



EVERY DROP OF WATER COUNTS

SUSTAINABILITY
REPORT
2015



Cerrejón
Responsible Mining

ABOUT OUR SUSTAINABILITY REPORT 2015 (HEREINAFTER SR15)

Eleventh annual sustainability report. Previous report SR2014.

Period: January 1 to December 31 of 2015.

Scope and legal status: For the purposes of this report, Cerrejón refers to the companies Carbones del Cerrejón Limited and Cerrejón Zona Norte S.A. (both henceforth Cerrejón).

- Carbones del Cerrejón Limited: This is a 100% privately owned foreign company domiciled in Anguilla, British West Indies, with a branch duly established in Bogotá, Colombia.
- Cerrejón Zona Norte S.A.: This is a Colombian limited liability company, with its main domicile in Bogotá. It was constituted in 2000 by successive stock subscriptions as a mechanism used by the central government for the sale of Carbocol's contractual interest in the Partnership Contract signed with Cerrejón (previously Intercor). The sale was formalized by signing the Mining Operation and Transfer Contract (CEMT, its initials in Spanish) between Cerrejón Zona Norte S.A. and Carbocol. Moreover, it possesses a 50% contractual interest in the large-scale mining contract for the Patilla area, in which it participates in a consortium with Cerrejón.

SR15 guidelines: Global Reporting Initiative (GRI), version G4.0, core option.

Consultant: PricewaterhouseCoopers A.G– PwC

Assurance: Deloitte & Touche. For more information about our Report's assurance process, please see page 70.

For more information about Cerrejón's sustainable management, go to:
<http://www.cerrejon.com/site/english/sustainable-development-%E2%80%A2-social-responsibility/performance/sustainability-reports.aspx>

We have included the reformulations of the indicators, calculation bases, and all significant changes in the scope and coverage of each aspect with respect to previous reports throughout SR 15 in the section containing that information.

Contact us:

Please send us your comments, concerns, complaints, or suggestions to: comunica@cerrejon.com

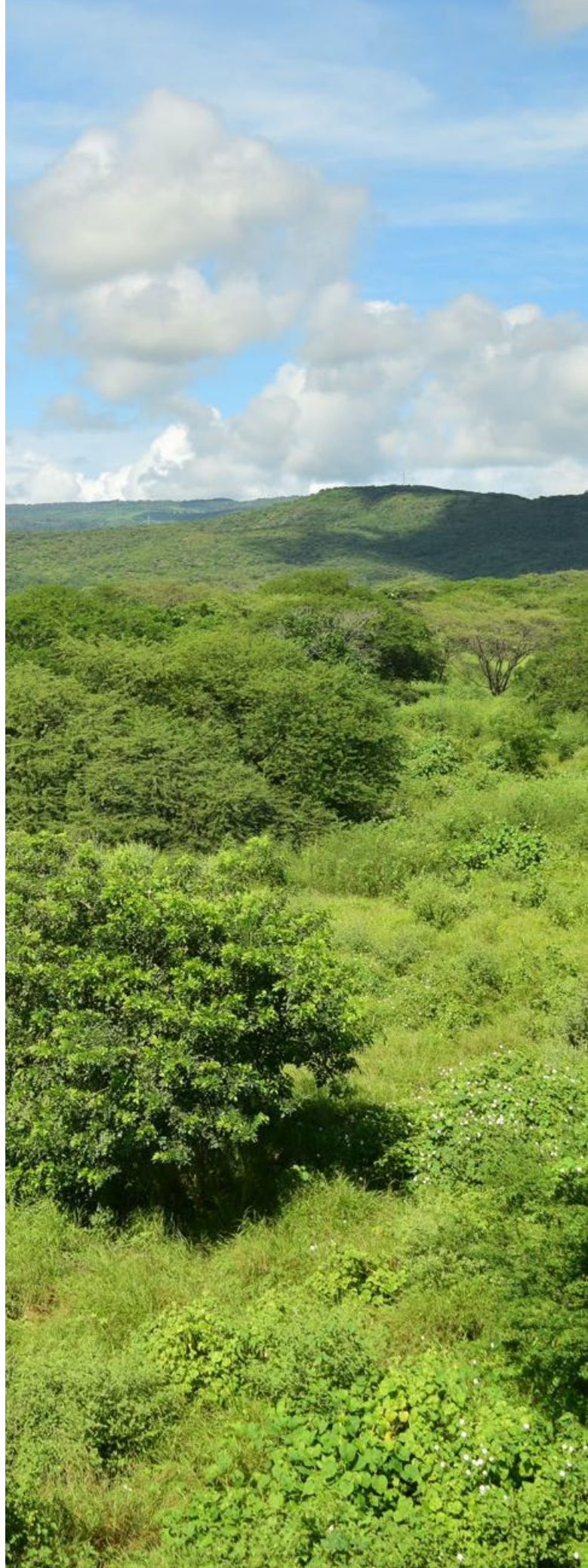
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ABOUT CERREJÓN



Coal Processing

PROSPECTION

Performed to discover zones with the greatest concentration of coal deposits.



WILDLIFE RESCUE AND RELOCATION

Species are inventoried for subsequent rescue and relocation to suitable areas.



DRILLING AND BLASTING

Drills bore holes to blast the waste rock into fragments.



EXPLORATION

Allow us to determine the amount of reserves and the quality of a deposit as well as its mining potential.

TOPSOIL REMOVAL

Topsoil layers are removed and stored in soil banks or be used in land reclamation of areas disturbed by the mining operation.

REMOVAL OF WASTE ROCK

Shovels remove the waste rock and load it onto 240 – and 320 – tonne trucks that take it to dump sites or to backfill areas for land reclamation.



REMOVAL, LOADING AND TRANSPORT OF COAL

Once the coal seams are exposed, the mining process begins and the coal is loaded onto 190- tonne trucks.



WATER TANKERS

A fleet of water tankers to wet down the haul roads. The water used for road wetting is not apt for human or animal consumption or for crop irrigation as it is industrial water.



17,000
TONNES/HOUR

Once an average of 130 wagons are loaded, the train begins its journey to Puerto Bolívar. The coal is automatically loaded and unloaded.

Carrejeón has achieved an important position in the global coal market.

LOADING THE TRAIN, COMPACTING AND WETTING

Each wagon's load is leveled, wetted and compacted to prevent coal dust emissions along the 150 km journey from the Mine to Puerto Bolívar.



CRUSHING AND/OR STOCKPILING

At the plants, the crushing hoppers receive the coal and crushes it. It is then transported via conveyor belts to silos to be later loaded onto the railway wagons.



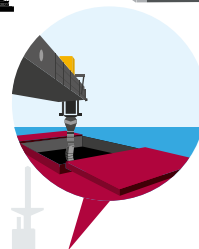
65 %
of the coal is taken directly to the crushing hoppers.

35 %
of the coal is stockpiled.

LINEAR SHIPLOADER

A direct-loading system since 1985. In 2014, the second shiploader was launched, with a dual system allowing tow ships's holds to be loaded at once.

The coal port receives vessels of up to **180,000 tonnes**



DIRECT LOADING SYSTEM

The coal is reclaimed and sent to the direct shiploaders, which place the coal directly in the holds of the coal ships, which then set sail to various ports worldwide.

DESTINATION OF EXPORTS

43% Europe
35% Mediterranean
13% Central y South America
9% North América



Relevant Results of Our Management 2015

Economic Contributions

On just **0.7%** of the land in La Guajira, Cerrejón produces near **50%** of the region's GDP.



WE EXPORTED **33.4 MILLION TONNES** in 2015.



PURCHASING AND CONTRACTS IN LA GUAJIRA COP 61.9 Billion

WE REPAIRED **768**

windmill-driven water pumps in **57 communities**, providing water availability of **2.9 million** litres a day.

EVERY DROP OF WATER COUNTS

92% OF THE WATER

we use in our operations is industrial or low quality, unsuitable for use by humans, animals, or crops due to high salinity. This water derives from the coal seams and rainfall.

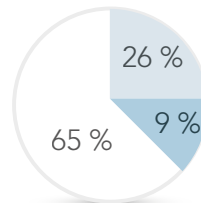
We paid about **COP 1Billion** in taxes and royalties

112.6

hectares reclaimed in 2015 and over 3,500 reclaimed since 1990.



We create over **12,600** jobs, including direct and contracted workers.



- Guajiran employees
- Rest of the country
- Costa Atlántica



We forge partnerships with La Guajira.

More than **COP 20.031** billion invested in our social programmes and over **COP 147,400** million allocated to our environmental programmes.

In 2015 **24** municipal and community projects were approved in the amount of **COP 27.562** billion

185 Cerrejón collaborators

Team up with La Guajira through Corporate Volunteering to work for the sustainable development of the region.



1. MESSAGE TO OUR STAKEHOLDERS

At Cerrejón, 2015 was a year of huge challenges and learning opportunities. The fall in the price of coal and decreased global demand, extreme climate phenomena, the start of a collective bargaining process, and growing questioning of the extractive sector were all part of a challenging, complex context. This scenario demanded we adapt and adjust our strategies to ensure the sustainability of our business, improve our performance standards, and continue contributing to the development of the region where we operate.

Despite our results, 2015 was a sad year as an accident cost the life of Carlos Solano Carrillo, a grader operator who worked with us for 19 years. A fundamental value in this industry, and especially in our operations, is the safety of our personnel. We therefore have the responsibility of providing all the necessary tools to ensure safe practices and to train our workforce to deal with and prevent situations that could place themselves at risk. This regretful loss has led us to review the accident circumstances to determine actions needed to improve our emergency training and ensure the operation of our critical controls.

Given the fall in coal prices, and to remain competitive while offering the international market a high-quality product and providing benefits to La Guajira and the rest of the country, we have developed a strategy with our employees and contractors that focuses on strengthening our coal control culture. This strategy is accompanied by operational performance aligned with the highest standards in health, safety, the environment, and respect for human rights and communities. The outcome was favourable results in 2015 in sustainability, of which we are proud and will discuss further in this report.

According to historical records, this was the region's driest year in decades, and it particularly impacted access and availability of water and food for Guajiran communities in rural zones. Consequently, Cerrejón increased its social intervention as regards supplying water, generating sustainable solutions, and promoting food security as part of our involvement in the collective efforts of the general population, the government, and the private sector united in the common cause of providing for the most vulnerable communities in La Guajira and of searching for long-term sustainable solutions in water and food security. In this endeavour, since 2014 we have distributed over 42 million litres of water to 24,000 people and repaired 68 windmill-driven water pumps that provide 2.9 million litres of water a day to 57 communities.

Furthermore, due to the severe drought, within the company we voluntarily decided to reduce the pace of operations in some pits and to tighten controls in order to better manage air quality and compliance with environmental legislation. Despite the climate factor and the need to rethink our operational targets, we are pleased to have implemented the necessary measures to ensure protection of the environment and of our communities. This is part of our commitment as an organization to mine responsibly and properly, which is reflected in our corporate pillars. By the end of 2015, we had produced 33.2 Mt and exported 33.4 Mt of coal.

On the social front, we began to implement our Corporate Volunteer Programme, which has more than 180 employees working together with communities. These volunteers are highly committed to the department and willing to contribute and give back to the region, working on projects centred on strengthening education, access to water, improving skills, and environmental stewardship. With the same goals, in 2015 we invested COP 20 billion in our social programmes and began restructuring our social strategy to optimize our resources and ensure a more strategic intervention in the region. This was an important step in our learning path in social performance.

This Sustainability Report provides details on all the challenges we faced as an organization in 2015 and how we have prepared for another year that we know will also be challenging but that we will somehow surmount positively with the commitment of all those in the company.

This eleventh sustainability report is part of the commitment we took on in 2005 with the Global Compact initiative and of our interest in presenting our main results and challenges of our progress in 10 principles related to human rights, labour standards, the environment, and anti-corruption practices to all our stakeholders. In 2016, our main challenge is to remain leaders of our sector in Colombia and to continue being a partner to progress and sustainable development for La Guajira and its residents by attracting greater interest and investment from the public and private sectors (both national and international) to this marvellous, opportunity-rich region.

A handwritten signature in black ink, appearing to be 'R. Pombo', written in a cursive style.

Roberto Junguito Pombo
CEO of Cerrejón



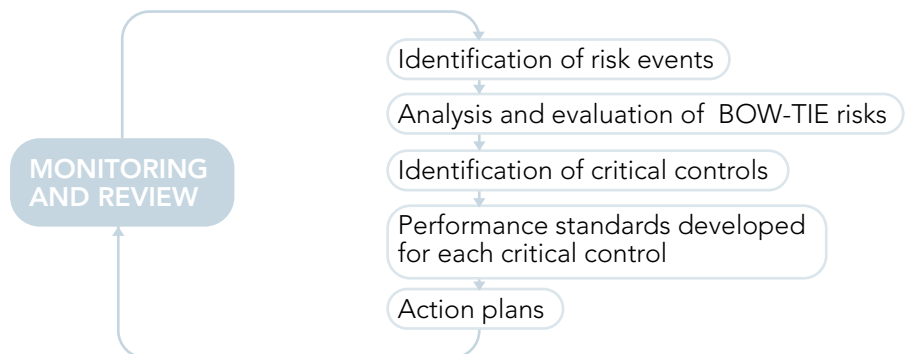
2. RISK AND IMPACT MANAGEMENT

At Cerrejón, we identify and manage our risks through a decentralized Bow-Tie system, developed following the methodology of one of our shareholders. Each of our company areas evaluates activities and then assesses the risks from both strategic and operational standpoints.

The system categorizes risk in accordance with the type of impact it would generate in areas of particular importance to us, such as health, safety, the environment, communities, financial and legal topics, and the company's reputation.

For each of these risks, we identify the critical controls, which are those that, if they fail, increase the probability of the event occurring. These controls are verified taking into account established performance standards, that is, the key parameters on which the control must be applied. In addition, we establish plans of action to improve controls and reduce residual risks. Below, we present Cerrejón's risk system management.

Risk management process



Risk management includes regular reviews and evaluation of control efficacy, then reporting to our shareholders about the most significant risks to our business¹. Furthermore, our shareholders annually send us an audit including a risk assessment.

¹ The matrix includes the permanent risks for Cerrejón, but the business' seasonal risks are also identified.



3. STAKEHOLDERS AND TOPICS OF MAYOR IMPORTANCE (MATERIALITY)

3.1 Our Engagement with Stakeholders

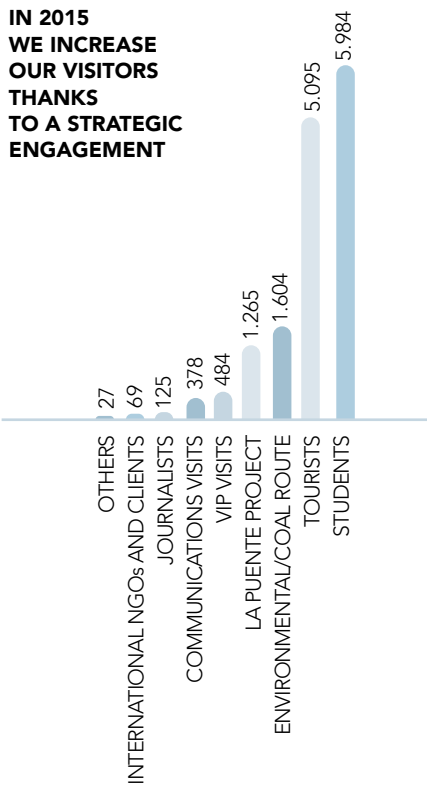
At Cerrejón, we call stakeholders those people or groups that are or could be directly or indirectly impacted by our activity or projects. Based on the preliminary document of the Organization for Economic Cooperation and Development (OECD) on the due diligence of engagement with stakeholders, we feel our priority should be those groups or people that are at greater potential risk from our operations, including communities and social associations, employees, and authorities. In addition, this document recommends that, to achieve significant engagement, we should bolster our engagement with NGOs, members of the extractive industry, shareholders, partners, and news media².

At Cerrejón, we have different methods of engaging with our stakeholders according to the nature of the topics, including: meetings; visits to our installations; information on our management; consultation sessions; accountability; prior, free and informed consultation; events related to our sector, association, and specific affairs; audits; cooperation or associations; social programmes; community service offices; Complaints Office; web page; social networks; and others. In the same spirit, we aim to have two-way communications in order to strengthen our engagement and obtain accurate information on your expectations and needs. Below we present our engagement mechanism and its frequency.

ONE OF OUR MAIN ENGAGEMENT CHANNELS IS THE VISITS TO OUR OPERATIONS BY STAKEHOLDERS.

15,035 PEOPLE VISITED CERREJÓN IN 2015, WHICH IS **23% MORE** MORE THAN IN **2014**

IN 2015 WE INCREASE OUR VISITORS THANKS TO A STRATEGIC ENGAGEMENT



STAKEHOLDER	ENGAGEMENT MECHANISM AND FREQUENCY
Communities and associations	Community Service Office (permanent) Complaints Office (permanent) Talks on security impacts (as needed) Engagement agenda (permanent) Air-quality oversight committee (quarterly) Prior consultation (as needed)
Employees	Suggestions mailbox (permanent) CEO's Communications Meeting (twice yearly) Communications campaigns by topic (permanent) Intranet (permanent) Complaints Office (permanent)
Trade unions	Committees to monitor the collective bargaining agreement Regular and unscheduled meetings according to topic
Suppliers and contractors	iProveedor platform (permanent) Contractor meeting (every two years) Audits (yearly and as required) Monitoring via contract administrators (permanent)
Government and authorities	Inter-institutional partnerships (as required) Participation in the Regional Competitiveness and Innovation Commission of La Guajira Reports (as required) Engagement agenda (permanent)
Clients	Annual roundtable Visits Engagement through the CMC (only marketer for Cerrejón's coal)
News media and opinion leaders	Media agenda with each actor (permanent) Journalism contest (annual) Workshops/diplomas for journalists (as needed)
Academi	Face-to-face engagement agenda (permanent) Partnerships (as required)
Association and businesses	Meetings (as required) Meetings and executive boards (as required)
NGOs	Events (according to association) Reports on the status of the Independent Review Committee (twice a year) Newsletter to national and international stakeholders (3 times a year) Engagement agenda (permanent)

² For more information about the OECD's guidelines for significant engagement in the extractive sector, please see: <https://mneguidelines.oecd.org/stakeholder-engagement-extractive-industries.htm>

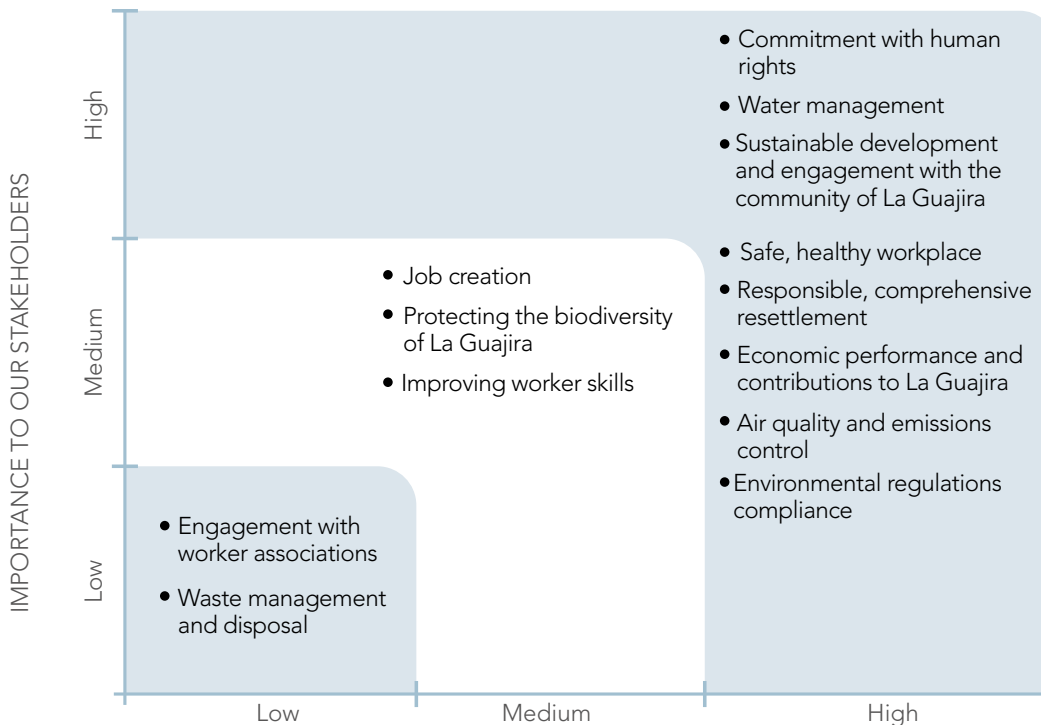
3.2 Identification of Material Aspects

Our materiality is presented below to identify the material aspects for our stakeholders and for Cerrejón in 2015 and thus establish the issues we will highlight in this report.

1. CERREJÓN MATERIALITY ANALYSIS	2. ANALYSIS OF RESULTS FROM INTERNAL AND EXTERNAL DATA	3. PRIORITIZATION AND VALIDATION OF MATERIAL TOPICS	4. CONSOLIDATION OF RESULTS OF MATERIALITY ANALYSIS	5. MATERIALITY 2015
<p>For the year 2015, we used as a basis the company's materiality reported in the 2014 Sustainability Report.</p>	<p>We analysed:</p> <ol style="list-style-type: none"> Nearly 1,700 surveys carried out by the National Consulting Centre to determine the perception of our management in both indigenous and non-indigenous Guajiran communities inside and outside our area of influence, in employees, news media, and opinion leaders in La Guajira and Bogotá. A total of 2,072 news items published in local, regional, national, and international news media on the company and our projects as well as our social and environmental programmes. Topics addressed at the Clients Roundtable in July, with 25 participants from 14 coal-purchasing companies. Topics addressed during various visits, meetings, and communications with international NGOs and actors throughout the year in countries such as The Netherlands, Germany, and the United Kingdom. 	<p>Validation exercises were performed with our management team to prioritize and validate material topics.</p>	<p>We consolidated the results of the materiality analysis.</p>	<p>The results obtained were used to construct our 2015 materiality.</p>

3.3 Materiality 2015

As a result of the above process, we have ranked relevant topics for our stakeholders and for Cerrejón.



We identified material aspects as those in the "High" category for the company and "High" or "Medium" for our stakeholders.

Below we present the material aspects resulting from our materiality exercise and note which of these are considered relevant for each of our stakeholders.

MATERIAL ASPECTS FOR STAKEHOLDERS

	Commitment with human rights	Water management	Economic performance and contributions to La Guajira	Sustainable development and engagement with the community of La Guajira	A safe, healthy workplace	Responsible, comprehensive resettlement	Air quality	Environmental regulations compliance
Communities and associations	●	●	●	●		●	●	
Employees			●		●		●	
Trade unions	●				●			
Suppliers and contractors	●		●	●		●	●	
Government and authorities	●	●	●					●
Clients		●				●	●	
News media and opinion leaders	●		●	●	●	●		
Academia				●				
Association and businesses		●			●			
NGOs	●	●				●		●

In order to understand why each of these aspects is amongst the most important for Cerrejón and our stakeholders, we include a definition below.

Commitment with human rights. The department of La Guajira has historically been exposed to violence, which has only become more acute with the humanitarian crisis in recent years. Although we are aware of the State's obligation to respect, guarantee, and protect human rights, we have also committed to respecting and promoting human rights, especially those of our employees, suppliers, and neighbouring communities. We are convinced that the full enjoyment of human rights is only possible thanks to the joint work of society, companies, and institutions in this region.

Water management. Water is a vital resource for the social and economic development of any region. In the case of the semi-arid department of La Guajira, water use is even more important, especially use by different economic sectors such as mining. At Cerrejón, our comprehensive water management starts with the efficient, responsible use of water in our operations. It includes actions to promote access to water in the region and the protection of the catchment basins of significant bodies of water in the zone (the latter work performed hand-in-hand with communities).

Economic performance and contributions to La Guajira. Mining accounts for over 50% of La Guajira's GDP, creating significant numbers of jobs and supply chains that bolster the region's economy. Although we are the foremost mining

company in La Guajira and the largest contributor of taxes and royalties, in recent years we have been facing a crisis due to falling international prices. This situation has led us to find strategies to improve productivity and efficiency and to reduce costs in order to continue being competitive in the marketplace.

Sustainable development and engagement with the community of La Guajira. Given the standards of living in La Guajira, it is in the community's interest to be involved in the decisions of companies operating in their region and supporting their social, economic, and environmental development. Cerrejón works hand-in-hand with communities to meet that expectation.

A safe, healthy workplace. It is a priority to work in safe, healthy conditions for our employees and contractors and for us as a company. Therefore, we conduct our operations protecting the health and safety of our personnel, preventing accidents, diseases, and any other situations that could impact their quality of life.

Responsible, comprehensive resettlement. For the communities, the resettlement process has various impacts, mainly on their customs and culture. At Cerrejón, resettlement is a last resort measure for which we follow the most demanding standards so that the end impacts on families are positive in terms of quality of life.

Air quality. Particulate-matter emissions are in-

herent to open-pit coal mines such as Cerrejón, and the impacts are of interest to different audiences. Since we understand the importance of this topic, we enact rigorous controls to handle these impacts. The results are reported and regularly audited by the regional and national environmental authorities.

Environmental regulatory compliance. The local and national authorities use the legal mechanism of compliance with environmental regulations for the mining industry in order to administer and establish limits to the use and enjoyment of the natural resources of a given ecosystem and to determine compensation rates for environmental and social impacts generated by mining activity. At Cerrejón, we go beyond mere compliance with all the laws applicable to our business as part of our values, principles, and an unbreakable commitment to integrity and our environmental responsibility.

3.4. Impacts of Material Aspects by Stakeholder

Below we present the classification of material topics by type of impact of the Company.



