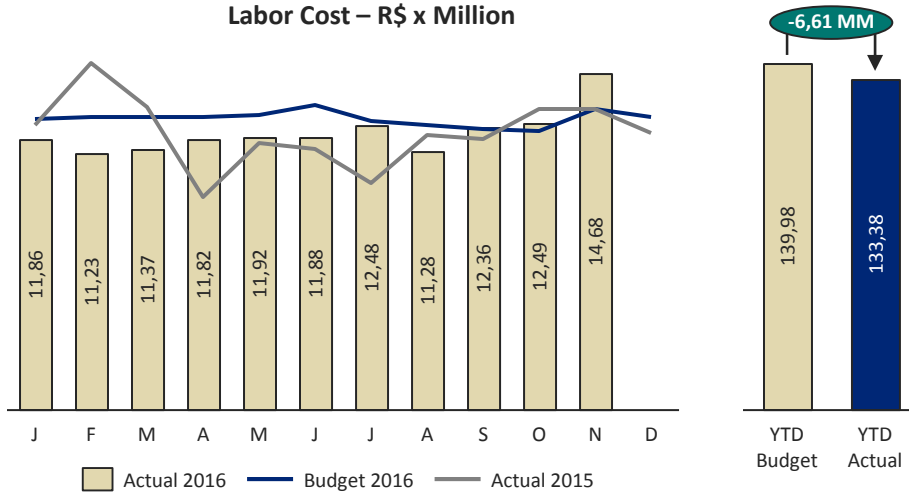
- Preventive maintenance of machinery and equipment, and Preventive Maintenance of the Primary Crusher and Maintenance of the Calcinator.
- Realization of the annual inventory of the warehouse.
- Replacement of absence employees and support in the area of refractories, and Labor to cover ECO batteries, and replacement of operators.
- Passage shifts due to the bus arrival time in the industrial plant.

The overtime is calculated and paid quarterly due to the current hour bank agreement. To facilitate the management of this indicator, the database was adjusted and distributed monthly to allow better monitoring.

The total overtime was considered only positive hours worked within the current month.

