

**CERREJÓN'S COMMENTS ON THE ARTICLE BY THE NATIONAL TRADE UNION SCHOOL
ON THE COMPANY'S ACCIDENT RATE**

August 29, 2017

We appreciate the BHRRC giving us the opportunity to offer up our comments on the article "Worrying spate of accidents at Cerrejón: 13 accidents in two weeks, with no fatalities", published by the National Trade Union School on August 16 of 2017.

Cerrejón rejects the arguments that the accidents on August 7 of 2017 happened due to company pressure to increase productivity. At Cerrejón, the safety of our employees and contractors is a value more than a priority, and we refuse to change that under any circumstances. A fatality-free and injury-free operation is our main objective.

Cerrejón schedules monthly meetings with employees and the trade union to rigorously address safety topics and other issues that contribute to maintaining a good work environment. The meeting in August after the accidents on the date mentioned above was scheduled well in advance.

The current collective bargaining agreement (2016–2017) between Cerrejón and Sintracarbón includes a specific section on workplace health and safety and occupational hazards, which was compiled jointly by the company and the union. Cerrejón is completely willing to review that section in the next collective bargaining negotiations and to include topics that may contribute to keeping our operations safe.

Cerrejón has policies and procedures that aim to achieve an accident-free and fatality-free operation

- For three decades, Cerrejón has had a Workplace Health and Safety General System (SGSST, its initials in Spanish) as part of our Health, Safety, Environment, and Community policy. It focuses on the well-being of our employees, preventing diseases and accidents, and eliminating factors and conditions that could place health and safety in the workplace at risk.
- The system was put together jointly with our employees and their representatives. Thus, Cerrejón has complied with Colombian legislation and with well-known international standards. Cerrejón has had OHSAS certification since 2003, with the most recent recertification granted in January of 2017.
- We have travelled a long path in the continued improvement of our management. We constantly question our own system and challenge our performance in the light of the industry's best practices, new legal requirements, internal and external audits, accidents, and unsafe acts/conditions spotted in our operations.
- We invested USD 2.7 million in the SGSST in 2016, which includes the work of nearly 300 specialists in health and safety issues.
- Every year, we budget for safety activities based on the work strategy and plan laid out. Additional funds are released for higher investments for the purchase of devices or activities such as extraordinary actions to manage fatal risks. One such investment was the USD 12.57 million to purchase and install the CAS collision-prevention system in light, medium, and heavy equipment to help prevent collisions between vehicles.
- Furthermore, we have an emergency response system with highly trained personnel strategically distributed throughout the operations at six Emergency Response Centres provided with ambulances, emergency equipment, a rescue unit, and a Hazmat unit.

On the accidents mentioned in the article

- We are aware that we must continue working to strengthen our safety culture in order to ensure that our results are sustained day to day. This will prevent days of poor performance such as occurred last August 7, a holiday Monday on which we had five incidents that, fortunately, resulted in no injuries.
- In all of these cases, Cerrejón provided timely efficient medical care at the emergency unit in the Mine, which has the necessary equipment and medical personnel. All were released and are in good health.

- As a result of these events, we have implemented the following actions:
 - Joint inspections with Sintracarbón in order to take corrective measures.
 - Work ensuring appropriate equipment condition.
 - Reinforcing concentration when performing routine tasks using an “emergency plan of action” that includes fun activities and messages on Radio Cerrejón (day and night shifts).
 - Analysts from the Department of Safety have been assigned to workshops and the field to identify unsafe acts and conditions.
 - Supervisor time in areas has been increased.
- In regards to strengthening a culture of safety, we have designed a safety strategy backed by an analysis of the culture of safety and have implemented the following actions:
 - Implementation of the Cerrejón in Motion program
 - Program to reward good performance.
 - Program to strengthen supervisory leadership.
 - Actions to consolidate the organization’s five cultural attributes, which includes the safety pillar.
 - Better quality of task observations.
 - Recurring presence of senior management (including nocturnal visits to the operation).
 - Updating risk management procedures to align them with the best practices of our shareholders.
 - Support for behaviour-based observations headed by technicians and operators. (BBAPP: Behavioural-Based Accident Prevention Process).

On Cerrejón’s safety performance

- Despite the cases mentioned in the article, to date in 2017 our safety performance has been good, and we comply strictly with critical controls in order to keep our operations fatality-free.
- In addition to a significant decrease in injuries, we have even managed to be accident-free in months with historically higher accident rates, such as December, January, and February. In fact, we achieved an accident-free operation from November of 2016 to February of 2017.

Number of Injuries January to August 2016	Number of Injuries January to August 2017
21	8

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