INTERNAL IMPACT

A safe, healthy workplace



EXTERNAL IMPACT

Responsible, comprehensive resettlement
Sustainable development and engagement with the community of La Guajira



Commitment with human rights



Water management



Economic performance and contributions to La Guajira



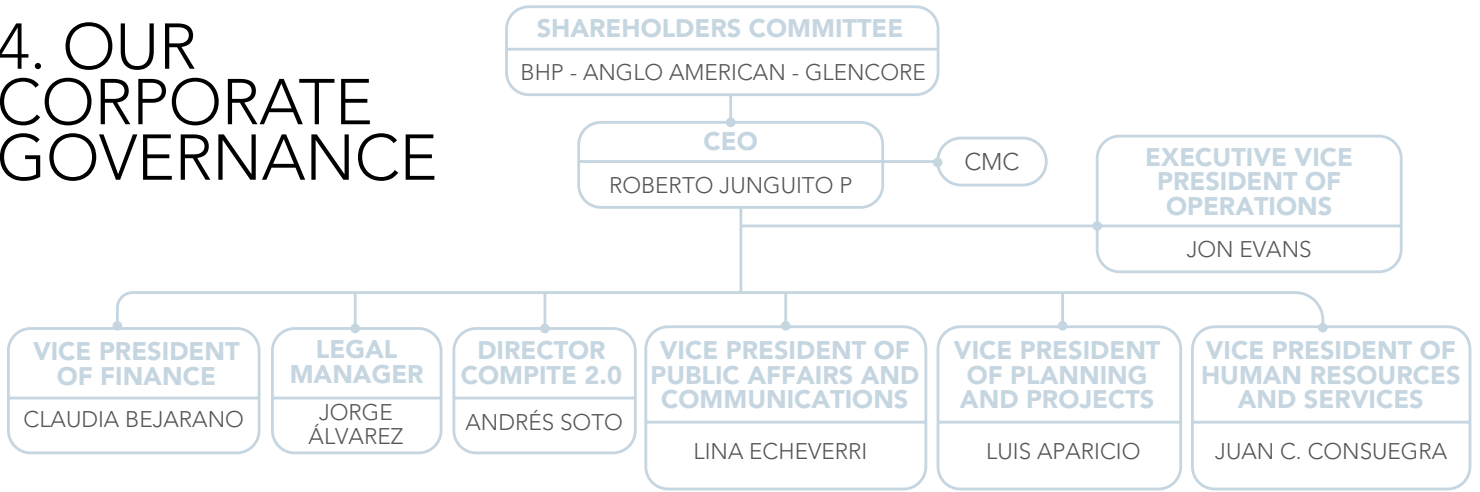
Air quality



Environmental regulatory compliance



4. OUR CORPORATE GOVERNANCE



With the goal of keeping our business cost-effective and competitive, we implemented an optimization process in our management structure in order to be aligned with the best industry standards, which gives us more streamlined processes due to reducing the number of levels in the organization. These changes ensure a more functional, specialized structure, which also bolsters the role of supervisors and superintendents.

These decisions derive from a conscious, determined, and disciplined policy to generate and maximize all our opportunities as a company and as partners to this region and the country as a whole. These decisions are both a demonstration and a call to the commitment we must shoulder for the necessary changes to remain competitive. Three departments headed by vice presidents have been created compared to the structure described in our previous report.

MISSION

Our mission is to produce and export coal efficiently, reliably, and cost-effectively, while meeting the highest standards in safety, health, environment, and corporate ethics and contributing to the progress of our people — our neighbouring communities and La Guajira.

VISION

Our vision is to be the leading coal producer and exporter globally and to be a key partner for the progress and sustainable development of La Guajira.

4.1. Committed to Sustainability

At Cerrejón, we have various committees in charge of strategic decisions covering social, environmental, and economic sectors. Learn about them here.

COMMITTEE	OBJECTIVE
Shareholders' Committee	Approval of corporate strategy, assessment of company's performance, and budget approval.
Audit and Finance Committee	Review of all financial statuses and external and internal audits. Review of financial topics.
CEO's Committee	Review of main topics of each vice president's department as well as issues requiring senior management steering and decision-making.
Strategic Committee on Safety, Health, Environment, and Community - CESSMAC (its initials in Spanish)	Strategically orient Cerrejón as regards safety, health, environment, and community.
Operational Integrity Committee	Monitoring and assessment of goals in production, safety, and environmental compliance.
Internal Control Committee	Evaluate deviations from Ethics and Conflicts of Interest policies.
Management Development Committee	Evaluate human resource management topics, such as changes to the organizational structure, new programmes and policies, or alterations to existing ones as regards personnel, performance, skills development, compensation, labour, and occupational health.
Management Committee	Necessary decisions and approvals in accordance with Delegations Manual (DOAG), primarily related to purchasing and contracts.

For more information about our corporate governance, please see: <http://www.cerrejon.com/site/english/our-company/who-we-are.aspx>

4.2. Standards and Certifications that Confirm Our Commitment to Sustainability

At Cerrejón, we have voluntarily adopted the highest standards as regards the human rights of our workers, contractors, and communities. These standards guide our daily activities, especially as concerns the Wayuu people and respect for their traditions, customs, and their traditional authorities. This approach has led to the adoption of measures to identify, prevent, and provide compensation for our impacts, which has contributed to our recognition as a benchmark company nationally and internationally in the implementation of standards and responsible practices.

In addition, we have the following certifications:

- ISO 14001 (Environmental Management)
- OHSAS 18001 (Occupational Health and Safety)
- NTC-ISO17025 accreditation

Ver información de certificaciones en <http://www.cerrejon.com/site/english/our-company/awards-and-certifications.aspx>



**The United Nations
Global Compact**

**The Voluntary Principles on
Security and Human Rights**

**The social and environmental
performance standards of
the International Finance
Corporation**

**The United Nations Framework to
Protect, Respect, and Remedy and
its 31 guiding principles**

**The Sustainable Development
Framework of the
International Council of
Mining and Metals (ICMM)**

See our standards information at
<http://www.cerrejon.com/site/english/sustainable-development-%E2%80%A2-social-responsibility/standards-and-commitments.aspx>

Partnerships and memberships

In recent years, we have established partnerships with various national and international organizations in order to share good practices, undertake research, and achieve a greater positive impact in our programmes.

Learn about them at <http://www.cerrejon.com/site/english/sustainable-development-%E2%80%A2-social-responsibility/alliances.aspx>

4.3. Ethics and Anti-corruption

Obtaining good results is just as important to us as how we obtain them. We therefore enforce our commitment to zero tolerance with corruption and accordingly act with the necessary resolve to preserve our ethical culture and ensure what we say is compatible with what we do. We have a set of nineteen Conduct Policies and Guidelines based on our values and principles and on our unconditional commitment to work with integrity.

These policies are mandatory for our employees and are also incorporated in our contracts with third parties. In 2015, we incorporated the following policies:

- The Labour Promotion Policy for Communities in our Area of Direct Influence, under the aegis of the Department of Human Resources.
- The System for the Self-Regulation and Management of the Risk of Money Laundering and Financing of Terrorism (SARLAFT, its initials in Spanish), under the aegis of the Legal Department.

These 19 policies are listed below. For further details on some of them, please visit our web page at <http://www.cerrejon.com/site/english/our-company/policies.aspx>

1. Ethics (includes the Guidelines for the Prevention of Corruption)
2. Conflict of Interest
3. Political Activities
4. Human Rights
5. Social Labour Responsibility
6. Senior Management Positions
7. Safety, Health, Environment, and Community
8. Use of Alcohol and Drugs
9. Equal Opportunity
10. A Productive Work Environment
11. Relations with Clients and Product Quality
12. Communications
13. Managerial Control
14. Fraud Control
15. Risk Management
16. Systems Security
17. Travel Expenses and Other Expenses
18. Labour Promotion for Communities in the Area of Direct Influence
19. System for the Self-Regulation and Management of the Risk of Money Laundering and Financing of Terrorism (SARLAFT).

³ MPT: Managerial personnel in the organization.

⁴ PTC: Qualified technical staff (technicians, operators, service workers, secretaries, and office workers).

Employee training on the company's Conduct Policies and Guidelines takes place during set training cycles. The company's MPT³ personnel are trained as part of their orientation to Cerrejón and also through an online certification course that began in 2014 and continued in 2015. This online platform has trained 963 staff. The training cycle for PTC employees⁴ began in 2015 and will end in 2016. Over 3,000 employees are being trained in these classroom courses.

We have the following hotlines for any employee, contractor, or third party to report (anonymously or confidentially) on possible transgressions of the policies for Ethics, Conflict of Interest, Fraud Control, Anti-Corruption Guidelines, and others.

Ethics Hotline

managed by Navex Global (toll-free lines) In Colombia, first dial 01-800-911-011. When the call is answered, enter the following number: 844-287-1872.

Web page:

www.eticacerrejoncmc.ethicspoint.com

Internal Control Department:

Telephone number +57-1-595-2777, Ext 2777 or e-mail controlinterno@cerrejon.com

In 2015, we received 68 reports, of which 62 were closed that same year and the other six are expected to be closed in the first quarter of 2016.

4.4. Cerrejón's Transparency Policies

A due diligence procedure is in place for activities we perform with third parties, and we apply our risk management methodology to identify situations that could lead to corruption or a LAFT event in order to enact controls to prevent or mitigate said risks. It is worth noting that, in 2015, we implemented the System for the Self-Regulation of the Risk of Money Laundering and Financing of Terrorism (SARLAFT).

In 2015, we trained 527 people (employees and contractors) in the prevention of corruption and in SARLAFT.

It should be noted that, in 2015, there were no cases of corruption or fraud in the company.

Finally, our senior management and management team has signed an expression of commitment to zero tolerance with corruption, which reiterates our commitment to ethics in business.



Name of course	Employees	Contractors
Anti-corruption	102	82
SARLAFT	343	0
Total	445	82



**ECONOMIC
PERFORMANCE**



5. ECONOMIC PERFORMANCE

The ongoing fall in the price of coal on the international market has significantly affected the sustainability of the coal-mining sector in Colombia as well as in the rest of the world.



Shrinking Chinese economy, coal imports dropped **67 Mt**

Coal demand fell **6.3%** for the first time in **25 years**

New energy sources rising
shale gas

Environmental pressure on the sector
Clean Air Act - COP Paris

IMPACT

 Closure of mines

 Loss of jobs

 Mines fighting to survive

 Loss of value of mining companies

 Scarcity of resources for investments

IN 2015, WE CONTINUE A STRATEGY OF IMPROVING OUR PRODUCTIVITY AND EFFICIENCY AND OF REDUCING COSTS

According to analyses by the CMC (the sole company authorized to sell Cerrejón coal), the price of coal fell 23% from 2014 to 2015.

Our response to this circumstance has been to continue a strategy of improving our productivity and efficiency and of reducing costs in order to remain competitive in the marketplace, supply benefits to La Guajira and the result of the country, and offer a high-quality product to the international marketplace (extracted following the highest standards in quality, safety, and social and environmental responsibility).

This strategy has been enacted in hand with our employees and contractors from all areas of Cerrejón. They have suggested over 360 initiatives aimed at strengthening a culture of cost control to positively impact our sustainability.

We expect to maintain our production and export levels in the future in order to continue creating value for our stakeholders.

Current condition of the marketplace

FALL IN PRICES



Reduction in profit margin

Fall in economically exploitable reserves



Reduce volumes



Restructure organization

WHAT IS OUR STRATEGY?



Improve productivity
Reduce costs



Increase economically exploitable reserves



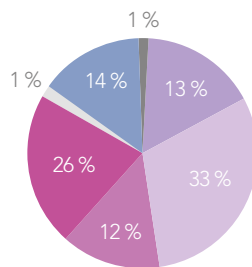
Minimize additional reductions to volume, employment, and investment

Our practice

Our practice comprises a series of policies and procedures that direct our economic performance.

Our financial planning is regularly defined and assessed. We monitor it through meetings of the strategic committees and meetings of each area. Our shareholders regularly monitor us and our financial status is audited by a third-party fiscal audit.

ECONOMIC VALUE DISTRIBUTED



Economic value generated

	COP Thousands
Operational revenue	5,473,962,086
Non-operational revenue	64,924,714
Total economic value generated	5,538,886,800

Economic value distributed

● National suppliers and contractors	744,023,102
● Foreign suppliers and contractors	1,842,029,180
● Employees	655,975,843
● Government	1,455,376,165
● Private royalties*	49,080,171
● Depreciation/amortization (re-investment)	754,192,057
● Shareholders	38,210,283
Total value distributed	5,538,886,800

*Private royalties refer to the remuneration paid to the owner of the mining resource (Community of Cerrejón).



We are the foremost coal producer in **Colombia**,

accounting for

39%
of national coal production.

33.4 million tonnes exported in 2015.

We are one of Colombia's largest private exporters and one of its



PRIMARY TAX AND ROYALTY CONTRIBUTORS

COP 5.5 billion

approximately
Economic value generated by Cerrejón
and distributed to our stakeholders in 2015.



COP 1.4 billion

approximately
Royalties and taxes
paid to the government in 2015⁶



COP 2.6 billion

approximately
Procurement of goods
goods and services in 2015⁵

COP 147.4 billion

approximately
Investments
in environmental programmes in 2015.



COP 20.031 billion

approximately
Social investments
in 2015

Generally speaking, the percentages of distribution of value by stakeholder remain the same compared to 2014.

There is no comparative data for this year since the figures shown to December 31 of 2015 were prepared under the International Financial Reporting Standards (IFRS). In previous years, though, they were prepared under the Accounting Principles Generally Accepted in Colombia.

In upcoming reports, comparative data will be presented for this indicator.

⁵ This amount corresponds to the purchase of goods and services caused and registered in the state of results of 2015. Payments made to suppliers and contractors for these concepts was approximately COP 2.2 billion, which figure does not include withholding taxes.

⁶ This amount corresponds to taxes and royalties caused and recorded in the audited results status for 2015. Payments made to the government in 2015 for these concepts was approximately COP one billion, which figure does not include withholding taxes.



6. BETTING ON THE FUTURE

In order to maintain our current levels of production, investments, contributions in taxes and royalties, and employment created, we need to undertake engineering works in the La Puente Pit on company property.

These works consist in moving a 3.6-km stretch of Bruno Creek in its lower basin 700 metres northwards to protect it from the mining operation.

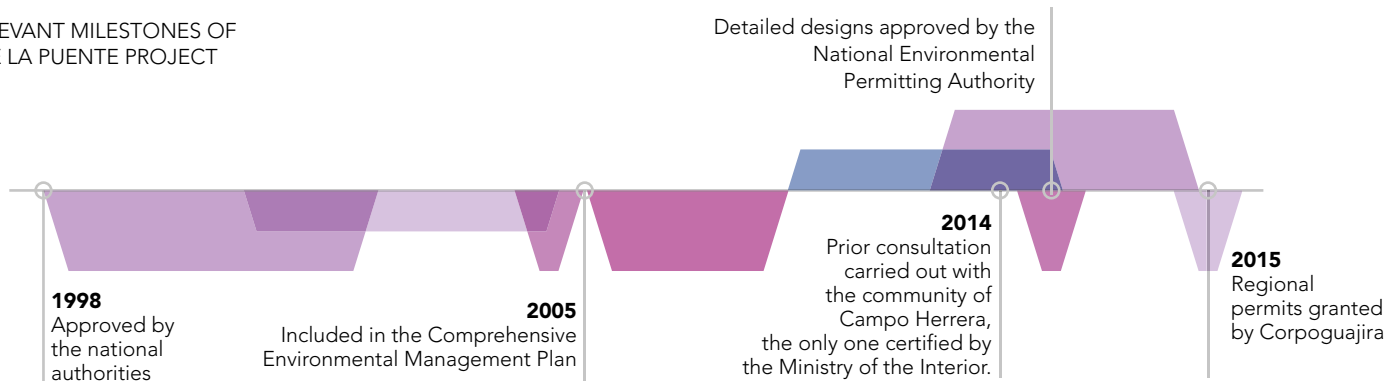
These works are being proposed after thorough

studies by national and international consultants have concluded their engineering, social, and environmental feasibility.

The engineering works will meet the highest current environmental and social standards.

Eighteen years of studies, assessments, and approvals by regional and national entities were also supported and validated by national (Ingetec) and international (Alluvium) consultants.

RELEVANT MILESTONES OF THE LA PUENTE PROJECT



Over the last few years, we have openly and transparently shared information with various stakeholders — employees, authorities, communities, NGOs, news media, and those who have visited and learned about the project.

The project is partnered with Conservation International and includes actions to preserve, restore, recover, and rehabilitate the areas in the middle and upper basin of Bruno Creek in order to protect this water source.


Project cost
COP 100
billion


Duration of project
2 YEARS


+250 Jobs created during construction

7. COMMITTED TO OUR SUPPLY CHAIN

At Cerrejón, we seek every day to strengthen management of our supply chain as we believe that, through collaborative work, we can contribute to its development and achieve benefits for our operation. We have therefore worked on the timely detection of risks that could cause significant losses for both the company and for our suppliers and contractors.



We focus on two work lines:

On one hand, the promotion of an ethical, responsible performance translating into a series of compulsory guidelines and requirements proposed by Cerrejón and shared with our suppliers in such fields as health, safety, community engagement, environmental management, fair and equal labour practices, and good conduct.

On the other hand, we promote local procurement through the purchase of goods and services from local and domestic suppliers. In addition, we annually determine a procurement and contracting plan that includes each of the processes for execution, taking as a basic premise the prioritization of local supplies whenever possible. As a matter of note, in 2015 we worked together with 149 locally-based suppliers.

The On Base application evaluates suppliers in the following areas:

- Compliance in safety, health, and environment
- Managerial leadership
- Administrative responsibility
- Quality of staff
- Compliance with work programme
- Work quality
- Group meetings
- Recruitment and selection
- Records and reports

In 2015, we began the Supplier Development Programme

Objective To launch a programme aimed at generating and developing skills in quality, safety, efficiency, and competitiveness in 23 contractor and supplier firms in Barrancas, Hatonuevo, Albania, Uribia, Riohacha, Fonseca, and San

Juan del Cesar. This generates high added value for Cerrejón and also promotes their capacity to supply goods and services in the region.

Strategic focus:

- To boost the economic and social development of La Guajira
- To comply with the social responsibility commitment
- To generate positive impacts on the communities in which we operate.

PROGRESS:



For more information about our evaluation process of suppliers, please see the chapter "Our Commitment to Human Rights".



**OUR
EMPLOYEES**

 **Cerrejón**

 **Cerrejón**

8. OUR EMPLOYEES

Quality of Life and Work Productivity

Our perspective

Our workers are the backbone of our operation and, thanks to them, we have managed to position ourselves as the leading coal producer in Colombia and to be a valuable player on the international market. Our human resources management focuses on:

- Selecting and recruiting people based on their personal, educational, and professional merits, giving priority to Guajirans and under equal conditions, without discrimination against race, creed, origin, sexual orientation, gender, or age.
- Training evaluating our workers' performance, which allows us to have staff with the necessary skills to perform their work safely and productively.
- Providing a safe, healthy workplace for the activities related to our operations by promoting health and the identification, assessment, and control of risks in the workplace. Our goal is to prevent accidents, diseases, and other situations that could affect the quality of life of our employees.

- Finally, we respect the rights of our workers, particularly the right to freedom of association to a trade union and the right to collective bargaining. We are always willing to address negotiations on the list of demands of our trade unions, within the terms and conditions set by the legal framework.

We have policies in safety, health, environment and communities, social labour responsibility, equal opportunity, and a productive work environment that are regularly reviewed by our senior management and disseminated to our employees. In addition, we have manuals and procedures for managing specific benefits programmes administered by divisions in the department of Human Resources and Services and Cerrejón's conduct guidelines.

Our objectives this year

In training and development:

- Carry out our training plan for supervisory personnel in skills related to operational integrity, leadership, and technical and administrative topics.
- Set up a plan to make adjustments to the company's induction process and training for new positions (new employees and workers transferred to other areas and positions).
- Implement mechanisms to validate skills as part of the updates to the Individual Development Plan (PDI, its initials in Spanish)⁷.

In terms of safety and health:

- Ensure a safe operation. That is, a fatality-free operation with a culture of safeguarding the life

and health of Cerrejón's people. Unfortunately, on December 2, Carlos Solano Carrillo, a motor grader operator, died. For this case and other accidents involving personal injuries, we carried out rigorous investigations in order to minimize the risk of fatalities in our operation.

In our relations with our trade unions:

- To maintain a good working environment based on dialogue and trust in order to contribute to safe, productive operations.

Investments worth noting:

- We invested COP 1.841 billion in training programmes.
- We invested COP 8.5 billion in developing our Management System for Workplace Health and Safety (SG-SST, its initials in Spanish).

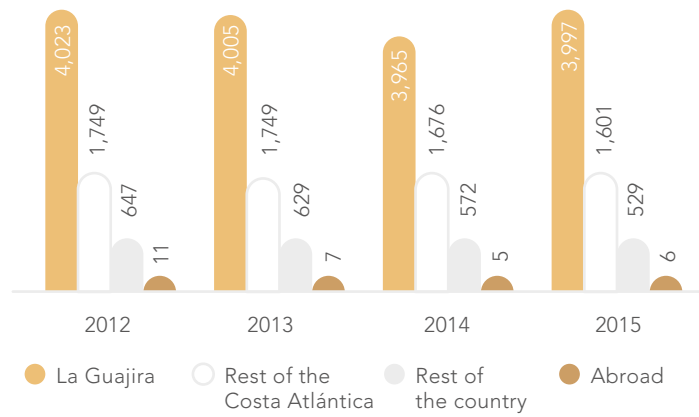
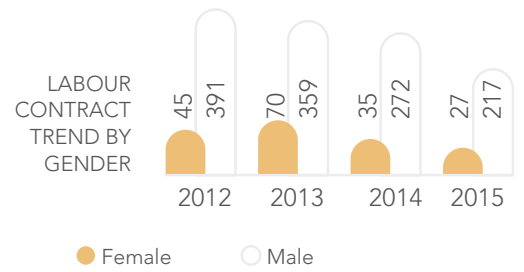
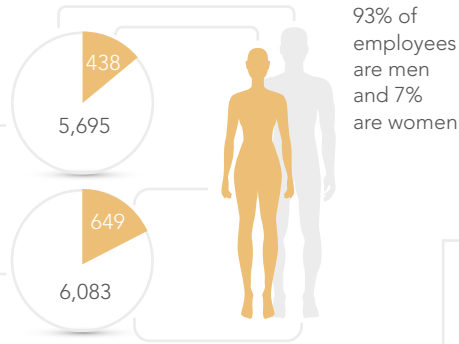


WE HAVE POLICIES
IN SAFETY, HEALTH,
ENVIRONMENT AND
COMMUNITIES, SOCIAL
LABOUR RESPONSIBILITY,
EQUAL OPPORTUNITY,
AND A PRODUCTIVE WORK
ENVIRONMENT

⁷ The PDI system for qualified technical staff (PTC) fosters their development and contributions to the company's goals in line with our vision and core values.

8.1 Job Creation

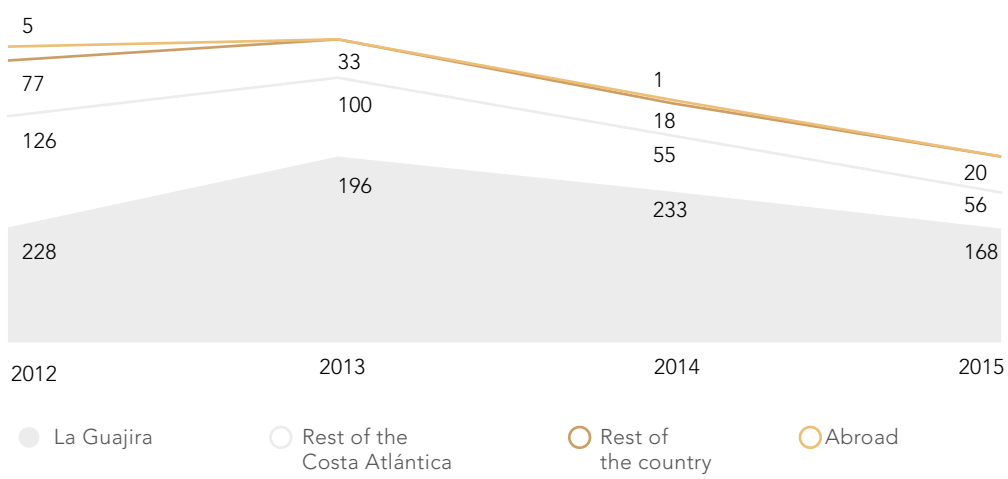
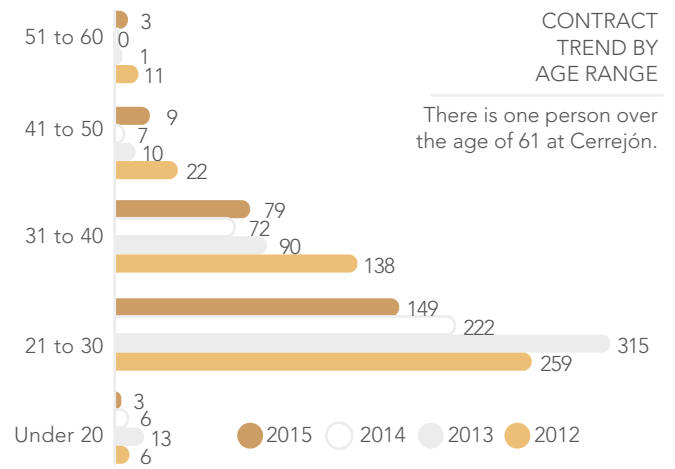
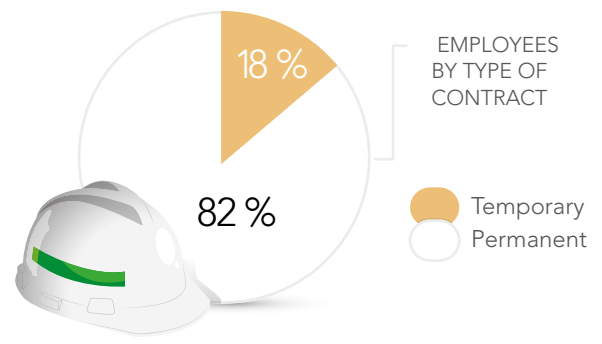
In 2015, there were
12,865
 people working with our operation
6,133
 direct employees
6,732
 employed in contractor firms.