LABOR COST

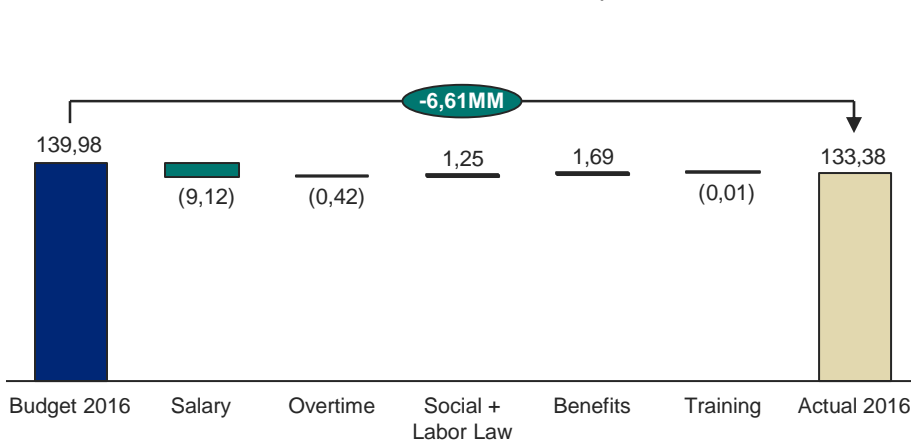
Labor Cost – R\$ x Million



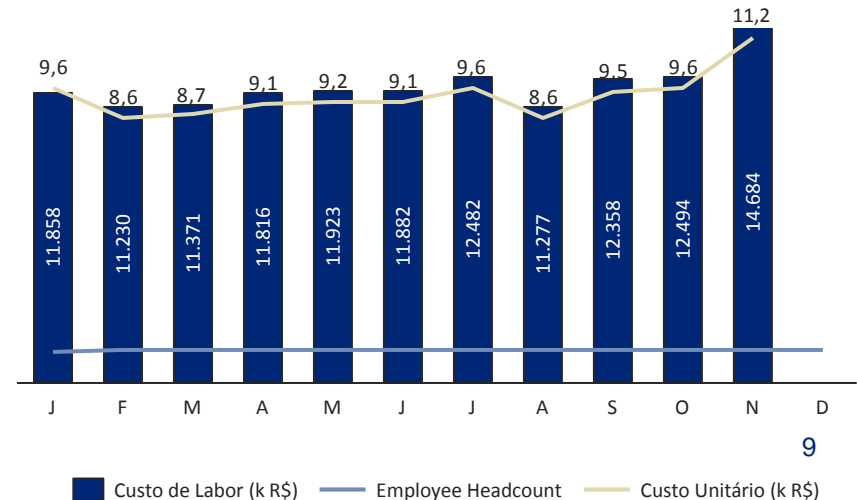
Comments

- **Salary**
Saving resulting from the negotiations of the Collective Agreement as there was no adjustment concession. Reversal of provisions of the Collective Agreement, because the value was higher than the executed in Barro Alto. In Niquelândia Saving resulting from the negotiations of the Collective Agreement as there was adjustment below budget concession.
- **Social Labor Law**
Due to the cumulative payment of fines/damages for termination, not provided for in the budget.
- **Overtime**
Hours held management during hours bank closure period (quarterly) aimed at cost reduction.
- **Benefits**
Benefits costs performing above the expected with main impact of specific occurrences of health insurance and high costs of treatment of chronic diseases + monthly basic food basket over budget as the Collective Bargaining Agreement negotiation strategy.
- **Training**
The training values In line with budget.

Labor Cost Variation YTD – R\$ x Million

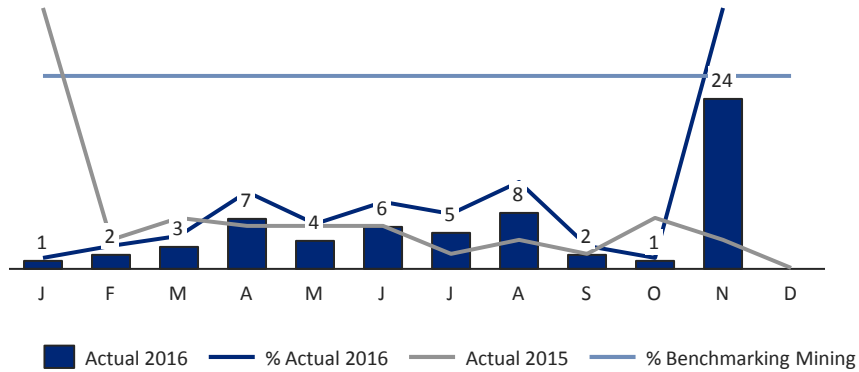


Unit Cost

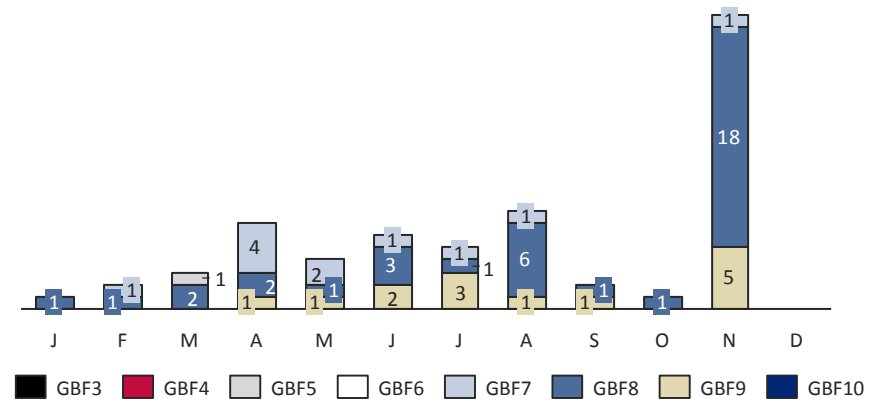


TURNOVER

Dismissal

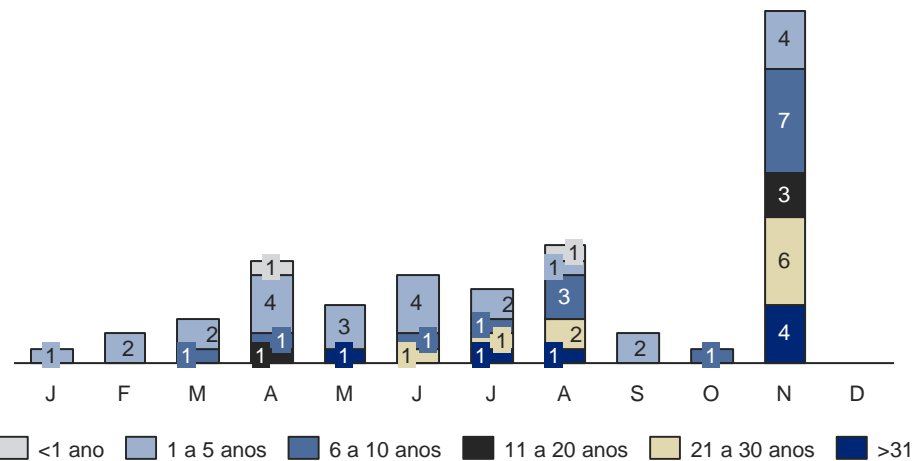


Turnover by Band



Turnover excluding Apprentices and Other Trainees

Turnover x Labor Time



Comments

- **24 Left the Organization Total:** 100% Involuntary.
- **Niquelândia: 16 Left the Organization Total and, Barro Alto: 08 Left the Organization Total.**