TREND OF DIRECT EMPLOYMENT BY REGION

65% of our direct workers are from La Guajira, 26% are from the rest of the Costa Atlántica, and 9% are from other parts of the country.

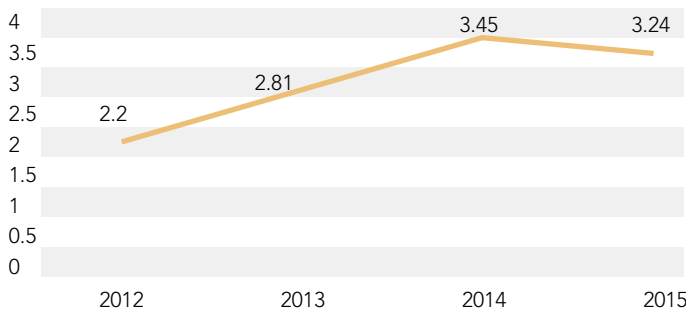
Approximately 50% of workers at all Cerrejón contractor firms (whether local, regional, or national) are originally from La Guajira.



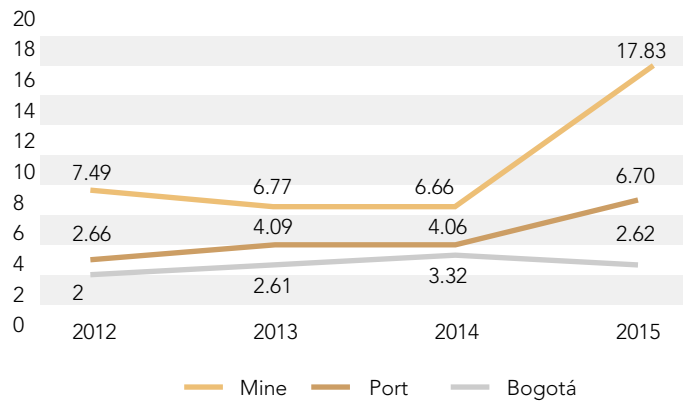
CONTRACTS BY REGION

New contracts in 2015 were lower (244) than in 2014 due to market conditions. In addition, the P40 Expansion Project (which created a significant number of temporary jobs for the construction of engineering works at the Mine, Railway, and Port in 2012 and 2013) came to an end.

COMPANY TURNOVER TREND



TURNOVER TREND BY REGION



8.2 Skill-Building for Our Employees

In our commitment with overall development and skill-building, at Cerrejón we train our employees. This contributes to their development in the company and to their personal and professional growth.

Our main events and achievements in 2015:

- We finished updating the Individual Development Plan (PDI), which included a review of the plans to develop, prepare, and test series of questions to validate knowledge and draw up forms to validate skills for all PTC positions.
- Our educational assistance policy stimulates our employees' development, providing financial aid for study programmes to expand their knowledge and improve their performance in the company.
- We increased active training courses by 13%, rising from 480 in 2014 to 544 in 2015. This was due to technical skills courses and operational integrity courses and to the need to reinforce these skills because of generational turnover.

Operational/technical

338 ACTIVE COURSES

Operational/technical

Aimed at improving operational technical abilities

Operational integrity

98 ACTIVE COURSES

Related to safety, health, environment, and community

Functional

63 ACTIVE COURSES

Specific to the technology for each area

Personal effectiveness

39 ACTIVE COURSES

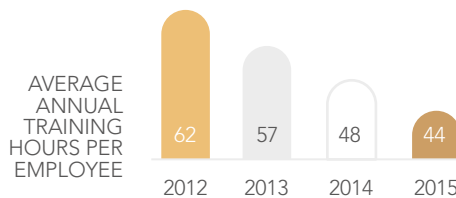
Focused on developing personal skills

Managerial development

6 ACTIVE COURSES

Aimed at improving the knowledge and skills of all supervisory levels.

We provided 270,852 man-hours of training. This figure has decreased since 2013, mainly due to fewer apprentices, but also because of efforts at streamlining training. Nevertheless, it is worth noting an increase of 50% in skills training related to leadership, rising from 2,632 man-hours in 2014 to 3,947 man-hours in 2015.

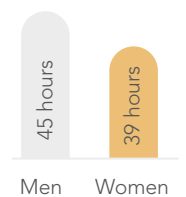


In its 2015 State of the Industry Report, the Association for Talent Development (ATD, formerly ASTD) noted that the average annual training hours per employee for small, medium, and large companies was 33 hours. Our goal for that year was 40 hours.



- Apprentices
- MPT Supervisors
- PTC
- Supervisory MPTs
- Analyst and specialist MPTs

AVERAGE ANNUAL TRAINING HOURS BY GENDER



Performance and professional development

	PTC ⁸	MPT ⁹
What does the performance evaluation cover?	Individual Development Plan. Activities required in work plan, knowledge validation, productivity, time, indicators for absenteeism, discipline, and safety.	Professional development that includes employee self-assessment and immediate superior's assessment on general aspects regarding performance and skills evaluation. Compliance with KPIs aligned with company strategy and objectives
Objective	Allows operational personnel to grow in experience, skills, and knowledge. For 2015, we designed and developed (theoretical-practical) tools to validate skills. This involved the preparation of a series of over 8,000 questions to both refresh skills and ensure employees have the necessary skills in the operation.	Measures and provides feedback on the individual contributions of employees as regards performance and KPIs.
Personnel subject to this type of assessment	Employees with a fixed-term or a permanent contract who meet the requirements for promotion/reclassification in that year.	Employees with permanent contracts.
Percentage of employees subject to this type of assessment that were assessed in 2015.	100%	100%

The results of PTC and MPT performance evaluations impact remuneration.

Employees given a performance evaluation and professional development by gender and employee category.



Programmes of retirement preparation for our employees.

- Preparation for retirement

We held three workshops (two at the Mine and one in Barranquilla) for 64 employees and 48 spouses. Each sixteen-hour workshop focuses on improving conditions, lifestyle, and decision-making in order to prepare for retirement. Topics address fundamental aspects such as the legal context of retirement and pension regimes, physical and psychological health, economic and financial management, creative use of free time, and others. The workshop is aimed at employees within two years of meeting the requirements for an old-age pension. This process also involves their partners on the second day of the workshop.
- Pension regimes

We held the first workshop on pension regimes in Puerto Bolívar for 51 employees. At the Mine, we provided individual attention for employees of an age to determine their pension regime, aiding 93 employees.
- Additional programmes

We provide personalized consulting for retirement and psychological-social consulting on suitably handling the change. We are also working with Colpensiones on promoting the BEPS programme (regular benefits) aimed at people with insufficient resources to pay the dues as an independent but who could benefit from retirement savings.

⁸ PTC: Qualified technical staff (technicians, operators, service workers, secretaries, and office workers).

⁹ MPT: Managerial personnel in the organization. This excludes employees with a fixed-term contract, pilots at Puerto Bolívar, and permanent workers entering in the last quarter of the year.



8.3 A Safe, Healthy Workplace

SINCE 2003, WE HAVE BEEN CERTIFIED IN THE OHSAS 18001 INTERNATIONAL STANDARD (OCCUPATIONAL HEALTH AND SAFETY ASSESSMENT SERIES)

Thanks to the experience acquired over thirty years of operation and lessons learned in our shareholders' operations, we have determined that the greatest risks to our workers derive from interactions between lightweight vehicles and heavy equipment, work at height, load handling, electrical work, slope control, blasting, and railway operations. Therefore, we follow the methodologies established by the central government and good international practices in workplace health and safety applicable to our sector (listed below).

Strategies and programmes promoting health and safety in our employees

- Since 2003, we have been certified in the OHSAS 18001 International Standard (Occupational Health and Safety Assessment Series).
- We have developed a Workplace Health and Safety Management System (SG-SST) that sets requirements in health, hygiene, and safety for our operations.
- Furthermore, regarding safety risks, we continue with projects to decrease fatal risks in our operations. As concerns the risk of interactions between lightweight vehicles and heavy equipment in the Mine area, we are doing the following: increasing the number of road kilometres with divided traffic (roads exclusively for lightweight vehicles or for heavy equipment); decreasing the number of lightweight vehicles entering pits; and making intersections

perpendicular (better visibility for operators and, therefore, greater effectiveness at preventing collisions between mining equipment).

- In terms of occupational health, we follow the recommendations of the Guidelines on Comprehensive Workplace Safety and Health (GAISST, its initials in Spanish), issued by the Ministry of Labour.
- Our Epidemiological Surveillance Systems (SVE, its initials in Spanish) serve to preserve hearing and respiratory health, prevent musculoskeletal disorders, and the comprehensively manage psychological-social factors. In addition, our Comprehensive Management System of Chemical Hazards contributes to the responsible, safe use of chemical substances and environmental protection.
- Committees regularly review and monitor management results.

Furthermore, our workers also participate in oversight committees such as:

- The Workers Committee for Health and Safety in the Workplace (COPASST, its initials in Spanish), comprising 32 people (16 elected by employees and 16 appointed by management; 16 members are at the Mine, eight at Puerto Bolívar, and eight in Bogotá), comprising 0.5% of our employees.
- The Health Committee with Sintracarbón comprises twelve representatives (4 from management and 6 from Sintracarbón).

Relevant events in 2015

- Unfortunately, on December 2 one of our workers, Carlos Solano Carrillo, lost his life in an accident. Carlos, a resident of Papayal, was 44 years old and had worked for the company for 19 years.
- The accident occurred when Carlos apparently jumped from the motor grader's cabin⁴ when the fire-suppression system was triggered. In the fall, Carlos injured his left arm and the left side of his ribcage. Carlos was attended by emergency response technicians at the site of the accident and then by the company's doctor on shift in the ambulance on the way to Coomeva. However, he was pronounced dead after resuscitation attempts failed.

This accident is a demonstration of how vulnerable we are and that we should stay alert every minute as concerns our safety. Life is infinitely valuable and preserving it is our main goal. We want each and every one of our co-workers to be able to return home safe and sound after each shift.

This regrettable accident led us to adopt the following measures (since the end of the year) in order to prevent a re-occurrence of such events:

- Improving training for emergencies.
- Improving the proper use of parking brakes in motor graders by training personnel and equipment maintenance.
- Ensure the critical controls are operational as specified in the manufacturers' user manuals.

THIS ACCIDENT IS A DEMONSTRATION OF HOW VULNERABLE WE ARE AND THAT WE SHOULD STAY ALERT EVERY MINUTE AS CONCERNS OUR SAFETY.

Our main achievements in 2015

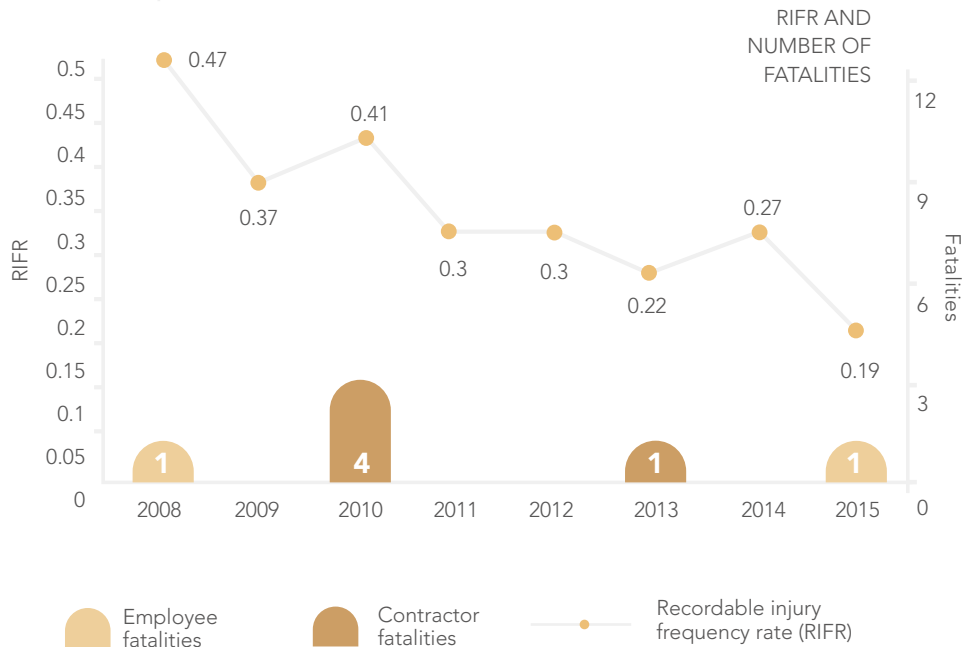
- Despite the death of our co-worker Carlos Solano Carrillo, we had a historic result in our Recordable Injury Frequency Rate (RIFR)⁵ of 0.19 compared to a maximum limit of 0.22. For direct employees, the RIFR was 0.15 and for contractors it was 0.22.
- In 2015, we had twelve new cases of occupational disease, two less than the previous year, for a rate of 0.167 cases per every 200,000 man-hours worked.
- The total rate of lost days is 10.1, which corresponds to 1.54 points lower than the previous year (11.64), where direct employees had a rate of 12.34 and contractors a rate of

8.11. In addition, absenteeism decreased to 3.67 points in 2015 compared to 4.02 in 2014. By gender, the rate breaks down to 2.4 for women and 4.03 for men.

- Own indicator — *Cerrejón in Motion* We strengthened our *Cerrejón in Motion* programme with the participation of 2,030 people (employees and their families), with programme adherence of 71.7%. 74% of the sessions involved physical activities (more than 32,000 hours) carried out in 13 towns in La Guajira and in four towns in the rest of the Costa Atlántica and in Bogotá.

About *Cerrejón in Motion*

Cerrejón in Motion	This project aspires to promote healthy lifestyles aimed at preventing and controlling general and occupational diseases, work fatigue, and generally to improve quality of life.
Objective	To motivate employees, contractors, and their family members to improve their life and work habits, particularly those related to physical activity and healthy eating.
Focal points of model	(1) physical activity, (2) healthy eating, (3) associated education. Several social players in the department have joined the initiative, such as the Departmental Institute of Sports of La Guajira, various local town councils, employee funds, and cooperatives.



¹⁰ A piece of equipment with a long metal blade to create a flat surface.

¹¹ The Recordable Injury Frequency Rate (RIFR) is calculated based on the number of persons injured per 200,000 hours of exposure over the number of hours of exposure in that period. It includes all injuries except for first-aid treated ones.



8.4 Engagement with Worker Associations

At Cerrejón, we respect diversity, labour dialogues, and the right to freedom of association in addition to fairness and transparency in all our processes. This approach is evidenced in the existence of two trade unions (Sintracarbón and Sintracerejón) with over 3,700 workers affiliated (60% of our workforce).

Joint oversight committees (involving management and our trade unions) meet monthly to monitor, verify progress, and ensure agreement compliance. Furthermore, as a company we provide logistical and financial support for the trade unions.

Our main events and achievements in 2015

- The collective bargaining that began at the end of 2015 with the two trade unions reached satisfactory results for both parties with the signing of two new collective bargaining agreements valid for 2016 and 2017.

- LA8 In these collective bargaining agreements, workers' benefits were updated in keeping with coal market conditions internationally and their impacts on Cerrejón's competitiveness. Benefits include more favourable conditions in such areas as housing loans, educational aids, benefits, and others. The agreements include 38 issues related to workplace health and safety, which comprise 25.5% of the agreements.
- A significant issue agreed on with the unions was the expansion of the list of approved medications covered from 3,200 drugs to 3,600. The goal was to encompass all pathologies so medication prescribed is on this list, an action aimed at the sustainability of this prepaid medical service.
- In 2015, there were no strikes nor work.

PERCENTAGE OF EMPLOYEES COVERED BY A COLLECTIVE BARGAINING AGREEMENT AT THE END OF THE YEAR.

SINTRACARBÓN	MEN	WOMEN	TOTAL
Affiliated	59.89 %	1.66 %	61.55 %
Associated	13.26 %	1.53 %	14.79 %
Withdrew	0.03 %	0.02 %	0.05 %
Not affiliated	19.68 %	3.93 %	23.61 %

SINTRACARBÓN	MEN	WOMEN	TOTAL
Affiliated	7.28 %	0.2 %	7.48 %
Not affiliated	85.57 %	6.95 %	92.52 %

For more information on our relations with our employees, please go to this web page: <http://www.cerrejon.com/site/english/sustainable-development-%E2%80%A2-social-responsibility/employees.aspx>

**COMMITMENT
TO HUMAN
RIGHTS**



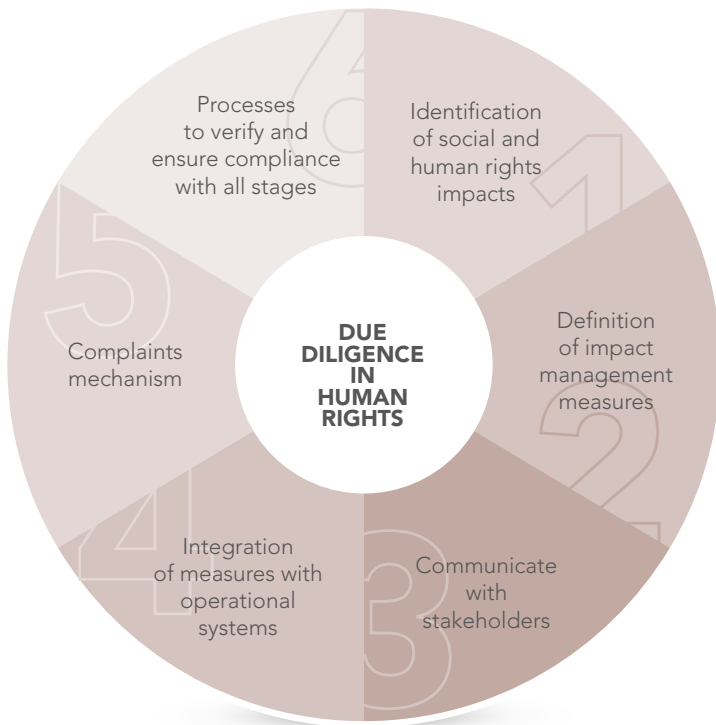
9. COMMITMENT TO HUMAN RIGHTS

As a company, we work to run our operations while completely respecting the human rights of our employees, contractors, and communities neighbouring our operations.

We have formalized this commitment through corporate policies and, especially, through our Human Rights Policy, which is in accordance with Colombian legislation, the Universal Declaration of Human Rights, and the five international standards adopted by the company: The United Nations Guiding Principles on Business and Human Rights, the ten principles of the Global Compact, the Voluntary Principles on Security and Human Rights, the International Finance Corporation's Performance Standards No. 1, 5, and 7, and

the Sustainable Development Framework of the International Council on Mining and Metals (ICMM).

We continually monitor our activities as regards human rights, including training for employees and contractors. We also apply the human rights indicators developed by the Mining and Energy Committee (CME, its initials in Spanish) to measure implementation of our actions in the Voluntary Principles on Security and Human Rights. Furthermore, we log the management and resolution of complaints received. In 2015, we continued designing a system of social assurance to determine the implementation status of each of the standards we have adopted.



WE WORK TO RUN OUR OPERATIONS WHILE COMPLETELY RESPECTING THE HUMAN RIGHTS OF OUR EMPLOYEES, CONTRACTORS, AND COMMUNITIES NEIGHBOURING OUR OPERATIONS

Our risk and impact analysis in human rights

Business standards defining due diligence in human rights recommend impact assessments on this topic approximately every three years. Our last social risk and impact analysis affecting human rights was carried out in 2011 in a consulting exercise in which (1) communities in Cerrejón's area of influence (critical and non-critical), local authorities, and social organizations were interviewed, and (2) the impacts identified were announced.

In 2016, we will update the study, with shareholders once again helping identify impacts. Subsequently, we will share the information with them to get their feedback. The study will identify our main risks and impacts in human rights, which we will include in our general risk system in order to prepare a plan of action to improve our performance.

THE STUDY
WILL IDENTIFY
OUR MAIN RISKS
AND IMPACTS IN
HUMAN RIGHTS

9.1 Training in Human Rights



Our employees

Our general induction course is mandatory for new employees. The classroom induction course includes an hour on basic human rights concepts, social standards followed by Cerrejón, socialization of our Human Rights Policy, the Complaints Office, and how we should behave as Cerrejón employees.

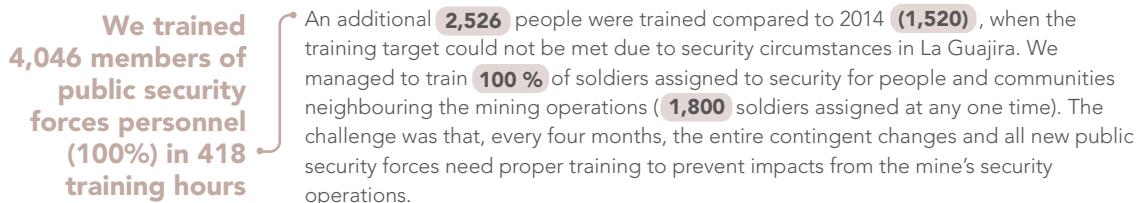


Our private security service and public security forces trained in human rights and best engagement practices with the Wayuu ethnic group

Private Security:



Public security forces



¹² In 2015, 571 new employees were hired at the company. Of these, 343 received the Cerrejón induction course in 2015 as required. Another 222 people were returning employees who did not need to re-do the orientation course again as they had been away for less than two years (that is, they did the induction in previous years). Three apprentices were disqualified by the SENA and their contracts were therefore invalidated a few days after their hiring, thereby making the orientation unnecessary. Three people did not take the induction course in 2015 and will instead take it in 2016.

9.2 Measures Taken to Address the Risk of Human Rights Violations (at Cerrejón and at Our Suppliers and Contractors)

General measures

- Our verification programme of the Social Labour Responsibility Management System (audits of labour management) assesses issues such as labour legal compliance and reviews occupational health topics. We monitor our contractors' commitment to comply with our Social Responsibility Labour Policy and to follow the guidelines of the SA8000 Standard, which addresses topics such as child labour and forced labour, freedom of association and collective bargaining, discrimination, disciplinary practices, working hours, and remuneration.
- We include human rights requirements that are mandatory in the self-assessment forms sent to all potential suppliers, which are then monitored through regular audits. These requirements include compliance with freedom of association and commitments to prevent child labour, forced labour, and discrimination in the workplace.
- Contracts with our suppliers include Annex D, which defines our requirements in human rights as regards training, raising awareness, and committing all their employees, subcontractors, and suppliers to meeting our policy goals in all community areas; promoting and respecting human rights and preventing it's; complying with national and international standards on the topic.
- In contracts with the private security services and the agreement with the public security forces, we have specific monitoring, training sessions, work sessions, and complaints handling in our compliance with the Voluntary Principles on Security and Human Rights standard.
- Our Annex E is signed by our contractor firms providing private security services and its application is regularly reviewed. Annex E covers topics related to the Voluntary Principles on

Security and Human Rights and to our Human Rights Policy. It also commits them to respecting the rights of vulnerable groups, respecting the traditions, customs, and culture of indigenous communities, rights to freedom of association and labour rights, and the prohibition against child labour, amongst other rights.

Measures to prevent violations of the right to freedom of association

- Our Complaints Office addresses cases with the utmost priority.
- We monitor and respect our Social Responsibility Labour Policy.
- Monthly, we evaluate contractor performance through a joint commission with our trade unions.

Measures to prevent forced labour

- Training of contractors on their rights, including forced labour and complaint procedures.
- We monitor the issue during sessions of the Labour Mediation Committee and the joint commission with trade unions and contractors.

Measures to prevent child labour

- We demand the presentation of valid citizenship ID from whomever applies for a position at the company.
- We audit our contractors to ensure they are affiliated with the Social Security System through their tax ID.
- We have access controls when we issue ID to enter our installations.
- In the labour management audits, we request a database of contractor employees to assess, which must include birthdates.

Related to the above measures, below we present our main tracking indicators on the respect for the human rights of our suppliers and contractors:

At Cerrejón, we monitor those that become part of our supply chain, with our contract area analysing 100% (65) of contracts granted (from USD 40,000) in accordance with human rights criteria, under the requirements of the SA8000 Standard. In addition, our procurement area evaluates compliance with the SA8000 Standard in 100% (373) of goods suppliers to carry out the bidding process in the year. The evaluation is performed by filling out a questionnaire on the SA8000 Standard that we have posted on our website where suppliers

enter to meet requirements requested by the company.

In 2015, 100% of current contracts worth over USD 40,000¹³ (429)¹⁴ included Annex D, which references our requirements in human rights. Of these contracts, 163 (4%) were audited for labour management issues. The audits are performed randomly on companies with large contracts and can extend to companies sub-contracted by them. If any breach is found in these audits, the contractor in question must present a plan for a solution to the contract administrator with a maximum of three months for compliance to resolve it.



WE ADOPTED PREVENTION AND MITIGATION MEASURES WITH OUR WORKERS AND CONTRACTORS IN ORDER TO MONITOR RESPECT FOR HUMAN RIGHTS.

¹³ Figure reported in US Dollars.

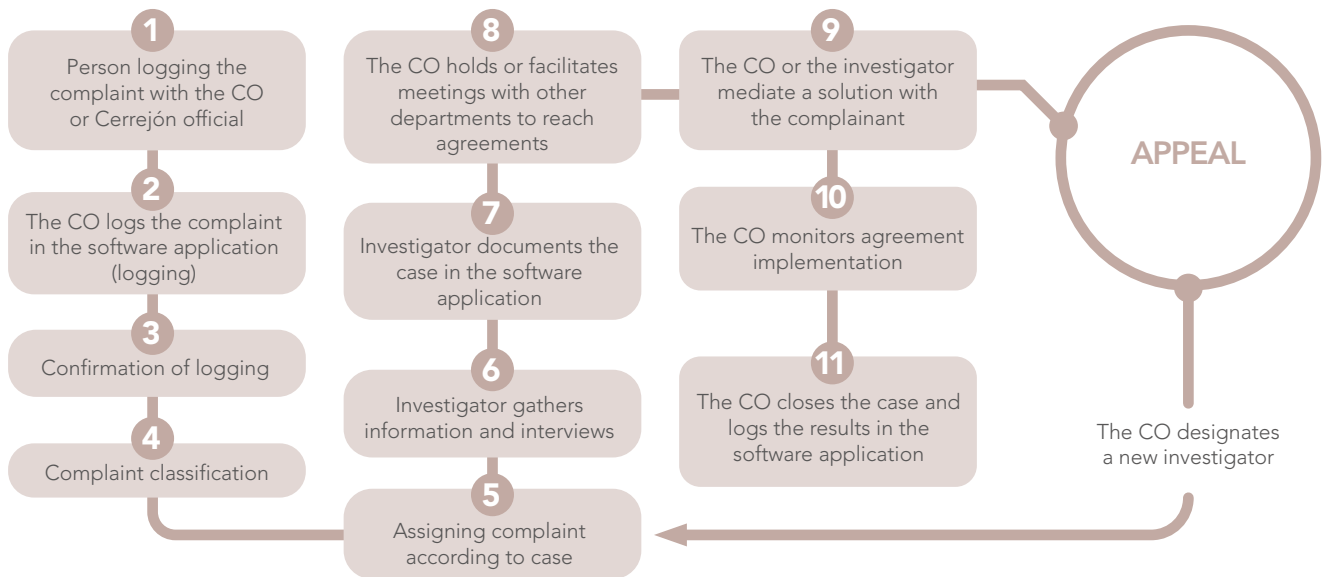
¹⁴ As of December 31 of 2015, Cerrejón had 583 valid contracts, of which 429 were major (> USD 40,000).



9.3 Complaints Office

Since 2010, we have had a Complaints Office to address possible impacts of our operations on employees, contractors, and neighbouring communities. This endeavour is part of our compliance with the remedy pillar defined by the United Nations Guiding Principles on Business and Human Rights.

Complaint process

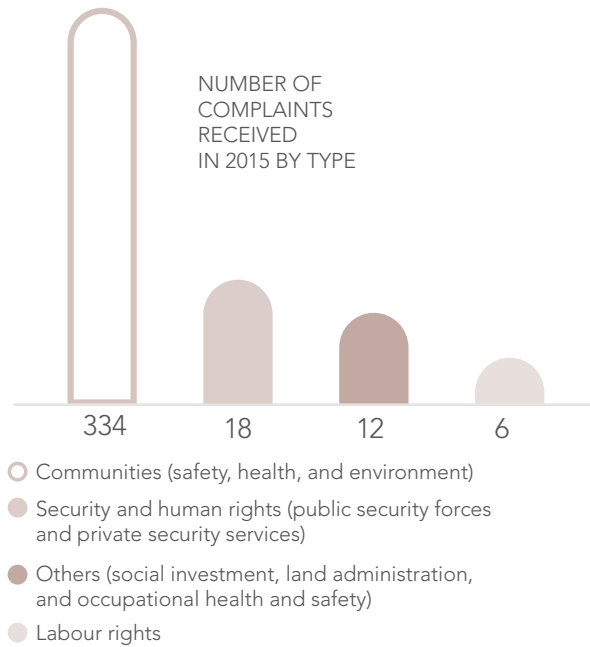


In 2015, we had a total of 370 complaints concerning human rights. This was the total complaints filed with the Complaints Office as we consider any operational impact complaint to have

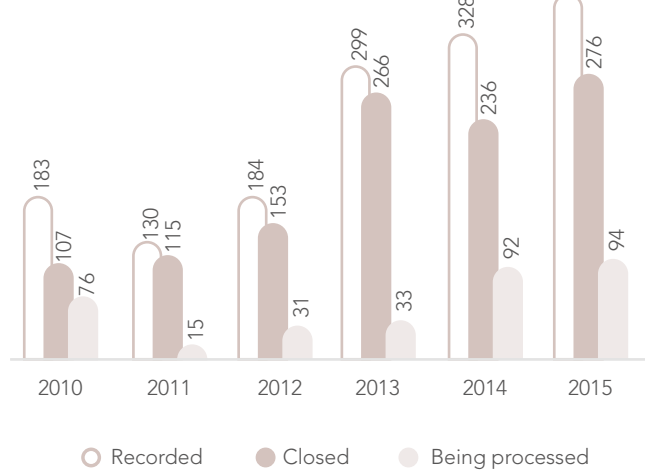
a potential implication of human rights. Of these complaints, we addressed 301 and closed 276 of these. In addition, in 2015 we resolved a further 122¹⁵ complaints filed in previous years.

¹⁵ For 2015, the data has been reorganized as we noted that, the previous year, the figure for security and human rights complaints was incorrectly categorized in our complaints process type. In this report, we present this figure taking into account all the complaints filed at the Complaints Office since any complaints on impacts has human rights implications. Therefore, complaints filed in 2014 and earlier and closed in 2015 cannot be compared with the 2015 sustainability report and reports for previous years.

It is important to note that this year had no reported cases of discrimination, forced labour, child labour, or violations of the right to freedom of association.



NUMBER OF COMPLAINTS FILED, CLOSED, AND BEING PROCESSED BY YEAR (2010–2015).



The increase in the number of complaints filed is due to greater knowledge, credibility, and trust of communities in the Complaints Office. Furthermore, the rise in the number of complaints being processed and closed is due to the Office's learning and experience over the course of its first five years in operation and to better standardization and efficiency in the procedures, which results in a better capacity to address complaints.

Cases addressed by the Complaints Office as regards discrimination against indigenous communities

Incidents related to indigenous rights are considered to be those where there is a possible impact on elements constituting their identity: traditions, customs, territory, and culture, among others. There were 47 more complaints in indigenous rights than in 2014. This is primarily due to better knowledge and trust in the Complaints Office by this stakeholder and to high immigration of indigenous communities or members of such communities that have sought to settle in the company's areas of influence.

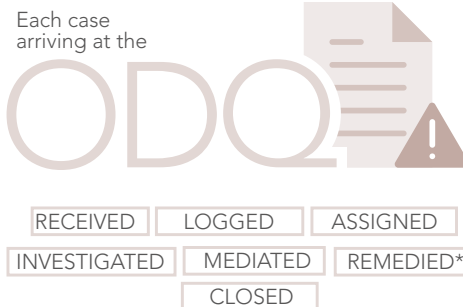
Cases presented

Of the **341** cases involving the rights of indigenous peoples,

297 

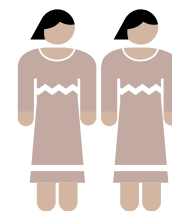
concern animals struck by the train. The remaining cases concern complaints of noise and vibrations, gas, dust, and smells, mobility, and more.

Oversight



*if the investigation determines it to be necessary

Our management



We seek alternatives for prevention, mitigation, and compensation in order to consolidate our engagement with the indigenous communities neighbouring our operations.

In the case of animals struck by the train, for instance, we promote measures such as the installation of fences near the railroad tracks as a protection barrier.



**COMPREHENSIVE
WATER
MANAGEMENT**

10. COMPREHENSIVE WATER MANAGEMENT

Water is a fundamental pillar for Cerrejón and our surroundings, so we strive to encourage and innovate as concerns the protection and efficient use of water in our operations, taking into account the climate and following best practices in the mining industry. Furthermore, we aim to contribute sustainable solutions for access to water, promoting community empowerment in developing projects for the supply and protection of water resources.

To strengthen our actions on this front, in 2015 we focused our strategy on defining an inclusive water management model that seeks to ensure comprehensive management of water both internally and externally and to promote its social, cultural, environmental, and economic value in La Guajira.

This strategy focuses on responding to the growing water needs of communities neighbouring our operations, establishing water-management goals taking into account its vulnerability in the face of climate change, effectively planning the needs and challenges of developing a water budget and its management plan, implementing programmes to

foster understanding of and adaptation to climate change, and designing control measures to ensure adequate water supplies in times of drought and flood control in times of rain.

In 2015, fully 92% of the total water captured by Cerrejón was low quality, unsuited to human or animal consumption or to plant irrigation. This water is used primarily in controlling dust emissions created on Mine roads. It derives from coal seam dewatering and rainwater runoff from mining areas. The high contents in salts (e.g. chlorides and sulphates) in these waters are typical of the nature of the deposits here.

The remaining 8% of water used is high quality, obtained from the Ranchería River and from its alluvial aquifer. It is used after conventional treatment for consumption by our workforce, contractors, and inhabitants at the Mushaisa Residential Unit. We also use it to distribute to our neighbouring communities as part of our attempts to address the drought emergency, which has increased the vulnerability (in health, nutrition, and therefore the well-being) of regional communities.

MILESTONES

2008

We created the **Guajira Water Foundation**, which is dedicated solely to working on the protection of watersheds, seeking supply solutions, promoting water governance, and forming partnerships to leverage sustainable solutions.

2015

We joined the central government's initiative for water and life with the goal of integrating various initiatives to improve water availability with the aim of increasing **access to drinking water to 60% of the population** of La Guajira by 2018.

2014

We joined the efforts of the regional government of La Guajira to address the severe drought emergency in the region. We formed an internal committee headed by the CEO with representatives from different areas. Its purpose is to manage support actions, serving over **24,000 people from 201 communities** and investing over COP 2 billion in the search for and implementation of mid- and long-term water solutions.

2015

From 2009 to 2015, we have managed to **reduce our own use of high-quality water by 56%**, acknowledging that we operate in a semi-arid zone.

2014/15

We established partnerships with such national and international entities as USAID, the Colombian Geological Service, the Netherlands Embassy, the Sovereign Order of Malta, and others to find mid- and long-term water supply solutions for La Guajira. **Our employees have also joined** in raising funds through various actions and events to aid in implementing sustainable supply systems in communities.

10.1 Regional Water Context

Every degree of temperature and each millimetre of rainfall is taken into account in our company's decision-making and operations. That is why we evaluate local, regional, and global climate conditions concerning adaptation to climate change.

Globally, 2015 went on record as the warmest year in the last 136 years. This condition was aggravated by low rainfall levels affecting the country, and especially La Guajira.

The weather stations at the Mine recorded 407 mm of rainfall in the year, 50% lower than the historical average. In contrast, annual evaporation was 2,423 mm, nearly six times higher than precipitation. These figures evidence the extreme water deficit in this region leading to lower water volumes in rivers and a scarcity of water for drinking.



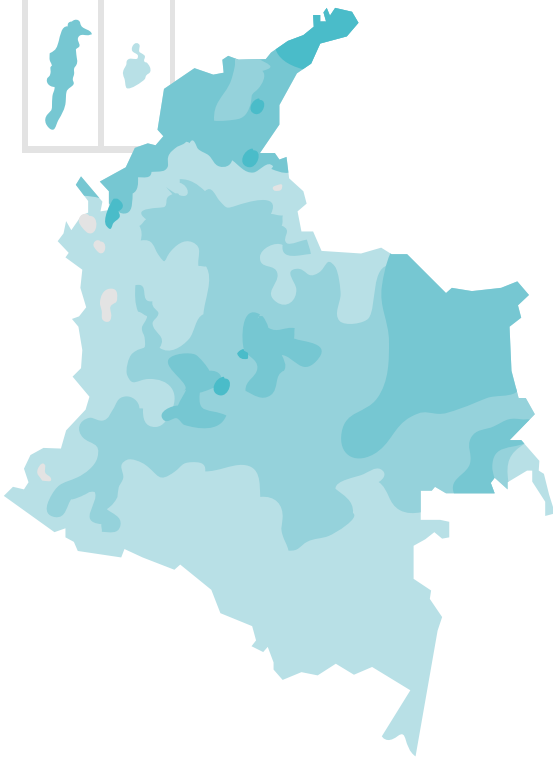
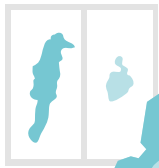
At Cerrejón, we face the challenge of continually adapting to changing climate conditions, particularly as regards the climate of La Guajira. The zoning map for water regular produced by the Institute of Hydrology, Meteorology, and Environmental Studies (IDEAM, its initials in Spanish) shows La Guajira to have the lowest capacity to retain water of anywhere in the country.

These physical conditions are characteristic of a tropical dry ecosystem, and they have always existed in the region. However, in 2014 (and to an

even greater extent in 2015), the dry period was atypically extended, triggering warnings about the region's vulnerability to climate change and impacts on communities.

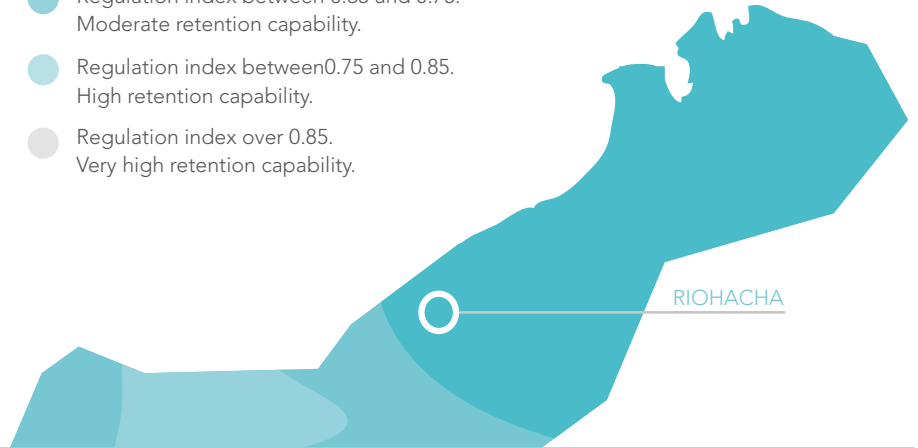
Cerrejón understands the water difficulties of La Guajira, and especially of its rural communities. Therefore, we have allocated new resources and actions to address the drought emergency up to the end of the year, focusing our efforts on promoting access to water in communities.

¹⁶ <https://www.ncdc.noaa.gov/sotc/global/2015/13/supplemental/page-1>. National Oceanic and Atmospheric Administration (NOAA) of the United States.



WATER RETENTION INDEX AND REGULATION IN COLOMBIA (IDEAM)

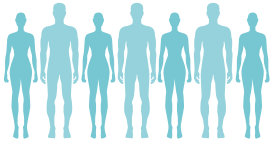
- Regulation index lower than 0.5. Very low retention capability.
- Regulation index between 0.5 and 0.65. Low retention capability.
- Regulation index between 0.65 and 0.75. Moderate retention capability.
- Regulation index between 0.75 and 0.85. High retention capability.
- Regulation index over 0.85. Very high retention capability.



The **Ranchería River** basin is the largest in the department of La Guajira, covering

20.5 % of this territory's land area

and supplying nearly **3,500**



users with its surface and groundwaters

Corpoguajira has granted water concessions (irrigation and deep wells) in the **Ranchería River** basin amounting to:

17,235 (L/s)¹⁷ litres per second



Distributed as follows:

50.46 % Household use and services

49.54 % food industry sector

96.9 %

is destined to: rice, palm oil, cattle, pasturage and other crops

The surface water concession for **Cerrejón** corresponds to

1.53 %



of the total water licensed by Corpoguajira for the basin

of this amount we use just around

16% YEARLY



¹⁷ Resolution 1725 of 2012 of Corpoguajira

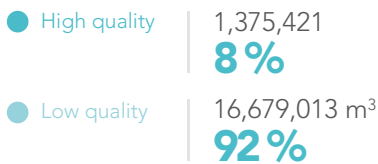
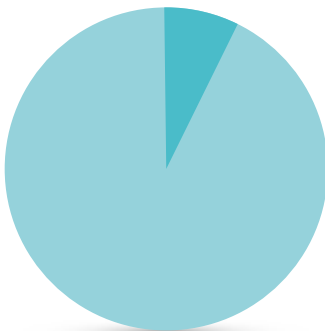
10.2 Water Management at Cerrejón

At our operation, we use water efficiently and responsibly. We treat used water before returning it to its natural sources, and we frequently monitor its quality. Our Water Savings and Efficient Use Programme (PAUEDA, its initials in Spanish) focuses our efforts on replacing high-quality water with low-quality water and on promoting water savings, recycling, and re-use.

Water uptake is based on environmental permits or leases granted by the Regional Autonomous Corporation (Corgoajira). Thanks to our efforts in planning and re-use, the water we capture is only 16% of the allowed volume. These water captures are measured through water gauges in order to ensure respect for the authorized volume and regularly monitored by agency inspections.

The water we use is taken from two sources: (1) surface water captured from water intakes on the Ranchería River, runoff stored in the pit sumps, and seawater; (2) groundwater withdrawn from an alluvial aquifer by a series of wells with their respective flow gauges and coal seam dewatering sources (Tertiary aquifer).

WITHDRAWAL OF WATER BY QUALITY



High quality: River surface water and groundwater from the Ranchería River and its aquifer.

Low quality: Water from coal seam dewatering (groundwater), runoff, and seawater.

In order to improve our efficiency in water use, we developed a water budget model that allows us to simulate water demand in accordance with the operation's requirements, specifying the amount of water needed to operate.

Water is used in three types of uses in our operations: human consumption, industrial use (washing machinery and equipment), and use in mining areas (wetting coal piles and wetting roads for dust suppression).

Therefore, water is a resource that involves all areas of our organization, and its use is regulated by the competent environmental authorities (Corgoajira and the National Environmental Permitting Authority — ANLA).

Environmental inspections are carried out in the operations areas to evaluate the status, operation, and efficiency of water-management structures. When problems are identified, we apply corrective actions or establish plans of action and monitor for compliance. The water sample analyses from the uptake point and discharge point reveal the water's physical-chemical composition, showing variations before and after use and treatment. This constant monitoring allows us to take timely action to ensure excellence in our operational management.

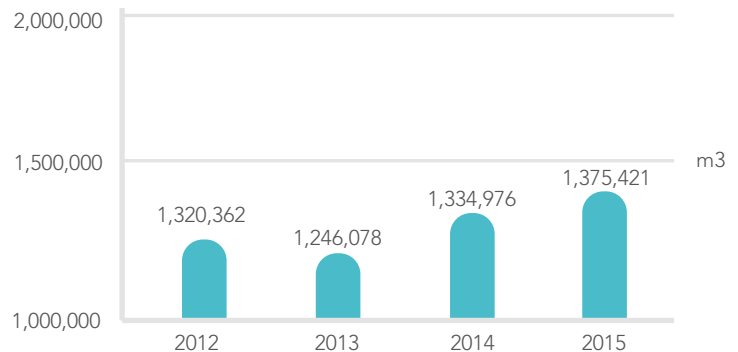
Withdrawing high- and low-quality water

High-quality water

High-quality water is withdrawn from the Ranchería River and from its alluvial aquifer. After conventional treatment, it is distributed to all operational areas, the Mushaisa Residential Unit, and to some neighbouring communities for household use.

We have continued with efforts to further reduce our withdrawal and use of high-quality water. Actions taken include re-use of water to irrigate sports fields, repairing leaks in the drinking water mains, switching old accessories for low-use ones, installing flow gauges for drinking water in sectors lacking them, and other efforts.

CAPTURE OF HIGH-QUALITY WATER 2012–2015



WATER UPTAKE IS BASED ON ENVIRONMENTAL PERMITS OR LEASES GRANTED BY THE REGIONAL AUTONOMOUS CORPORATION (CORPOGUAJIRA).



In the last six years, we have reduced our uptake of high-quality water by 56%. In 2009, we withdrew 3,129,414 m³ of high-quality water, whereas in 2015 we were using only 1,375,421 m³ after implementing water re-use programmes, upgrading the drinking water distribution system, and using more low-quality water sources (mining water).

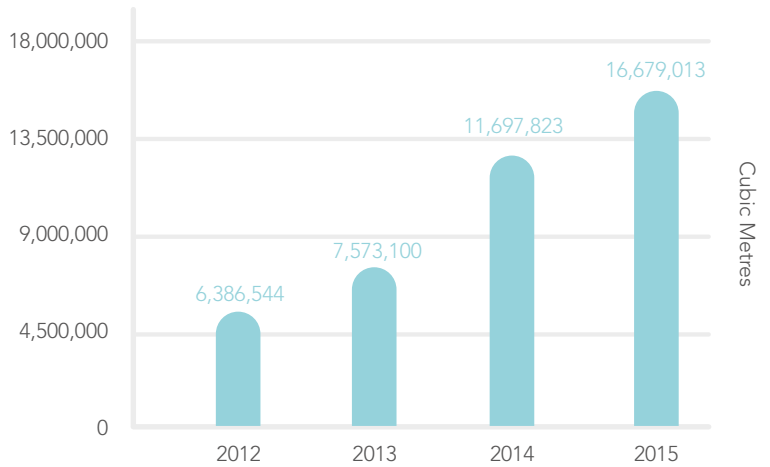
The total volume of high-quality water withdrawn in 2015 consisted of 80% surface water from the Ranchería River and 20% groundwater from its alluvial aquifer. A 3% increase in use from 2014 to 2015 is mainly due to supplying water to communities to help during the drought emergency. It is important to note that 27% of the high-quality water withdrawn was re-used.

Low-quality water

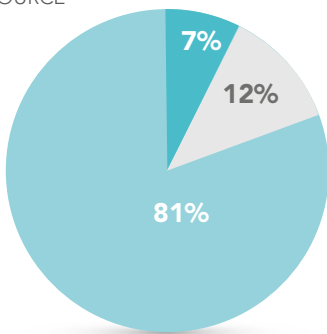
Low-quality water comes from the coal seams, water from rainfall runoff at the Mine stored in the pit sumps, and seawater in Puerto Bolívar. Its main use is in wetting roads for hauling waste rock and coal to suppress dust and particulate matter (PM). This usage complies with the Environmental Management Plan (EMP) approved by the National Environmental Permitting Authority (ANLA).

We used 16,679,013 m³ of low-quality water in 2015, which was more than in previous years due to the greater need to suppress dust at the Mine as a result of scarce rainfall and high temperatures in the region that year.

CAPTURE OF LOW-QUALITY WATER 2012-2015



WITHDRAWAL OF WATER BY SOURCE



- Groundwater (1,274,708 m³)
- Surface Water (2,190,141 m³)
- Rainfall captured directly (14,589,585 m³)

Water discharge and quality

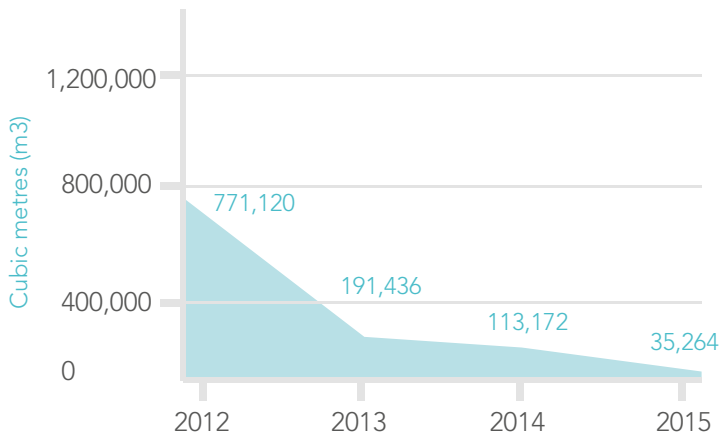
At Cerrejón, we have three types of discharges based on origin and treatment: Domestic wastewater from toilets, baths, and kitchens is biologically treated in stabilization ponds. (2) Industrial wastewater from equipment workshops and truck washing is put through grease and oil traps to remove those materials and then treated in a holding pond to improve its quality. (3) Finally, mining wastewater from runoff and coal seam dewatering is treated to remove solids in the settling ponds and water reservoirs in different Mine areas.

Water scarcity in 2015 led to low water levels in all ponds and therefore few discharges. Discharges normally occur due to overflow in the winter. The volume of discharges decreased from 113,172 m³ in 2014 to just 35,264 m³ in 2015, a drop of 68%.

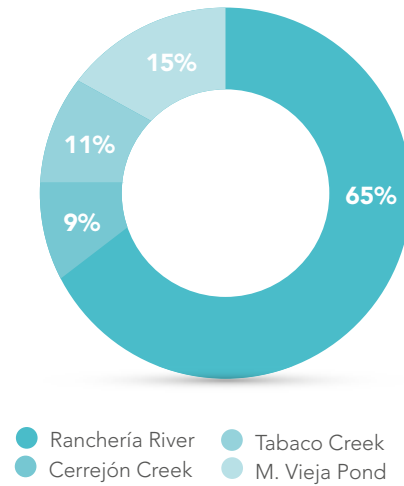
The reduction in the volume of discharges is due, first, to the severe drought over the last two years, which has significantly decreased rainfall (the main source of discharges). Second, the programmes for efficient water use and re-use have maximized the usage of low-quality mining waters, which also decreases the volume of discharges.

Discharges of wastewater primarily occur in four bodies of water in the Ranchería River basin. The receptors of discharges are classified as follows, from lower to higher volumes: Tabaco Creek (11%), Madre Vieja Pond (15%), Bruno Creek (9%), and the main course of the Ranchería River (65%).

VOLUME OF DISCHARGES 2012–2015



BODIES OF WATER RECEIVING DISCHARGES

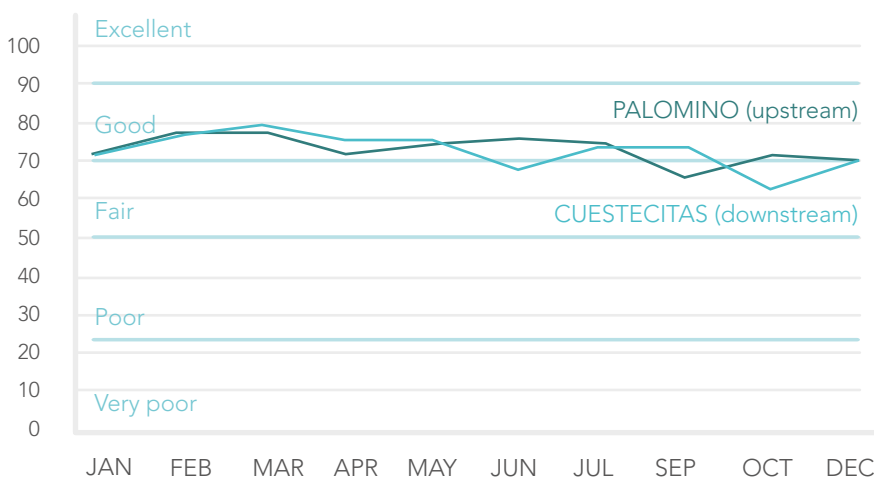


After using water, we treat the wastewater to meet regulatory specifications for discharges and then release it back to the river and its tributaries in excellent condition without affecting river quality. Our operations are regularly inspected by Corpoguajira (the regional environmental authority) and by the National Environmental Permitting Authority.

In order to determine our operation's impact on water, we regularly sample the water and analyse

parameters of environmental interest. The results are evaluated using an impact-measurement method that yields the water quality index (WQI NSF — National Sanitation Foundation, USA)¹⁸. This index serves to monitor water quality for sanitation and mining parameters of interest. Samples are taken at two stations, one upstream of the operations (Palomino, RIO111) and the other downstream (Cuestecitas, RIO109). In 2015, the WQI NSF ranged between 60 to 80 points, indicating good water quality.

WATER QUALITY OF THE RANCHERÍA RIVER BEFORE AND AFTER DISCHARGES
TREND WQI NSF 2015 ¹⁹



TO DETERMINE OUR OPERATION'S IMPACT ON WATER, WE REGULARLY SAMPLE THE WATER AND ANALYSE PARAMETERS OF ENVIRONMENTAL INTEREST

¹⁸ The NSF water-quality index was developed by the National Sanitation Foundation (NSF) of the United States of America (USA) and adopted by Cerrejón. It serves to evaluate the sanitary quality of the river and its creeks as influenced by outside sources and by the mining operations.
¹⁹ In November, there were no discharges due to low pond levels as a result of the drought.



10.3 Committed to Water Access in the Region

In addition to the search for operational excellence in water use in the company, our management in this area covers the development of plans and programmes to promote sustainable supply solutions in communities and the integrated management of watersheds, fostering their protection and conservation.

Our Foundations System works on access to water in this region. However, since mid-2014, when the drought emergency was declared in the department, we have redoubled our efforts to help the most vulnerable communities and to come up with short-, mid-, and long-term solutions in partnership with national and international public and private entities.

Plan to Address the Drought Emergency

Short-term actions

- Distribution of drinking water, including the Water Train, a tanker wagon with a capacity of 89,000 litres of water. It is placed at different spots on the railroad for water tanker trucks to resupply from and distribute water to communities in accordance with a supply plan. Over 42 million litres of water distributed to 24,000 people in more than 200 communities.

- Delivery of water tanks to appropriately store water. Over 1,200 tanks delivered with capacities of 500 litres, 1,000 litres, or 5,000 litres.
- Renovation of 68 windmill-driven water pumps that produce a daily average of 2.9 million litres of water benefiting over 10,000 people.

Mid-term solutions

Once the emergency was over, as a complement to the above works, we began strengthening community abilities for self-supply:

- Reconversion of windmill-driven water pumps, changing the windmill for solar-powered extraction, which has lower maintenance costs.
- Drilling wells, also with solar-powered pumping systems.

Long-term actions

We are forging partnerships with various entities to seek sustainable solutions for communities beyond the drought conditions currently impacting them:

- Identify the region's water potential.
- Execute sustainable water initiatives in communities, especially rural ones, where water-supply needs are the greatest.

We have invested over

COP 2 billion

Aiding **24,000** people

in **216** communities,

With the delivery of **over 42 million** litres of water

We delivered **1,249 tanks** for water storage

with a capacity of **5,000 litres**, **1,000 litres**, or **500 litres** of water

to **196 communities.**

68 windmill-driven water pumps rehabilitated

in 57 communities

Manaure, Uribia, Maicao

Providing a daily availability of **2.9 million litres of water** directly benefiting **10,293 people**

We have repaired **11 WATER RESERVOIRS (jagüeyes)** along the railway corridor

allowing the capture of rainwater to mitigate the lack during dry periods.

Partners: USAID, the Natural Heritage Fund, the World Food Programme, the Ramírez Moreno Foundation, Corpoguajira, the regional government of La Guajira, the Colombian Geological Service, the Office of Water, the Sovereign Order of Malta, Prosowa, the government of The Netherlands, and others.

56 supply solutions found

- 45** rainwater harvesting systems
- 1** temporary solution (water delivery in tanker trucks)
- 5** traditional water ponds (jagüeyes)
- 5** deep wells



These solutions make

118,000 litres of water/day

and provide a storage capacity of

39 million litres

INSTALLATION OF :

- 17** solar-powered pumping systems
- 7** manual pumps



to benefit

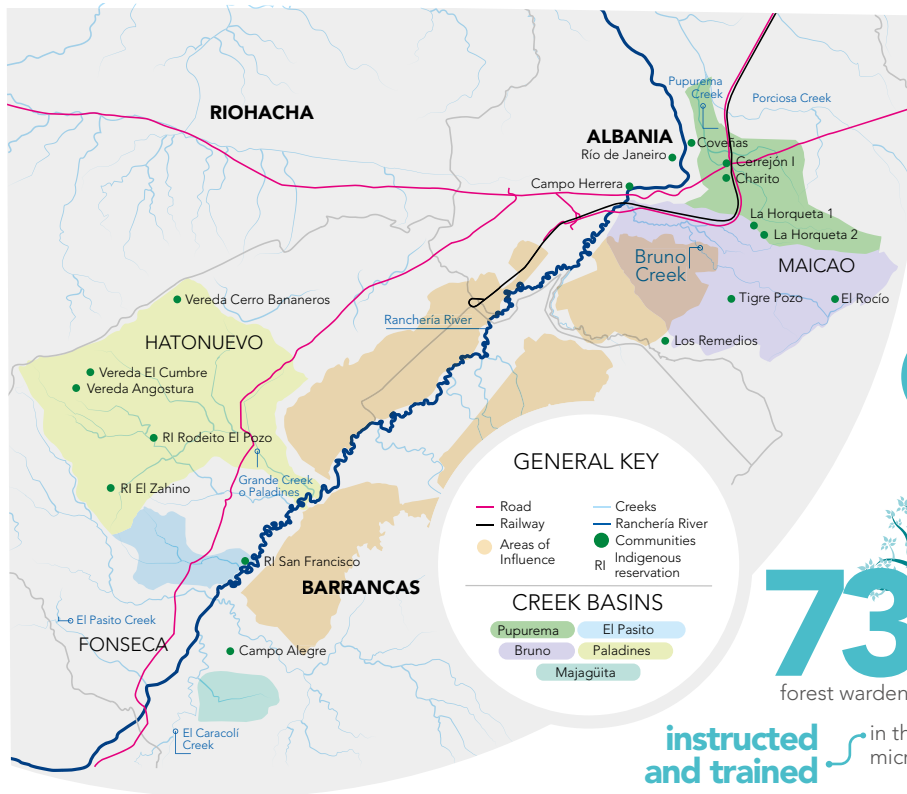
1,539 people **323** families **23** communities
in partnership with USAID

in order to guarantee water access and availability for farming and livestock uses.

IN ADDITION TO THE ACTIONS COVERED IN THE AID PLAN FOR THE DROUGHT EMERGENCY, OUR FOUNDATIONS SYSTEM CONTINUES TO DEVELOP PROGRAMMES AND INITIATIVES AIMING TO CONTRIBUTE TO SUSTAINABLE ACCESS TO WATER, ESPECIALLY IN RURAL COMMUNITIES.

One of the long-term actions we are undertaking concerns an integrated basin management model for the conservation of the water sources of the Bruno, Pupurema, El Pasito, Majagüita, and Paladines creeks.

Objective. Promote actions aimed at the conservation and management of water and topsoil that foster the preservation and restoration of micro-basins, thus generating social and economic benefits from the resources.



Cerrejón and the Cerrejón Foundation for Water in La Guajira have been implementing an integrated basin management model with the participation of various partners.

This model has benefitted **3,000 people** in **419 families** in **17 communities** neighbouring the micro-basins of these five creeks.

14 local committees organized

to strengthen communities and the sustainability and continuity of processes undertaken **with families**

73 forest wardens

instructed and trained in the Paladines microbasin.

Installation and delivery of **138 systems** to harvest and store **water**

for domestic, farming, and livestock use, providing a total storage capacity of **4.4 million** litres of water

Implementing sustainable production systems for

70 families, with the diversification of nearly **40 FOOD CROPS,**

agroforestry designs, drip irrigation systems, and the organization and use of biopreparations.

Planting **7,967** native plants

as a form of active revegetation to improve the connectedness between forest remnants associated with riparian buffer zones.

2,443 hectares

of riparian buffer zones and forested areas have been protected through community conservation agreements to protect natural resources and the environment.

**SUSTAINABLE
DEVELOPMENT AND
ENGAGEMENT WITH
THE COMMUNITY
OF LA GUAJIRA**



11. SUSTAINABLE DEVELOPMENT AND ENGAGEMENT

WITH THE COMMUNITY OF LA GUAJIRA

WE BEGAN TO REVIEW OUR STRATEGY IN ORDER TO ACHIEVE GREATER MANAGEMENT, COORDINATION, IMPACT, AND CLARITY IN OUR GOALS AND RESPONSIBILITIES ANDE GREATER UNDERSTANDING AND CONTROL OF THE RISKS ASSOCIATED WITH OUR SETTING

Our perspective

As part of our interest in striving for the highest levels of social performance, in 2015 we began to review our strategy in order to achieve greater management, coordination, impact, and clarity in our goals and responsibilities and, as a result, achieve greater understanding and control of the risks associated with the setting of our operations.

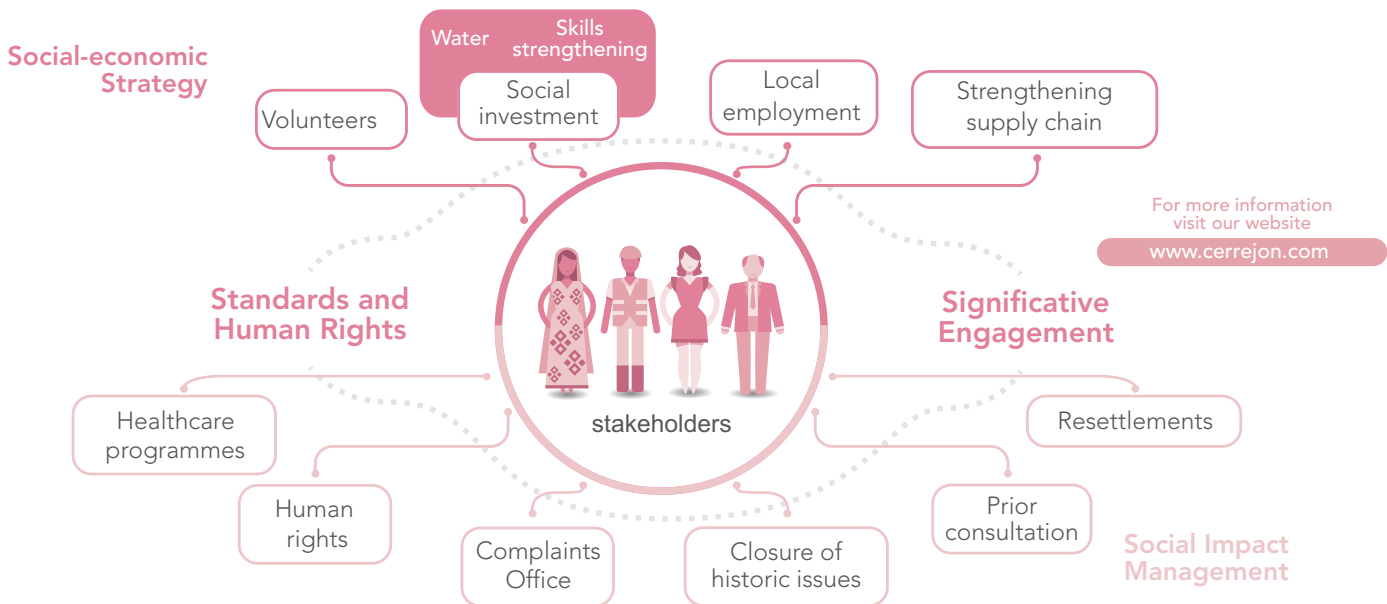
Thus we began a process of self-evaluation that arose from a sincere effort to understand our environment, analyse our model of conduct, and evaluate our management following the methodology of one of our shareholders (Anglo American Social Way Assessment). This assessment starts with a model seeking ideal operations and activities to be performed to ensure a responsible organization with a social license to operate. These tools are available on its web site: <http://www.angloamerican.com/sustainability/communities>.

The outcome was that we understood we needed to redesign our social engagement and

optimize our resources to achieve more strategic intervention in the region and strengthen our impact management in accordance with the most important aspects.

Therefore, in 2016 we decided to concentrate our social intervention on two key points to contribute to La Guajira's development: the identification and implementation of sustainable water solutions and the strengthening of local capabilities. In addition, we reiterated our commitment to continue performing due diligence in managing our impacts through prevention, mitigation, and compensation.

Given the importance of informing our stakeholders about this change in our social performance strategy, we feel it is important to report not only our 2015 management results, but also the conclusion of this process, which came about in 2016, the year this report is published.



As part of the aforementioned pillars, we have carried out programmes on 100% of our integrated operation (Mine, Port, Railway) with our neighbouring communities. To do so, we have partnered with State agencies and various civilian organizations, taking into account the

relevant topics identified during engagement with communities.

Furthermore, in our efforts to support the execution and sourcing of resources to carry out our social programmes, in 2008 we created the Cerrejón

Foundations System. This System addresses water management, institutional strengthening, support for indigenous communities, and planning projects to strengthen and promote development in various regional economic sectors.

Below we present the main results of our social intervention according to the axes reported:

11.1 Economic-Social Strategy

Volunteers

What it is

Our Corporate Volunteer Programme is an initiative promoted by Cerrejón to contribute to the development and welfare of La Guajira. It is part of the Sustainable Development Goals proclaimed by the United Nations in 2015

Who does it

Since September of last year, 185 company employees have come together to partner with La Guajira through the Cerrejón Corporate Volunteers. They work towards the region's sustainable development, sharing their time, knowledge, and experience with children, youths, and adults in a demonstration of their commitment, solidarity, and support for tackling the problems in their region.

Work areas

Our lines of action cover education, water,

business venture, and the environment. Ten projects work on training and consulting on preventive maintenance for the computer equipment and pedagogical strengthening of teachers at the Akuaipa Boarding School and its satellite locations.

Main outcomes

We have been improving the educational infrastructure and conditions of children and youths in the rural schools of the indigenous communities of Piturumana II, Media Luna, and Satsapa; leveraging the development of business venture initiatives such as the cheese bread makers (almojobaneras) and embroiderers in Cuestecitas; aiding the farming and livestock production project of the COOPMAO Cooperative; and strengthening various business ideas of the Oreganal Women's Association.



Social Investment - Strengthening of capacities of community and territorial entities

We carry out projects focusing on strengthening the capabilities of regional entities, promoting self-management community-level project planning, and (through business venture and consolidating local suppliers) promoting a stronger business fabric in the region. That is why we implement:

10 PROJECTS benefiting

3,179 PEOPLE

254 PERSONS trained

in planning, project organizing, follow-up on a development plan, and quality management.



Municipal administration support of **COP35.215 BILLION** through support in project preparation and approval.

72% of financing was from royalty resources.



In an agreement with the PNUD, we implemented two phases of the Government Transition Model in **8** regional entities

Albania, Maicao, Uribia, Hatonuevo, Barrancas, Manauare, Dibulla, and The Regional Government of La Guajira

137 PERSONS trained

in project organizing 5 were approved by the OCAD for

COP 627 MILLION

THE SECRETARY OF FINANCE OF MAICAO IMPLEMENTED

100% of their QUALITY MANAGEMENT SYSTEM

162 TRAINING AND TECHNICAL ASSISTANCE SESSIONS

on topics concerning implementation of the Quality Management System in 8 territorial entities 7 MUNICIPALITIES AND THE REGIONAL GOVERNMENT OF LA GUAJIRA

Quality training **387** TECNOGUAJIRA GRADUATES

974 YOUTHS **79** TEACHERS

14 SCHOOLS

participated in the Youths and Business Venturers and Rural Youth programmes

+80 PEOPLE trained IN BUSINESS VENTURE

9 BUSINESS PLANS prepared AND IMPLEMENTED

34,344 HOURS of technical and operational integrity training

given by **20** PROFESSIONALS

We provided quality training of the region's human capital through the development of competencies in **Maintenance and Operation of Mining Equipment, Tourist Services, Maintenance of Computer Equipment and Residential Electrical Installations.**

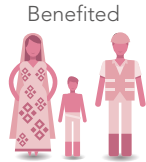
According to the DNP's Comprehensive Performance Index, the **7 municipalities** that were part of the **Public Administration** Strengthening project have improved and maintained their evaluations. They attained satisfactory rankings that exceed the national average in **4 entities.**

Social investment — Strengthening the capabilities of indigenous communities, recognizing their cultural diversity, and promoting their food security.



Construction of three storage centres in partnership with the World Food Programme in order to produce and store food, seeds, and forage to provide a cushion against future drought and famine.

8 PROGRAMMES
9 AGREEMENTS
with public-private institutions



Benefited
INDIGENOUS PEOPLE
from 269 communities

14,683

Creation and strengthening of
24 ARTISANS GROUPS

including 12 workshops } that made them sustainable, generating sufficient income

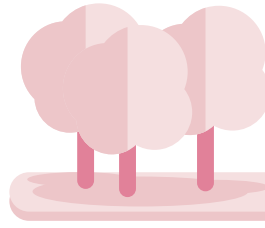


to sustain
890 FAMILIES



1,620

PEOPLE TRAINED
in topics of production and community self-administration.



Recovery and follow-up on
196 PRODUCTIVE PLOTS
and 13 NEW ONES



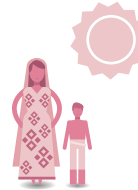
8 LIVESTOCK
UNITS

24T OF ANIMAL SUPPLEMENTS

INSTALLATION OF
SOLAR refrigeration units

to store native perishable products, benefitting

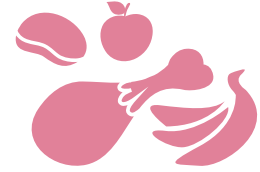
38 FAMILIES



Delivery of :

140 TONNES
of foodstuffs

4,332
FOOD COUPONS



FOR WORK TO
1,830

FAMILIES
in 150 COMMUNITIES

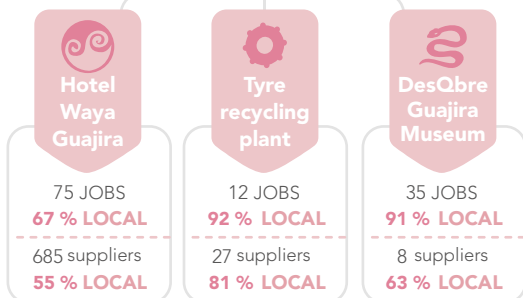
in order to improve food and nutritional security and contribute to fostering production capabilities and good traditional agricultural practices.

Social investment — Strengthening capabilities for the development of various regional economic sectors.

Our goal is to identify and select the economic sectors with the greatest potential regionally in order to create productive businesses capable of attracting capital and technology by local and foreign investors.

TOURISM INDUSTRY EDUCATION
Therefore, we developed

3 HIGH-IMPACT
PROJECTS IN ALBANIA



122 JOBS

76% LOCAL

720 SUPPLIERS

56% LOCAL

36,000

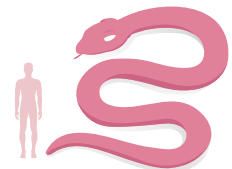


PEOPLE

stayed at the hotel in 2015



START OF CONSTRUCTION
OF PHASE II OF THE MUSEUM



Titanoboa
cerrejonensis

the largest snake that ever existed, whose fossil was found at Cerrejón.

341 BENEFICIARIES
of the project to strengthen
Hotel Waya suppliers

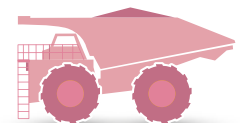


THE PLANT

now in operation, uses a technology
unique in Latin America to process

2,360

used mining equipment tyres a year
(140 to 320 TONNES)



to produce approximately

8,500

TONNES OF CRUMB RUBBER
used as a base for road paving
and construction.

Education

Educational strengthening and skills development for Saber tests : Training for teachers and students and institutional support for the development and assessment of basic and specific skills to strengthen pedagogy and foster strategies for reinforcement and training in Saber tests.

We aided **612** students in grades three, five, nine, and eleven

80 teachers at the boarding schools of Akaipa in Albania and Kamusüchiwoü in Puerto Bolívar.

Educational excellence fund

105 youth 

from Albania, Barrancas, Maicao, Manaure, Uribia, Hatonuevo, and Riohacha are continuing their higher education with grants paying for their **registration fees, monthly living expenses, and an academic support** plan.

Other programmes

848 youths **and** **115** teachers **from** **14** schools

participated in the programmes Most Entrepreneurial Youths (*Jóvenes Más Emprendedores*) and Rural Youth (*Juventud Rural*).



In the Tabaco community, we provide education aid in:

Basic primary and secondary to 59 STUDENTS

and grants for registration fees and monthly living expenses in technical, technological, and professional careers for ten students.

The environmental class Living Nature, assembled in partnership with the Colombia Green and Clean Foundation (Fundación Colombia Verde y Limpia) was inaugurated at the Akaipa Indigenous Boarding School. It benefits

1,100 students and **39** teachers at the school

Culture and Sports

Music and Dance

937 children and youths from nine municipalities

benefit from our programmes in symphonic music and folkloric dance. These programmes promote comprehensive learning, strengthening values, and creating opportunities and options for higher education in artistic areas.



the **Symphonic Orchestra**

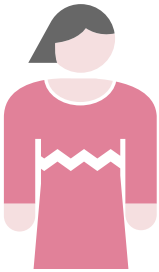
participated in various local concerts and a concert in Armenia as a special guest in the Andean Music Cuyabrito de Oro meeting.



64 participants in the accordion and dance programmes

have showcased their talents in their own communities and in neighbouring municipalities. They have also participated in cultural and traditional festivities such as the San Juan del Cesar Festival, the Papayal Festival, celebrations for the Day of the Child, and others. These activities motivate the children, youths, and seniors in the Papayal community to make good use of their free time and their artistic talent.

Strengthening Wayuu traditions and customs



We aim to **develop and strengthen Wayuu ethnic identity**

identity by promoting their music, the production of native musical instruments, and the teaching of traditional games with the active participation of the community as a strategy for the comprehensive learning of indigenous children and youths.

Strengthening Wayuu traditions and customs

We had **1,017** children and youths from the communities of



Campo Herrera, Coveñas, La Horqueta, Piturumana, El Rocío, Cerrejón, Río de Janeiro, Parentu, Orroko, Ishamana, Kamusüchiwo>ü, Mareiwamana, Yotojoroin, San Francisco, El Cerro, Trupio Gacho, and Tamaquito **work on a paedagogical development model** to design and make native musical instruments. This model can be adapted for local School Educational Projects. We held the first Saberes meeting, where indigenous and non-indigenous people **shared knowledge**, wisdom, and cultural wealth.

Cultural business venture



Partnered with the SENA, we trained **61 youths and single mothers in**

leatherworking, costume jewellery, and woodworking in order to provide them with better opportunities for income generation. As part of this programme we participated in local and regional artisan fairs, where the products made by the young artisans were exhibited and sold.

Three young artisans gave jewellery-making workshops

in Las Casitas, Oreganal, Papayal, and Los Remedios, passing their knowledge on to other communities and giving them new income sources.

Sports programmes

Our sports programmes (football, baseball, and archery) have strengthened values and prevented alcohol and drug consumption in

4,026 children and youths from 98 communities

in Uribia, Albania, Maicao, Hatonuevo, and Barrancas.



- Archery practice, with Wayuu youths travelling to national competitions.
- Participation of Wayuu children and neighbouring communities in **regional and national chess tournaments**, which allows them to be nationally ranked.
- Participation of the **Junior Football League** in the Valledupar Clubs Tournament.

11.2 Handling Social Impacts

Healthcare programmes

Mobile Healthcare Units

We improved **basic healthcare services** access by

70% 

(general medicine, dentistry, nursing, and pap smears) in rural communities in Albania, Hatonuevo, Barrancas, and Uribia.

We have served

6,641

patients in the Mine area and **2,042 people** in sectors neighbouring Puerto Bolívar.

We carried out

967 activities

on healthcare promotion and disease prevention, thanks to which we provided timely diagnoses of malnutrition in **86 children** and aided **16 children** in early childhood with incomplete vaccination plans in communities neighbouring Puerto Bolívar.

Healthcare promotion and disease prevention

We benefit

20,016

people from the communities of Albania, Hatonuevo, Barrancas, and Uribia in better access and **improved conditions** in comprehensive service in healthcare and education, and we contributed to the provision of an ambulance for the emergency service of the Albania Hospital.

Specialized mobile healthcare clinics



We aided

1,237 PEOPLE

from the communities of Tamaquito, Las Casitas, Campo Herrera, Albania, Piturumana I and II, AIWA, La Horqueta, Cabo de la Vela, and Los Remedios.

Visual healthcare

We aided

657 patients



in the communities of Papayal, Cuestecitas, Barrancón, Campo Alegre, Botoncho, Cuatro Vías in Maicao, Malaki, Aluatachón, Kascajalito, Samutpio, and Katzialamana. We also provided 577 pairs of prescription eyeglasses to seniors to correct vision problems.

Other programmes



We provided

22 healthcare professionals

at the San José Hospital in Maicao with a **refresher course** on guidelines for managing patients with tropical diseases.

We benefitted

2,800 students

by supporting fumigation and training on the **control of flying insects and insects carrying diseases** such as dengue fever, malaria, zika, and chikungunya for administrative teams in various Albania schools.



Closure of social liabilities and prior consultation — Our responsible engagement with indigenous communities

All of our integrated operation is adjacent to indigenous settlements. As of the end of the year, we had active agreements with indigenous communities in our areas of influence at the Mine, Railway, and Puerto Bolívar (100% of our operations), which are described below:

Closure of social liabilities and prior consultation Our responsible engagement with indigenous communities

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Site	Name of indigenous community	Description of formal agreement	Status as of December 31 of 2015
The Mine	Provincial Indigenous Reservation (<i>Resguardo indígena Provincial</i>)	We established a roundtable for consensus involving twelve people (seven from the reservation and five from Cerrejón), who had ongoing talks for six months (eight roundtable sessions). The sessions discussed land, environment, education, and production projects. Reservation representatives established the internal consultation method in their community before the closure of each of the topics addressed. The final agreement was signed on September 29 of 2015 before Notary Public 14 in Bogotá.	Current
Railway	Campo Herrera	In 2014, we carried out a prior consultation with the community of Campo Herrera, the only one certified by the Ministry of the Interior as potentially impacted by the engineering works in the La Puente Pit due to their sporadic subsistence fishing (see page 20). Pertinent authorities participated, including: Corpoguajira, the Guajira Regional Public Ombudsman, the Albania Municipal Ombudsman, the Regional Prosecutor's Office of La Guajira, the Secretary of Departmental Indigenous Affairs of La Guajira, the Municipal Secretary of Indigenous Affairs, and the AIWA (an association that provided consulting to the community).	To date, the agreements made with the community are being met.
	Indigenous Association 4 de Noviembre	In 2014, we signed a one-year renewable engagement protocol with the Traditional Authorities Association of this reservation. The protocol agrees to prioritize transparent, respectful dialogue as a basis of understanding for achieving common goals and collective benefits. The reservation expressed in the signed document their "willingness to use the institutional channels established on an ongoing basis to resolve differences that may arise in the course of this agreement or from the execution of agreements deriving from this one". In 2015, we aided the reservation in presenting projects to the Albania Administrative and Decision-Making Collegiate Body (OCAD). Two projects were approved to support access of reservation and nearby community secondary school graduates to higher education and to improve the quality of healthcare service.	It was in force until September 2 of 2015. This protocol has not yet been renewed as we are waiting for a resolution to the reservation's conflict with the public security forces.
Puerto Bolívar	Communities of Pioula and Piourekat (Media Luna)	As part of the Housing Improvement Programme in the Media Luna sector (area of influence of Puerto Bolívar), an agreement was reached in 2010 to build 21 houses in the communities of Pioula and Piourekat. The building was designed in agreement with the community and respects the Wayuu lifestyle and culture. Agreements fulfilled in 2015 were: socialization and acceptance of the designs of the pilot house, delivery of the pilot house, and employment for community youths.	In December of 2015, the pilot house was handed over to the traditional authority of Pioura whom the community had chosen to be the first recipient. Construction will start on the remaining 20 houses in 2016 and is expected to conclude by the end of November of that year.

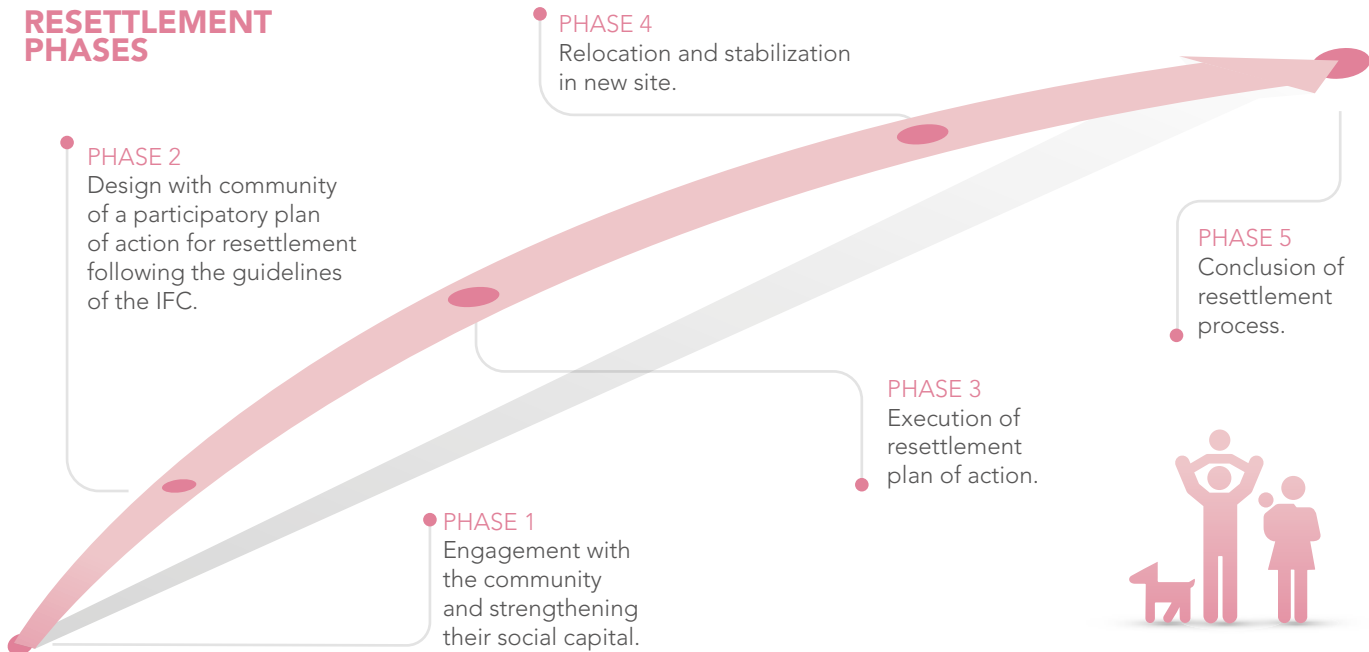
Responsible, Comprehensive Resettlement

Resettlement (that is, the relocation of a family from their original site of residence to an agreed-on destination site) is a measure of last resort that we take to protect a community from environmental impacts that could affect them due to mining activity planned for upcoming years.

We adhere to the most demanding standards for these cases and we carry out this process only after

all other possible alternatives have been explored. Since 2009, we have carried out participatory re-settlements with four communities: Roche, Patilla, Chancleta, and Las Casitas. Furthermore, in 2006 we began the resettlement of Tamaquito II, an indigenous community that itself requested relocation of the Barrancas Mayor's Office, arguing they were becoming isolated due to the relocation of other resettled communities.

RESETTLEMENT PHASES



All of the resettled families receive a package in line with Colombian legislation and with the guidelines of the International Finance Corporation (IFC), containing:

Indemnity payments: These cash payments recognize landowners' rights. They also include the value of potential damages that the relocation may cause. This recognition is legal and mandatory. It includes:

- A payment of 150% of the appraisal of the property and improvements.
- A payment for pain and suffering damages, lost income, and other damages.
- Dismantelling costs.

Compensation: Compensation is aimed at promoting the welfare and development of community members and it is voluntarily provided by Cerrejón:

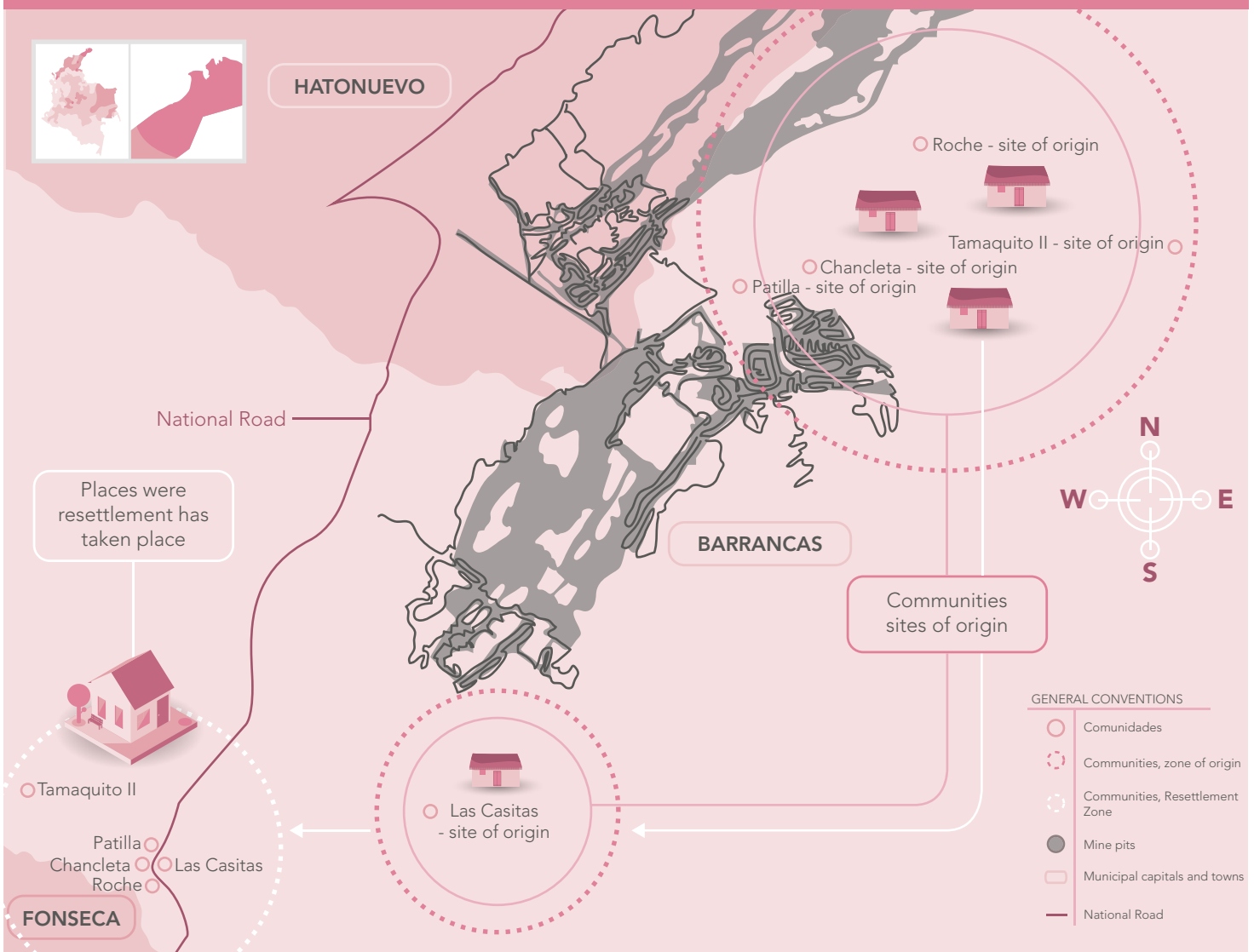
- Housing at the new site and cash compensation for furnishing and fitting.
- A one-hectare plot of land to have a farming or livestock project.

- Relocation aid for eight months following the move.
- Old age benefit for ten years for seniors.
- Educational aid for all family members that wish to take advantage of this benefit (payment of registration fees and monthly stipends to study technical, technological, professional, or post-graduate careers at any accredited institution in the country).
- Seed capital and consulting for a production project.
- Contribution for a community revolving fund.
- Other programmes: psychological-social support, seniors' assistance, educational reinforcement for school-aged children, early childhood care, and health and nutrition campaigns.

At the conclusion of the process, we verify compliance with the commitments agreed to with the families, close implementation of the resettlement plan, strengthen their interaction with government bodies, and integrate resettled communities in the company's social engagement plan.

ALL OF THE RESETTLED FAMILIES RECEIVE A PACKAGE IN LINE WITH COLOMBIAN LEGISLATION AND WITH THE GUIDELINES OF THE INTERNATIONAL FINANCE CORPORATION (IFC)

MAP OF RESETTLEMENTS (LOCATIONS OF RESETTLEMENT SITES OF ORIGIN AND DESTINATION)



Signing agreements and relocations

- The resettlement destination sites are located in the rural area of the municipality of Barrancas (La Guajira, Colombia). In 2015, we made progress on concluding the relocation agreements with families of Patilla, Chancleta, and Las Casitas.
- It should be noted that Patilla and Chancleta families residing at the sites of origin filed a tutela action in 2014, which was declared inadmissible in both the first and second instances. Notwithstanding, at the end of 2014, the tutela action was selected for review by the Constitutional Court and, in 2015, the company has been awaiting notification of the ruling. We decided to advance on negotiations with the

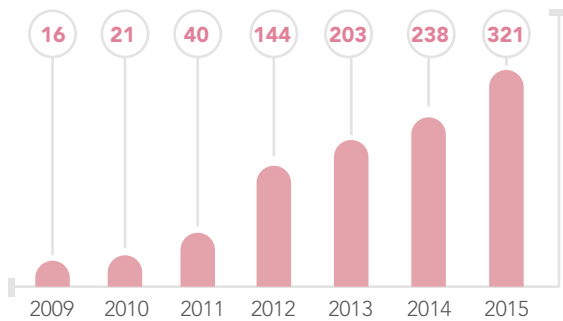
lawyer and representatives of all the Patilla and Chancleta families residing at the sites of origin, reaching an agreement and the signing of a memorandum of understanding to relocate in the first quarter of 2016.

- Also worth noting is the new agreement signed with the last two Roche families still remaining at the site of origin due to drawbacks with the land for cattle agreed on for delivery in the 2013 negotiations. Just one of these families permanently moved as agreed before the end of the year.

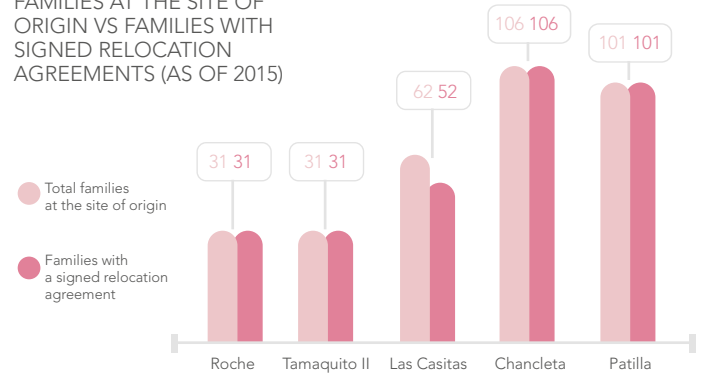
Status of resettlements as of 2015

Community	Total families at site of origin	Families with relocation agreements signed	Families eligible for relocation	Families resettled to new sites ²⁰	Status
Roche	31	31	25	24	The process began in 1998 with direct negotiations and, in 2003, the focus changed to the World Bank guidelines. Although 100% of the families eligible for relocation moved in 2014, two families who had signed a relocation agreement in 2013 returned to the site of origin. Subsequently, a new agreement was signed in October of 2015, but only one of these families complied with it. The other family continues to live at the site of origin.
Patilla	101	101	46	46	This process began in 2006, and 100% of families eligible for relocation moved collectively in May of 2013.
Chancleta	106	106	57	47	The process began in 2006. Of the total families eligible for relocation, 38 moved to the new site and nine decided to move to other municipalities.
Tamaquito II	31	31	31	31	The resettlement began in the second half of 2007, and 100% of the families moved collectively to the new site in August of 2013
Las Casitas	62	52	31	18	As of 2015, we have reached agreements with 26 families eligible for relocation out of a total of 31. Of these, 18 families have moved to the new site.
Totals	331	321	190	166	A total of 190 families are eligible for relocation to the new sites, of which 166 have already relocated.²¹

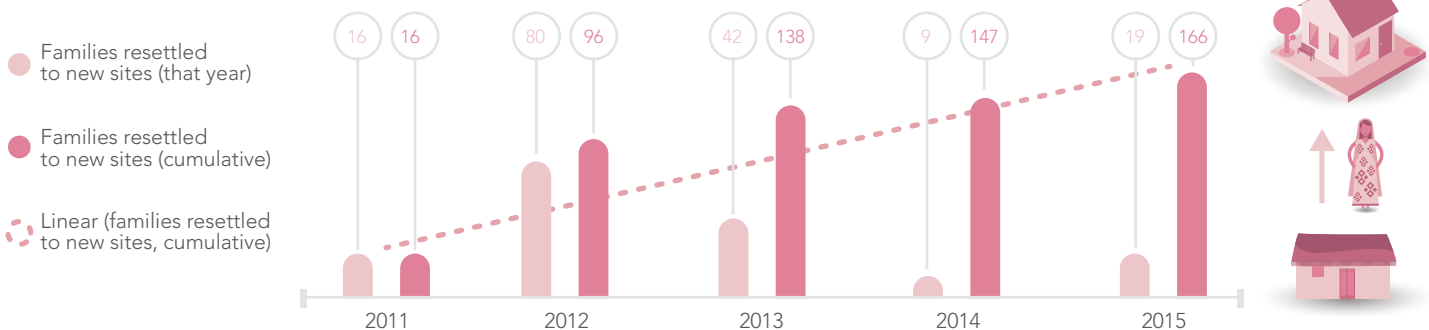
FAMILIES THAT HAVE SIGNED A RELOCATION AGREEMENT (CUMULATIVE YEAR TO YEAR).



FAMILIES AT THE SITE OF ORIGIN VS FAMILIES WITH SIGNED RELOCATION AGREEMENTS (AS OF 2015)



FAMILIES RESETTLED TO NEW SITES



²⁰ The families that are resettled to the new site are those categorized as accredited to relocation, which were defined by each community according to their time of residence and social ties, among other factors.

²¹ For 2015, we performed a reexpression because we identified that in the previous year the number of families with signed agreements and the number of families transferred were presented as a single indicator. In this report we present these two indicators independently, because they are processes that, although complementary, have a different connotation. This is why the data from 2012 to 2014 are different from IS 15.



Post-resettlements

Post-resettlement (a stage that begins once families relocate to the new site) involves psychosocial assistance to help them adapt to their new lifestyle, and the delivery of compensation and benefits agreed to in the contract.

Below we present the noteworthy events and outcomes of the programmes carried out in 2015 with families resettled to new sites since 2011.

Education programmes

Educational reinforcement programme

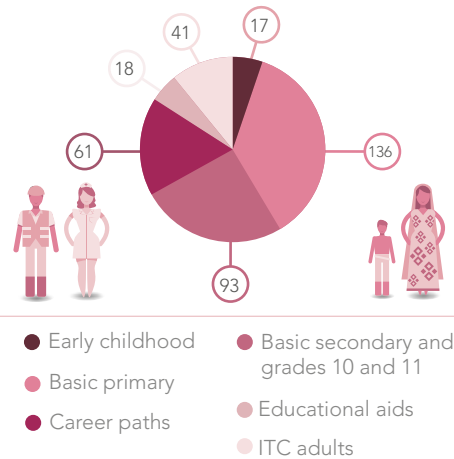
Socya (the organization implementing this programme for us) had **366 students** in early childhood education, basic primary, basic secondary, senior secondary, career choices, and information technology (ITC) for adults. Thanks to this programme, student failure rates decreased from **10%** in 2014 to **5%** in 2015. We also managed to improve performance in academic skills tests, **increasing mathematics and language by 3.5 points** compared to the previous year.

The results of this programme were reflected in the performance of students at the José Agustín Solano School in Barrancas, which most of the resettlement children attend. This school took one of the top ten spots nationally in 2015 according to the Synthetic Index of Educational Quality in basic primary due to its progress and performance. The index measures how much a school has improved with respect to the previous year in the percentage of students failing the third and fifth grade SABER tests in math and language. The performance measures the average points obtained by the school in these tests.

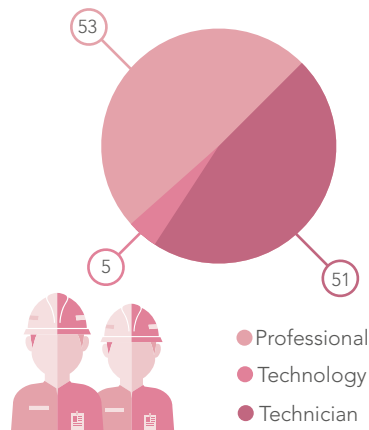
Educational aids programme

214 members of resettled families benefitted from this programme in 2015, which finances registration fees and living expenses for technical, technological, professional, and post-graduate studies in any national institution recognized by the Ministry of Education.

BENEFICIARIES OF THE EDUCATIONAL REINFORCEMENT PROGRAMME



NUMBER OF BENEFICIARIES OF EDUCATIONAL AID PROGRAMME IN THE SECOND HALF OF 2015



WE HELPED LOWER STUDENT FAILURE RATES FROM 10% IN 2014 TO 5% IN 2015 AND IMPROVE PERFORMANCE IN ACADEMIC SKILLS TESTS

Old age assistance

We paid monthly assistance to 27 seniors in resettled communities.

Water solutions

We obtained authorization from Corpoguajira to:

- Modify the construction permit for a water uptake point on the Ranchería River in order to improve the quality of the drinking water of the resettled families of Roche, Patilla, Chancleta, and Las Casitas as well as to supply their farming and livestock projects. The work has been completed.
- Use the water from a new well to supply the water treatment plant in the community of Tamaquito II in order to improve its quality. This concession is headed by the community.

Leaders Roundtable

In order to jointly determine and implement solutions to post-resettlement challenges, in 2015 we held 50 sessions with the Leaders Roundtable, which was formed in 2014 by representatives of resettled communities. At these sessions, we primarily work on the issues of water, production projects, infrastructure maintenance, and public services provision.

Production projects

As part of the work with the Leaders Roundtable, the production projects of resettled families were evaluated by the Competitive Guajira Foundation (*Fundación Guajira Competitiva*; affiliated with the La Guajira Chamber of Commerce) in order to jointly construct a new model for income generation. The main recommendations from the assessment were to promote associations; boost support, follow-up, and consulting in project development and implementation; partner with public and private entities; and provide psychosocial assistance.

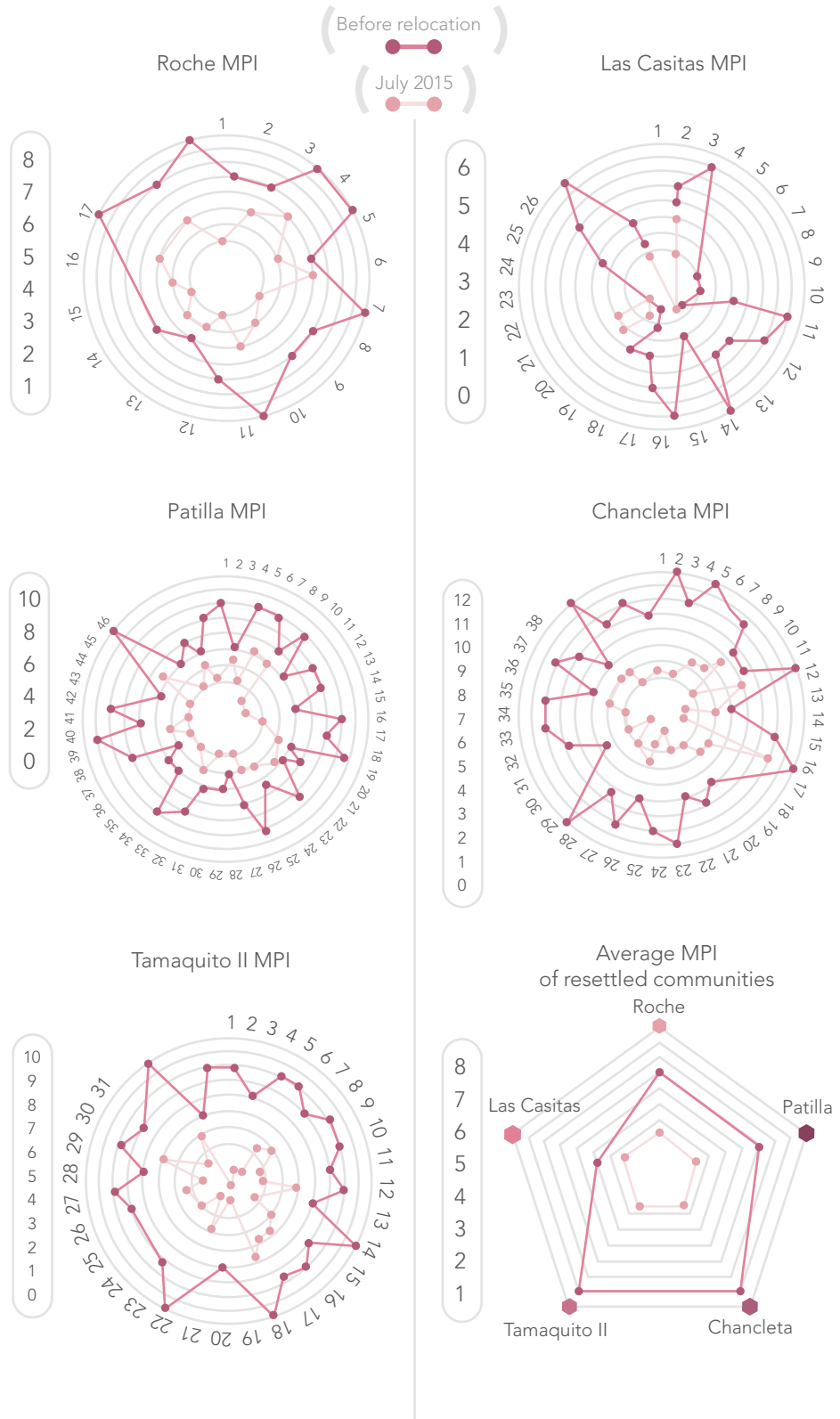
Indigenous community of Tamaquito II

We signed a memorandum of understanding with the Council Governor (indigenous community leader) of Tamaquito II that included a schedule designed jointly to address pending resettlement issues.

Multi-dimensional poverty index (MPI)

At Cerrejón, we have used a method based on the multi-dimensional poverty index (MPI) developed by the Oxford Poverty & Human Development Initiative (OPHI) in 2010. Since that same year, it has been adapted and applied in Colombia by the National Planning Department (DNP, its initials in Spanish). This methodology is used to generate a dashboard of indicators to measure the poverty status of resettled families to determine any improvements in their standards of living after relocation. The indicators measure the socio-economic impact of the intervention processes in five areas: education, childhood, employability, health, and dwellings and public services.

The basic premise is that an affluent household has a maximum of four deprivations simultaneously. The fewer the deprivations, the lower the multi-dimensional poverty rating of the family. The graphs by community represent each of the families around the circumference and the number of privations is an axis running from the centre outwards. This shows the number of privations each family had before the relocation and as of July 2015.



For more information on our management in responsible comprehensive resettlement, please go to this web page: <http://www.cerrejon.com/site/english/sustainable-development-%E2%80%A2-social-responsibility/resettlements.aspx>

OUR ENVIRONMENTAL MANAGEMENT





12. OUR ENVIRONMENTAL MANAGEMENT

OUR PILLARS IN ENVIRONMENTAL ISSUES IN 2015 WERE WATER MANAGEMENT, AIR-QUALITY CONTROL, AND LAND RECLAMATION

Since the start of our operations, our environmental commitment has gone beyond mere legal requirements. We have adopted the highest standards aimed at preventing, controlling, mitigating, and compensating for any impact generated by our activities in order to ensure that it does not pose any risks for the ecosystem or for the surrounding populations.

Furthermore, we are committed to identifying and enacting innovative, high-impact practices in the mining sector that transcend our obligations and involve various stakeholders to promote environmental sustainability in this region. Several of these practices have been pioneering in the country and have become benchmarks nationally and internationally.

Our Environmental Management System focuses on two lines of action: the first is operational, related to day-to-day decisions, with legal parameters and regulations; the second is strategic and depends on our regional context and on scientific research. Environmental education encompasses these two aspects in order to spread our practices and promote their multiplication amongst our various stakeholders, especially our employees and neighbouring communities.

The year 2015 was one of the most challenging for us due to the climate conditions. The Mine's geographic area had an annual precipitation of around 407 mm recorded in only 41 days of rainfall,

which was 45% below the zone's historic average. The annual mean temperature was 31°C, with 2,424 mm of evaporation, which is 18% above the historic mean, thereby exacerbating the water deficit typical of this region.

Given this region's conditions, such as its ecosystem's vulnerability and importance, our pillars in environmental issues in 2015 were water management, air-quality control, and land reclamation, to which must be added our programmes in biodiversity and the comprehensive management of solid waste.

As concerns water specifically, we ensure we use it as responsibly and efficiently as possible, taking into account climate conditions and following the best practices in the mining industry. In addition to our efforts inside the operation, we also work on social projects to promote access to water for communities by fostering sustainable solutions for water supply (for more details see the chapter on Water Management on page 36).

Furthermore, we remain vigilant of our air quality in order to keep particulate matter concentrations in neighbouring populations below legal thresholds. Given the persistent drought in the department, we also decided on several occasions to voluntarily slow the pace of (or even halt) mining operations to ensure compliance with air quality in our neighbouring communities.

In our commitment to a responsible operation, land reclamation continues to be an inseparable part of our mining process, in which we have disturbed 13,539 hectares. After 30 years of activity, we have rehabilitated over 3,500 hectares, where we have planted more than 1,500,000 trees that have welcomed the return of wildlife, including significant numbers of birds, insects, amphibians, and reptiles.

12.1 Environmental Legal Compliance

Our environmental management is based on the precautionary principle and on the investment of resources and technology in order to ensure our operation is responsible with the environment and society.

Precautionary principle

A relevant factor to make our business sustainable is environmental compliance as a pillar of our management. That is why we have various tools to control our environmental risks and aspects.

Internally, we have adopted control tools through our Operational Integrity System (certified under the ISO 14001:2004 Standard) and have key performance indicators for each environmental programme.

Externally, the environmental compliance of our operations is monitored and controlled by the competent environmental authorities (Corpoguajira regionally and the National Environmental Permitting Authority nationally). Both authorities regularly visit our operations and receive data and reports from us, such as our Environmental Compliance Reports, whose purpose is to report on programme progress and

effectiveness and on the results of monitoring, confirming the accuracy and veracity of the data and of compliance with applicable current regulations.

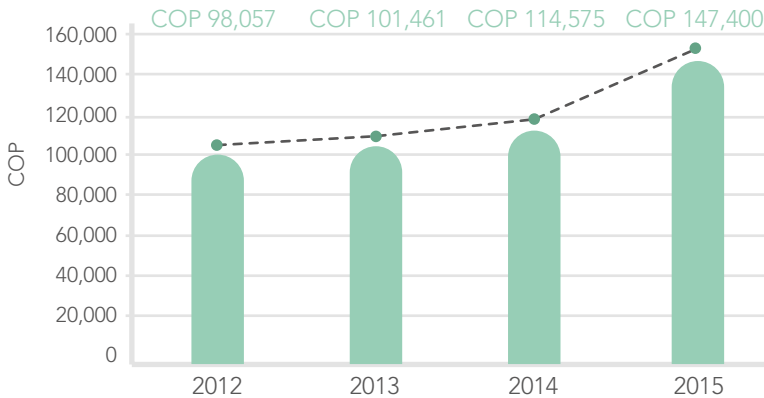
The aforementioned mechanisms are a means for our environmental management to prevent, mitigate, or offset impacts and control aspects comprising a risk for the community and the ecosystem. Thanks to this management, we had no fines or sanctions by the environmental authorities in 2015.

Expenditures and investments

Our environmental investment in 2015 was COP 147.4 billion, nearly 30% more than in 2014. 81% of these resources were destined to the efficient use of water and air-quality control in response to the region's challenging climate and to our commitment to prevent impacts on employees, communities, and the environment.



ENVIRONMENTAL INVESTMENTS 2015 (FIGURES IN THOUSANDS OF COP)

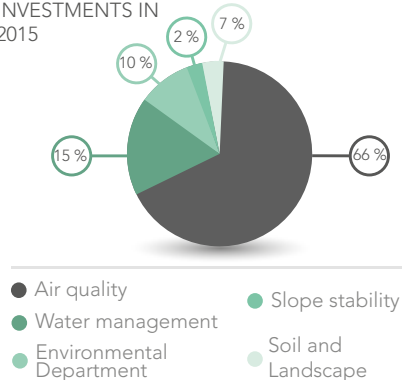


The remaining 19% of investments was directed to solid waste management, biodiversity, environmental education, landscape configuration, topsoil, and slope stability, all of which have visible results in the middle and long term.

Every year, we invest in new technology, machinery, research, and work with communities in order to ensure comprehensive environmental management.

The most significant environmental expenditures in 2015 include the operation and maintenance of the water tankers (used to control particulate matter emissions on Mine roads) and the operation of Mine water management systems.

DISTRIBUTION OF ENVIRONMENTAL INVESTMENTS IN 2015



WE HAVE VARIOUS TOOLS TO CONTROL OUR ENVIRONMENTAL RISKS AND ASPECTS

Our achievements and recognitions

Last year, we took second place in the Large Company category for the Caracol Prize in Environmental Protection for our Land Reclamation Programme.

The Sea Turtle Conservation Programme that we have voluntarily carried out in the Alta Guajira with the Wayuu community of Bahía Hondita since 2007 was recognized with the presentation of the BIBO award (given by the El Espectador newspaper under the technical direction of the WWF).

Air Quality

A significant challenge facing open-pit mining is the control of particulate matter emissions (dust in the air) as a result of digging up, fracturing, extracting, and handling large quantities of soil, waste rock, and coal.

In 2015, this challenge was even more complex due to the extreme weather conditions, which entailed only 41 days with rainfall totalling 407 mm of precipitation compared to 2,424 mm of evaporation (for more information on the climate, please see the chapter Water Management, page 36). These data confirm that this year was the driest ever in Cerrejón's historical records. This weather

generated more particulate matter (an inherent part of open-pit mining) since rain is the foremost factor in dust suppression.

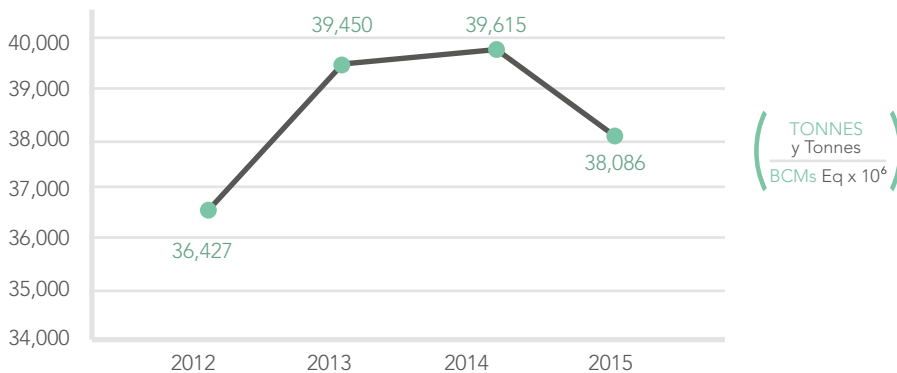
However, unflagging efforts at all levels of the organization to control dust over the course of the year allowed us to keep particulate matter concentrations below the threshold limits set by Colombian legislation (Resolution 610 of 2010) both for total suspended particles²² (TSP) and for inhalable particulate matter (PM10).

Our ability to overcome the challenges of 2015 was based on a control that starts with mine planning. Our particulate matter dispersion model guarantees the least impact possible on the air quality of our neighbouring communities when implementing the mining plan. Given the lower levels of atmospheric humidity (a natural dust control) due to the severe climate conditions in 2015, we redistributed the volumes of coal extraction in the various pits in order to mitigate the particulate matter levels in our closest communities (mainly those downwind).

The drought has also led us to voluntarily slow the pace of or even halt operations on various occasions in some zones as an additional control measure to keep dust concentrations below legal thresholds for our neighbouring communities.



TOTAL PARTICULATE MATTER EMISSIONS



Monitoring and control of emissions

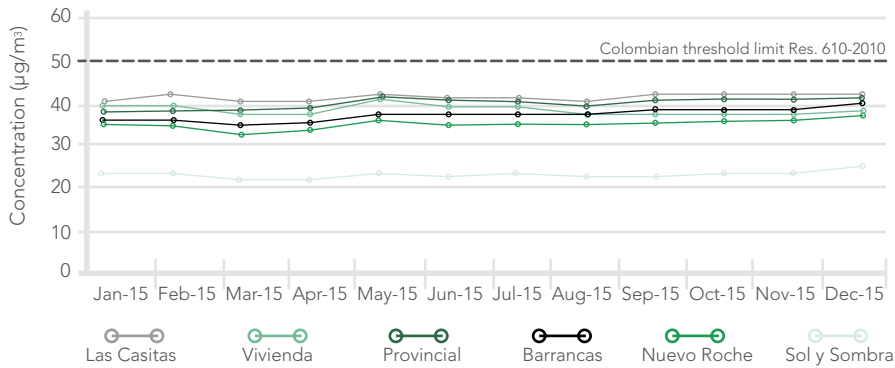
At Cerrejón, we have prepared a robust inventory of air emissions to enter in the dispersion model for planning purposes, estimating the contributions from different areas related to mining activities. This calculation simultaneously considers the operational aspects of the pits in question, the characteristics of Cerrejón's materials, and the emission factors of the US Environmental Protection Agency (US-EPA) applied to one real production year or to the mining scenarios being modelled.

Our monitoring network comprises 18 sampling stations, 12 of which are at the Mine, two (2) along the railroad tracks, and four (4) at Puerto Bolívar. This network is located near populations in our area of influence, measuring primarily total suspended particles (TSP) and inhalable particles under 10 micra in diameter (PM10). These two agents are the ones with the most potential to impact community comfort (TSP) and human health (PM10). The result of Cerrejón's 2015 particulate matter emissions inventory was 38,086 tonnes/year.

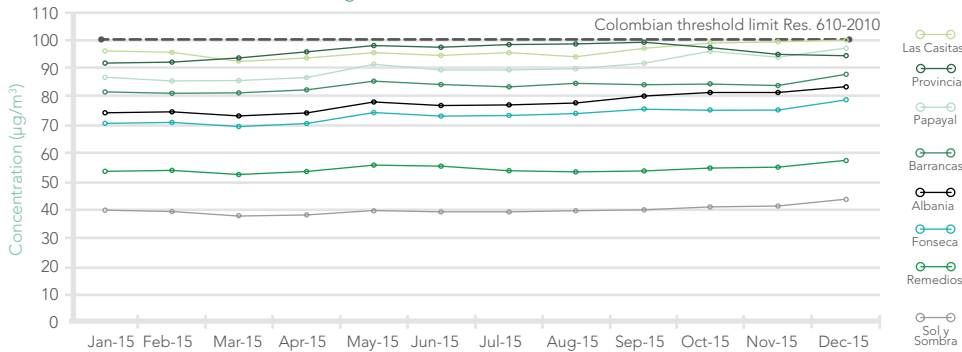
OUR ABILITY TO OVERCOME THE CHALLENGES OF 2015 WAS BASED ON A CONTROL THAT STARTS WITH MINE PLANNING

²² IDEAM. The average annual total suspended particle (TSP) concentration is expressed as the total mass of particles for a specific volume of air.

ANNUAL PM10 CONCENTRATIONS AT THE SAMPLING STATIONS (last 12 months)



ANNUAL TSP CONCENTRATIONS AT THE SAMPLING STATIONS (last 12 months)
Average Annual TSP Concentrations



Control measures 2014

- Use of 12 low-impact sprinkler networks to wet loading areas.
- Water-tanker monitor used to beef up controls in loading areas during periods of high emissions.
- Temporary equipment stoppage during high-emissions episodes.
- 30 tankers with a capacity of 20,000 gallons each, with low-quality industrial water (not suitable for human consumption, agricultural use, or for animals).
- Four 10,000-gallon tanker trucks at the Mine and two 3,000-gallon tanker trucks in Puerto Bolívar.
- Use of dust-suppression additives and fog canons.
- Sprinkler systems to contribute to mitigating these emissions.
- 16 fog cannons and 15 sprinklers and sprinkler trucks.

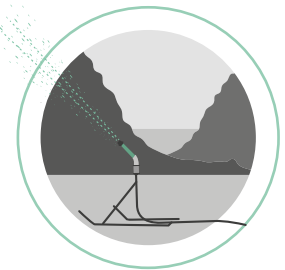
Additional control measures in 2015

- Low-impact sprinkler networks to wet loading areas. The sprinklers were installed gradually, with 12 units in January and another 14 in September of 2015.
- Ten high-flow sprinklers in the coal yards since July 2015.
- Water-tanker monitor used to beef up controls in loading areas during periods of high emissions.
- Temporary equipment stoppage during high-emissions episodes.
- Tests with dust-suppression additives to improve controls on roads.
- Campaign to raise awareness in operational personnel.
- Detailed follow-up on use of operational controls, with timely feedback to the operation, through:
 - Camera system
 - Real-time TSP and wind monitoring at Las Casitas and Provincial.
 - Field observers.
 - Dynamic dashboards for the use and availability of water tankers

Our Control Measures

OPERATIONAL CONTROLS

USE OF SPRINKLERS IN UPPER MINE LEVELS BEFORE LOADING



TANKERS

Waste Management and Disposal

Our comprehensive solid waste management plan is based on waste separation according to hazard and usage criteria. This maximizes the recovery of materials with potential re-use and ensures the appropriate treatment and disposal of ordinary and hazardous waste. In 2015, waste generation was 11,295 tonnes, with recovery and re-use rates of 59%, exceeding our target of 53%. In addition, we recovered 60% of our used oil, which is equivalent to 1,087,228 gallons.

These efforts are environmentally valuable as they reduce the amount of soil necessary to dispose of waste, and they also prevent the squandering of materials.

Environmental benefits:

- Safe management of solid waste
- Efficient cell use for final disposal of waste
- Decrease in use of natural resources
- Reduced pollution
- Reduced impact of human activities on climate change

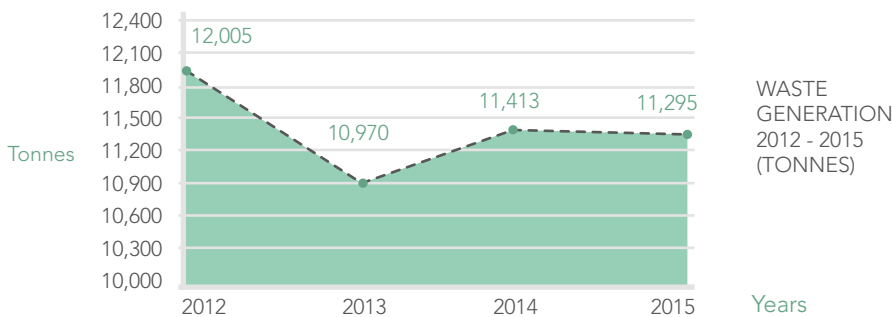
We have also sought to generate a positive social

impact by recovering materials and delivering recyclable items to a foundation that then sells them. The resources thus obtained are used to finance study projects in communities in the Mine's area of influence.

These direct social benefits for communities aim to improve the quality of life of indigenous people, farmers, and other inhabitants of municipalities, districts, and reservations neighbouring the mining operations. They mainly involve projects in education, healthcare, drinking water, recreation, and senior citizen care.

Social benefits

- More than 40 full scholarships (registration fees, rent, meals, and more) have been awarded to regional youths to study at university or technical institutes.
- Support for cafeterias for children and seniors.
- Healthcare programmes.
- Traditional water ponds (jagüeyes) and bioarena filters
- Donations for the most needy schools.
- Christmas presents.



In recent years the generation of solid waste has been above 11,000 tonnes per year with 2012 as the year with the highest generation due to waste from construction and adaptation works in different fronts of the expansion project of the facilities in La Mina And Puerto Bolivar. In 2013 waste generation was reduced, while in 2014 and 2015 increased by the mobilization of people and facilities associated with this project, generating large amounts of scrap resulting from the cleaning and dismantling of equipment.

In 2015, waste generation was 11,295 tonnes, with a 59% recovery and utilization rate, exceeding the established target of 53%. We also recover 60% of our used oils equivalent to 1,087,228 gallons. We expect to continue reducing waste generation and maximize its utilization in 2016.

Management of re-usable material

Separation and classification of waste at the source lets us identify its appropriate treatment and final disposal. Re-usable material is stored in the recycling warehouse, and the remaining materials are taken to a safety drum, rubble heap, or pruning container.

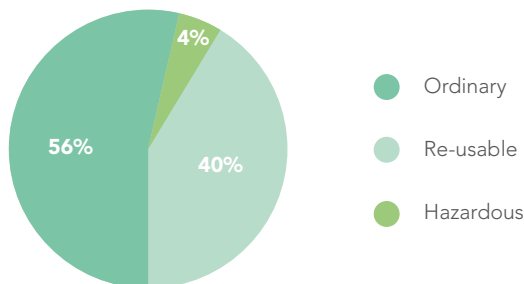
Waste from machinery and equipment maintenance is minimized through campaigns on the care and proper use of equipment. Some of this waste contains re-usable pieces and materials, and others require special handling and final disposal.

In the mining operations areas and in the residential areas and administrative offices, we are supported by specialized contractor firms with trained personnel and broad experience in waste management. In addition, these contractors have specialized treatment machinery such as compactors, cold rooms, and light bulb crushers as well as equipment to collect and transport waste, such as trucks, tractors, and mini-loaders.

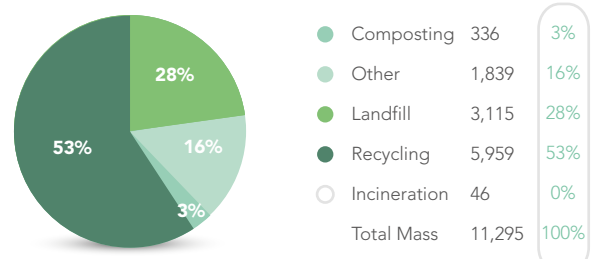
Furthermore, we have outside contractors to handle special and hazardous waste, and they have the proper authorizations and follow the procedures required by Colombian legislation. It is important to note that, before authorizing the delivery of any waste to this outside contractor, we perform a legal and environmental assessment to verify their compliance with our standards and legal requirements.

In 2015, an agreement between the Cerrejón Foundation for Progress and a private consortium led to the construction of the first plant to recycle tyres in South America. This plant has the capacity not only to recycle the mining tyres used by Cerrejón but also, in future, to provide this service to other parties in order to support the sound management of this type of waste in the region.

CLASSIFICATION OF WASTE (TONNES)



Waste classification according to type of treatment





12.2 Our Offset and Biodiversity Strategy

Protected areas

For us, the conservation of ecosystems and biodiversity is a commitment acquired from within our operation and expanding out to various external areas, even outside our area of influence.

Our coal deposits are located in the central southern part of the department of La Guajira. The mine areas extend for 50 km along the Ranchería River valley between the Sierra Nevada de Santa Marta and the Serranía del Perijá, covering a total expanse of 69,346 hectares. The total area disturbed by the end of 2015 was 13,500 hectares. Although less severe than in the northern part of the peninsula, the climate in the mining zone is mainly arid, comprising a segmented and degraded tropical dry forest surrounded by a mixed landscape with diverse economic activities.

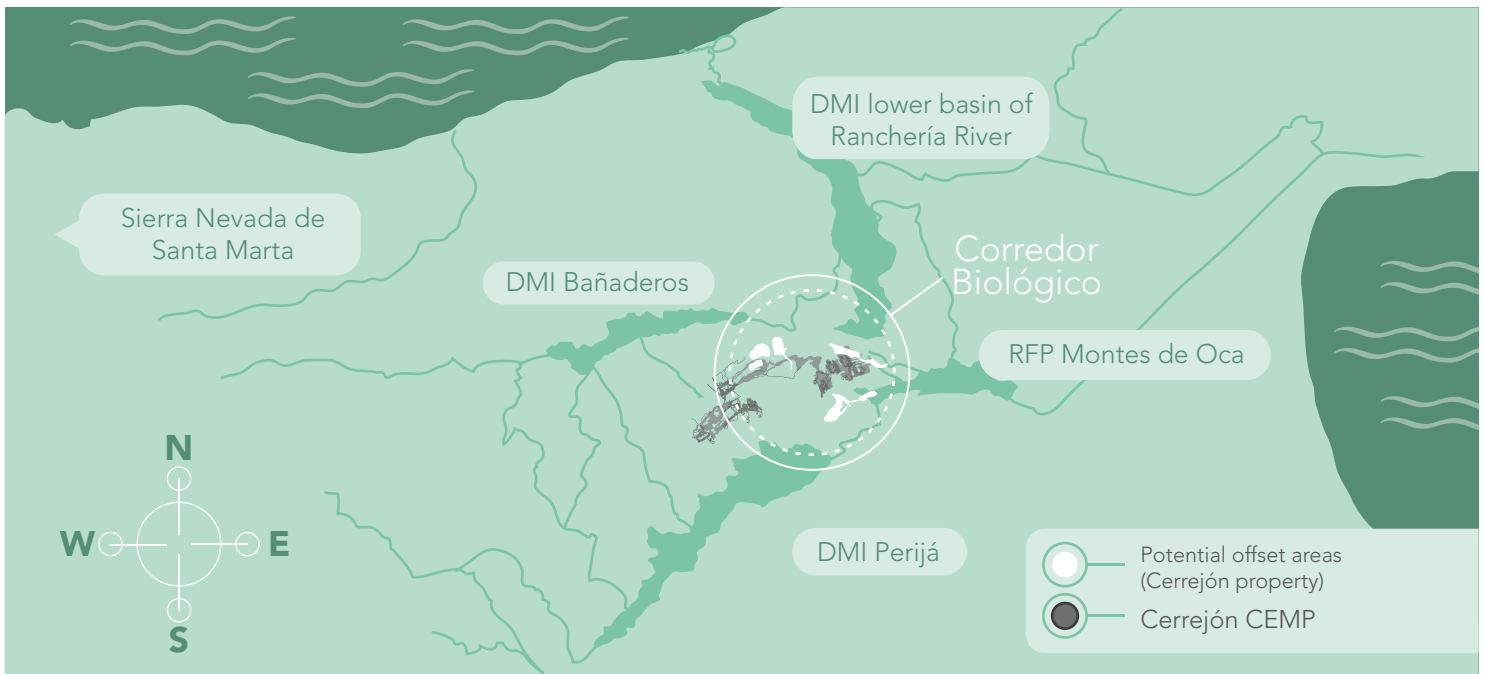
Connectivity and communication between these isolated forest areas in the Cerrejón valley is of vital importance for all national and international

conservation protocols since both the Perijá and the Sierra Nevada are HCV 2 (High Conservation Value 2) ecosystems that host species extremely vulnerable to extinction.

In order to promote the conservation of these valuable ecosystems, we have participated in building a strategy for the region's protected areas together with Conservation International — Caribbean (CIC) and Corpoguajira with the goal of establishing a large biodiversity corridor in the Ranchería River valley.

Biodiversity corridors would improve the connectivity amongst the protected areas of the Integrated Management District (DMI, its initials in Spanish) of the Perijá, the Protected Forest Reserve of the Montes de Oca, the DMI of the Bajo Ranchería, and the DMI of Bañaderos.

BIODIVERSITY CORRIDOR BETWEEN REGIONAL PROTECTED AREAS



Significant impacts on biodiversity

Measuring impacts on biodiversity and determining whether a given ecosystem is fully functional involves a search for all levels of a food web in a study area. In the case of Cerrejón, we have been monitoring various groups of mammals, deer, howler monkeys, reptiles such as caimans and turtles and, in recent years, new residents — jaguars. Jaguars are at the top of the food web throughout South America, but are currently extinct in much of the continent.

Thanks to the resources assigned to the research and monitoring of Guajiran ecosystems, we have been able to analyse species in context. We have found that the Cerrejón area has a High Conservation Value of 1 (HCV 1), which comprises threatened, endangered, endemic, and migratory species with a high number of individuals and viable populations. This circumstance confirms that the ecosystems in and around the mining complex offer significant resources for the survival of these species.

The site of Cerrejón's mining activity for more than three decades, the mid-valley of the Ranchería River has persistent connectivity and important core areas, as evidenced by landscape metrics and wildlife surveys. The sighting of at least three different

jaguars in the mining complex demonstrates the attraction of the natural resources in this area.

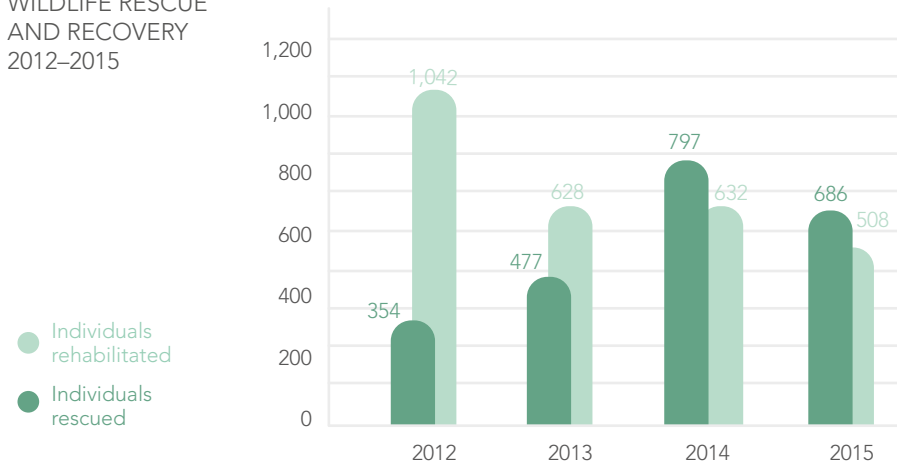
These abundant resources occur thanks to three things: our conservation programme in and around the mining complex, protection and education against hunting and other activities that threaten species, and our land reclamation, which creates large meadows that attract deer and therefore jaguars.

Our Wildlife Refuge Centre has helped more than 11,000 animals since 2007. In 2015, we rescued 686 individuals, of which 168 were tagged for monitoring and recapture. In addition, we relocated 302 reptiles, 178 birds, and 28 mammals



DEER
Camera trap photographs in Cerrejón monitoring areas in 2015

WILDLIFE RESCUE AND RECOVERY 2012–2015



Reclaimed Areas

At Cerrejón, areas being reclaimed are subject to scientific research.

Our Land Reclamation Programme has reclaimed over 3,500 hectares of mined land out of 13,539 hectares of disturbed areas historically. In 2015, we disturbed 230 new hectares and rehabilitated 112.6 hectares, exceeding our target. This programme has been in place since the start of our operations. It is a reflection of our commitment

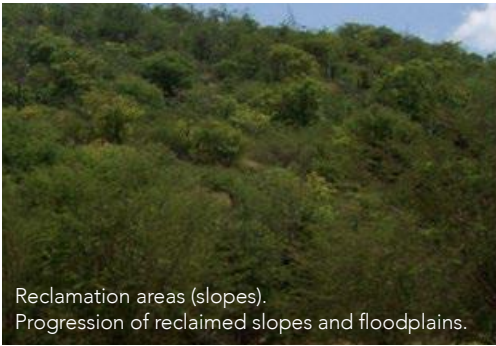
to the environment since it attempts to return the land disturbed by mining to its original environmental condition and thus give the region back a more dynamic, sustainable ecosystem.

This national and international benchmark programme has preserved more than 43 million cubic bank metres of topsoil, which is a raw material to effectively reclaim the areas currently being used in the mining operations.

AT CERREJÓN,
AREAS BEING
RECLAIMED
ARE SUBJECT
TO SCIENTIFIC
RESEARCH



Reclamation areas (floodplain).
Coverage in reclamation areas.



Reclamation areas (slopes).
Progression of reclaimed slopes and floodplains.



THE LAND
RECLAMATION
PROGRAMME IS
A NATIONAL AND
INTERNATIONAL
BENCHMARK

The land reclamation programme and its successful topsoil quality indicators have attracted the interest of researchers from national and international centres such as the University of Alcalá (Spain), the University of the Atlántico, the National University of Colombia at Medellín, the University of Magdalena, and the University of La Guajira.

Consequently, there are currently eight scientific research projects at the doctorate (two), master's (three), and bachelor's (three) levels. The researchers are students and teachers in agricultural, biological, and environmental sciences who see in Cerrejón an excellent partner in these specialized studies. The students and researchers regularly visit the Mine's reclamation areas to observe and take laboratory samples for analysis and interpretation.

Sustainable production systems: Growing well-being for vulnerable communities in the lower and middle Guajira

For the last ten years, we have been aiding neighbouring communities in undertaking a research project for the application of sustainable agricultural practices based on our experience in our Land Reclamation Programme. Our Research and Application into Systems for Sustainable Farming and Silvopasture Production Programme promotes methods for the fight against poverty, soil degradation, desertification, and climate change in degraded tropical dry forests.

One of the priorities of this project is to provide the most vulnerable communities with an alternative means to change their traditional production system (which has degraded the soil) to sustainable agricultural practices.



Comparison of landscape and soil use applying the Farming and Silvopasture Programme.

- No vegetation cover
- With protective vegetation cover



- Establishment of pasture
- Harvest of pasture seed

The project currently includes five indigenous and rural communities in the municipalities of Albania and Hatonuevo whose main economic activity is livestock and agriculture. To date, the following outcomes have been achieved:

1. Improved soil quality indicators of over 62 hectares with agroforestry and silvopasture systems.
2. Production of over 40 tonnes of food (beans, watermelon, ayama squash, and corn) by communities seeking food security.
3. Increased land productivity by improving the physical, chemical, and biological properties of the soil.

4. Over 150 beneficiaries of the research project in production systems.
5. Empowering communities in their own development and knowledge of sustainable agricultural practices, mutual exchange of knowledge, and improved ecosystemic goods and services.
6. 2015 was the driest year on record, causing a huge impact on this region. However, the project areas continued production of subsistence crops and pasturage.



Field with extensive shrubs (not in use)



Farmed field (productive soil)



Bean plants

Although we have had good outcomes with this project, we also faced certain challenges, such as the community's initial distrust of the goals, a lack of prior research to exchange knowledge and experiences (as this was a pioneering project), changing the mindset of indigenous communities concerning their traditional agricultural practices, and the lack of seed producers and of marketing.



Yucca cultivation



Banana crop

Reclamation in Puerto Bolívar

Reclamation in Puerto Bolívar
 Since 2015, we have been working on reclaiming the vegetation cover for the subtropical desert scrubland at Puerto Bolívar, Cerrejón's ship-loading port.

The project comprises four operational components with which we have managed to activate natural regeneration of the arid, coastal topsoils of the Media Luna sector: (a) the recognition of native species, (b) forming plots, (c) managing plant nurseries, planting, watering, and (d) follow-up and monitoring.



Nursery for growing plants for the reclamation of disturbed areas in Puerto Bolívar.

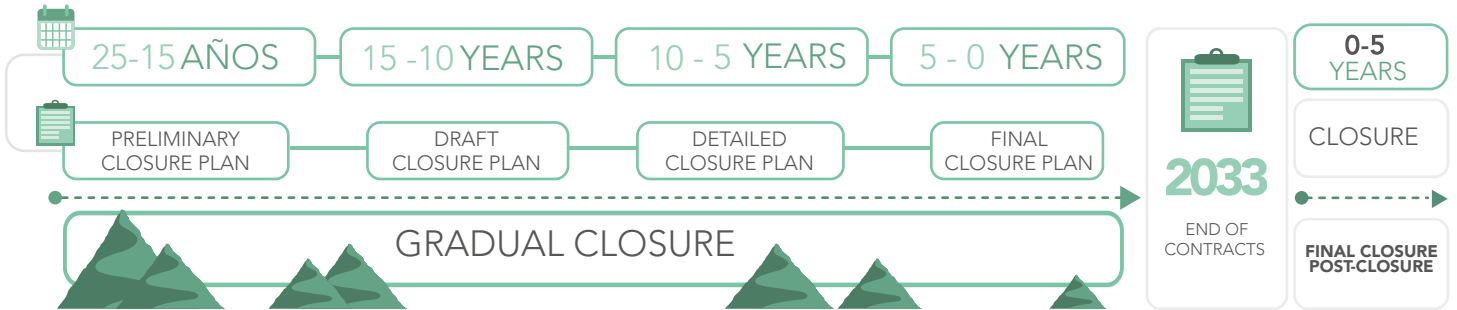
13. MINE CLOSURE PLAN

The objective of the Closure Plan is to provide the necessary information for the planning and gradual, systematic closure of the Mine through a series of technical and legal actions aimed at preventing, mitigating, and offsetting the potential generation of social and environmental liabilities deriving from the mining operations. These actions seek to minimize and establish control measures for risks related to health, safety, the environment, and communities.

Our Preliminary Closure Plan is prepared for 2033 for all Mine components. The costs associated with the required closure activities for the various components are included in the Plan.

All Mine components have been grouped into three main categories:

- Physical component: infrastructure, installations, and extraction areas
- Physical and biological rehabilitation: fauna, flora, topsoil, surface water
- Social component: parties impacted, stakeholders, authorities, and workers



Outcomes 2015

We commissioned a consultant to update the Preliminary Closure Plan specifically taking into account the obligations established in the mining contracts and existing environmental requirements. This Plan was filed with the National Environmental Permitting Authority (ANLA) as part of our compliance with the requirements of the 2015 Environmental Compliance Report.

Furthermore, we updated the economic variables in the calculations made in 2014, taking as a basis the financial provision as regards all components for the contract case (based on the obligations established in mining contracts and existing regulations). The Closure Plan indicator is maintained for 100% of our operations and shall be kept constant from its creation. Our financial provision for the mine closure as of December 2015 was USD 153 million.

OUR CHALLENGES

WITH OUR SUPPLY CHAIN

- Commission a consulting firm to carry out the Supplier Development Programme and its respective impact measurement.
- Develop the business strengthening process.

WITH OUR COLLABORATORS

Employment:

- Continue to offer an interesting, competitive workplace despite the difficulties on the international market in order to ensure we have an ideal workforce committed to attaining competitiveness in our business.
- Promote a better labour climate in the organization.
- Maintain and increase productivity safely, overcoming the sector crisis and ensuring our sustainability.

Training:

- Continue prioritizing programmes and courses related to Operational Integrity that promote safety in worker operations. Some of these actions are a response to the recommendations from the fatalities in 2013 and 2015.
- Improve the offer of technical skills courses to improve the productivity of our workers.
- Continue increasing the number of online courses offered, for which it is important to determine actions to stimulate and strengthen the concept of self-development (self-study).
- Maintain and develop skills to handle the generational changeover in coming years with the lowest impact possible

Professional development:

- Implement changes to the knowledge tests required for PTC development.
- Align the performance evaluation process and the KPIs to the needs for increased labour productivity.

Health and safety:

- Ensure an operation without fatalities or high-potential incidents.
- Consolidate the Fatal Risk Management System in employee and contractor activities.
- Continue reducing the recordable injury frequency rate.
- Continue with campaigns for the promotion of sexual and reproductive health and the prevention of diseases, and with regular check-ups.

Engagement with trade unions:

- Comply with all agreements related to economic benefits and regulations and with all commitments in health and safety, including those in the collective bargaining agreements 2016–2017. Ensure all workers enjoy these benefits in a setting of credibility and trust in the company.
- Work with contractor firms to maintain a suitable work environment.

OUR COMMITMENT WITH HUMAN RIGHTS

- Perform a human rights risks and impacts study in 2016 in order to design and monitor action plans in the following years.
- Improve integration of human rights throughout the company by: (1) training new employees, (2) designing a strategy for training and disclosure of human rights and standards for employees and contractors.
- Continue improving dialogue on social standards with as many companies as possible, especially reinforcing it with those that have signed collective bargaining agreements.
- Keep improving Complaints Office processes to raise customer service levels, increase percentage of complaints closed in the same year they were filed, and close complaints pending from previous years.
- Compliance with all agreements established with communities within timeframes set.
- Continue strengthening the Complaints Office and its operations.

OUR COMPREHENSIVE WATER MANAGEMENT

- Contribute to achieving our Sustainable Development Goals, maximizing our water re-use in order to decrease our water withdrawals from natural sources.
- A campaign to reduce water consumption in both the residential and the industrial areas, with eco-efficiency targets.
- Continue working on implementing comprehensive water management, which springs from operational excellence in the efficient, responsible use of water in our operations.
- Advance efforts to reduce even further the withdrawals of high-quality water in our operations and increase water re-use.

SUSTAINABLE DEVELOPMENT AND ENGAGEMENT WITH THE COMMUNITY OF LA GUAJIRA

- Strengthen our social performance strategy based on two pillars (socio-economic strategy and impact management) in order to achieve a more strategic intervention in response to topics of considerable relevance in the region.
- Coordinate our efforts with public-private actors active in La Guajira in order to generate ever-better impacts in communities in line with the region's progress.
- Consolidate organization and community strengthening by fostering more community appropriation of interventions through social projects.

In signing agreements:

- Progress in negotiating and reaching relocation agreements with Las Casitas families still at the original site.
- Implement the relocation agreement reached with the Patilla and Chancleta families residing at the site of origin.
- Relocate the Roche family that is still at the site of origin.

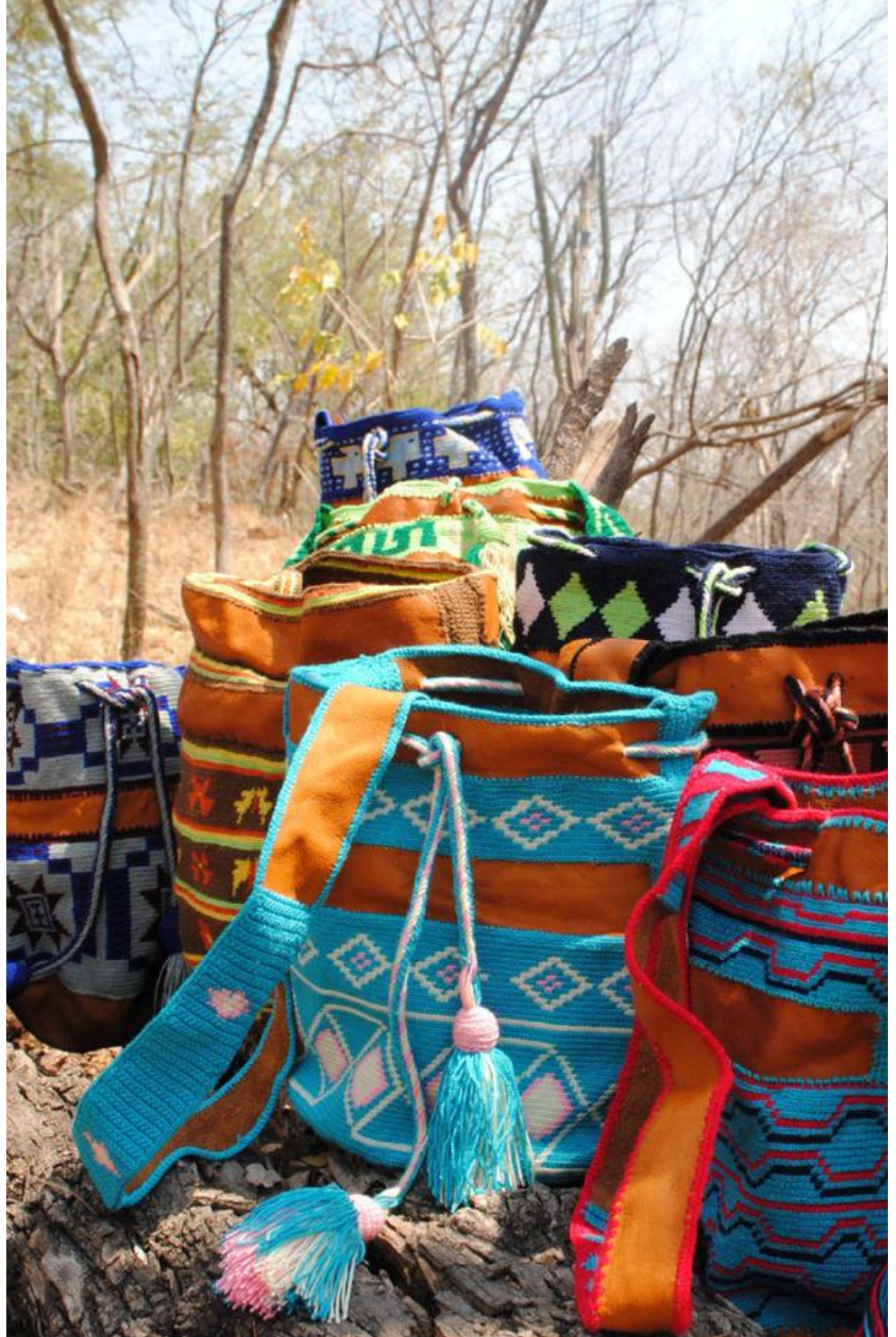
In post-resettlements:

- In our water programme management, put into operation the water uptake point built and reach an agreement on the rules for usage with the communities of Roche, Patilla, Chancleta, and Las Casitas.
- Put the Tamaquito II water treatment plant into operation with the water from the new well.
- In production projects and income generation, build a new income-generation model with the communities, based on lessons learned from past experience and the recommendations of the Competitive Guajira Foundation.
- In our engagement with Tamaquito II, advance together on closing pending resettlement issues in accordance with the timeframe in the memorandum of understanding signed with the community's Council Governor.

OUR ENVIRONMENTAL MANAGEMENT

- In our environmental legal compliance, we will continue to guarantee the necessary resources for our environmental management to prevent, mitigate, and offset impacts to ecosystems and communities.
- Keep emissions control as a core factor in the decision-making of our mine planning, and continue to search for and adopt emissions-control technology.
- Continue adjusting our operations to the changing climate conditions and reinforce our controls.

- Despite the challenges of climate changes and the water supply, we expect to add to our reclaimed areas by the same proportion as in recent years (100 ha/year).
- Put in place new programmes for recycling waste that significantly contribute to our comprehensive waste management.



Informe de revisión independiente

Revisión independiente del Informe de sostenibilidad 2015 de Cerrejón.

Alcance de nuestro trabajo

Hemos realizado la revisión de la adaptación de los contenidos del Informe de Sostenibilidad de Cerrejón 2015 a la Guía para la elaboración de Memorias de Sostenibilidad de Global Reporting Initiative (GRI) versión 4.0 (G4).

Estándares y procesos de verificación

Hemos llevado a cabo nuestro trabajo de acuerdo con la norma ISAE 3000 - *International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information* emitida por el *International Auditing and Assurance Standard Board (IAASB)* de la *International Federation of Accountants (IFAC)*.

Nuestro trabajo de revisión ha consistido en la formulación de preguntas a la Administración, así como a las diversas áreas de Cerrejón que han participado en la elaboración del Informe de Sostenibilidad y en la aplicación de ciertos procedimientos analíticos y pruebas de revisión por muestreo que se describen a continuación:

- Entrevistas con el personal de Cerrejón para conocer los principios, sistemas y enfoques de gestión aplicados para elaborar del reporte.
- Análisis de como a partir del ejercicio de materialidad se definen los contenidos, la estructura y los indicadores del reporte, de acuerdo a lo sugerido por la metodología GRI G4.
- Evaluación de los procesos para recopilar y validar los datos presentados en el reporte.
- Comprobación, mediante pruebas con base en la selección de muestras y la revisión de evidencias de la información cuantitativa y cualitativa correspondiente a los indicadores GRI y propios incluidos en el Informe de Sostenibilidad y su adecuada compilación a partir de los datos suministrados por las fuentes de información de Cerrejón.

Confirmación que el Informe Integrado es preparado de acuerdo con la metodología GRI G4 en su versión "Esencial" o "Core".

Aspectos generales

Se confirmó que el informe se ajusta a los requisitos de la opción esencial de los aspectos generales de la versión GRI G4: los indicadores G4-1 a G4-34, y G4-56 fueron reportados. La compañía también reportó indicadores adicionales a los que exige la opción esencial.

Responsabilidades de la Dirección de Cerrejón y de Deloitte

• La preparación del Informe de Sostenibilidad 2015, así como el contenido del mismo, es responsabilidad de la organización la cual también es responsable de definir, adaptar y mantener los sistemas de gestión y control interno de los que se obtiene la información.

• Nuestra responsabilidad es emitir un informe independiente basado en los procedimientos aplicados en nuestra revisión.

• Este Informe ha sido preparado exclusivamente en interés de la organización de acuerdo con los términos de nuestra propuesta de servicios. No asumimos responsabilidad alguna frente a terceros diferentes a la Dirección de la empresa.

• Hemos realizado nuestro trabajo de acuerdo con las normas de independencia requeridas por el Código Ético de la International Federation of Accountants (IFAC).

• El alcance de una revisión limitada es substancialmente inferior al de una auditoría. Por lo tanto no proporcionamos opinión de auditoría sobre el Reporte Integrado.

DELOITTE & TOUCHE LTDA.
Jorge Enrique Múnera D.
Socio



Bogotá, Noviembre de 2016

Aspectos específicos

Revisamos el enfoque de gestión e indicadores GRI y propios de los asuntos materiales (Ver Anexo 1)

ANEXO 1

Asuntos materiales	Indicador GRI y/o Propio Cerrejón
Desempeño económico y aporte a La Guajira	EC1
Compromiso con los Derechos Humanos	HR7, HR8, HR12, MM5 Propio. Número y porcentaje de proveedores de bienes que realizaron proceso de cotización con la compañía que son evaluados en criterios de DDHH.
Desarrollo sostenible y relacionamiento con la Comunidad de La Guajira	SO1
Reasentamiento integral responsable	MM9
Ambiente de trabajo seguro y saludable	LA6 Propio. Cerrejón en movimiento
Gestión del Agua	EN8
Cumplimiento regulatorio ambiental	EN29, EN31
Calidad del aire y control de emisiones	EN21
Desarrollo de capacidades de nuestros empleados	LA11
Biodiversidad	MM1
Gestión y disposición de residuos	EN22, EN23

Conclusiones

Como consecuencia de nuestra revisión no se ha puesto de manifiesto ningún aspecto que nos haga creer que el Informe de Sostenibilidad contiene errores significativos o no ha sido preparado de acuerdo con la Guía para la elaboración de Memorias de Sostenibilidad de Global Reporting Initiative (G4) en su versión Esencial.

Hallazgos & recomendaciones frente al Informe de Sostenibilidad 2015 de Cerrejón

Adicionalmente, hemos presentado a Cerrejón nuestras recomendaciones relativas a las áreas de mejora para consolidar los procesos, programas y sistemas relacionados con la gestión de la sostenibilidad. Las recomendaciones más relevantes se refieren:

Principios GRI y WBCSD

Contexto de sostenibilidad

Observaciones

Cerrejón realiza un ejercicio detallado para identificar los asuntos materiales para la compañía. Sin embargo, no conecta de forma explícita su materialidad con los Objetivos de Desarrollo Sostenible de las Naciones Unidas (ODS) definidos en septiembre del 2015.

Recomendaciones

Si bien no es parte de las prioridades estratégicas de la compañía para el año de reporte, Deloitte recomienda para futuros ejercicios priorizar y conectar los ODS a la materialidad de la organización, con el fin de lograr una mayor alineación de su estrategia con las agendas nacional e internacional en temas de Desarrollo Sostenible.

Comparabilidad/ Puntualidad

Observaciones

Cabe destacar que Cerrejón elabora su Informe de Sostenibilidad en un plazo anual, lo que permite a los Grupos de Interés analizar la evolución del desempeño en la gestión de la organización y el análisis con respecto a las de otras organizaciones referentes o pares en el sector. En la actualidad el informe es publicado en el segundo semestre del año, lo que puede restarle la pertinencia a la información reportada.

Recomendaciones

Se sugiere optimizar los tiempos de verificación y reporte del Informe de Sostenibilidad, de tal manera que los diferentes Grupos de Interés dispongan de la información en dicho momento y puedan tomar decisiones bien fundamentadas.

Compromisos y metas

Observaciones

Se evidencia y resalta el ejercicio realizado por Cerrejón al integrar los retos de la compañía para el año 2015 tanto para la gestión de sus asuntos materiales como para los temas relacionados con sus Grupos de Interés.

Recomendaciones

Se propone mantener esta buena práctica en futuros Informes e incluir las metas establecidas en el corto, mediano y largo plazo, tanto cualitativas como cuantitativas, que permitan medir el desempeño y avance de la organización respecto a la gestión de sostenibilidad y así hacer un balance anual sobre metas excedidas / no alcanzadas y definir planes de acción relacionados.

ANEXO 2 Declaración de independencia

Deloitte es una de las mayores empresas en la prestación de servicios profesionales en auditoría, impuestos, consultoría y asesoramiento financiero y de sostenibilidad a organizaciones públicas y privadas de diversas industrias. Con una red global de Firmas miembro en más de 185 países, Deloitte brinda sus capacidades de clase mundial y servicio de alta calidad a sus clientes. Aproximadamente 210.000 profesionales se comprometen a ser estándar de excelencia. Confirmamos nuestra independencia de Cerrejón. Todos nuestros empleados realizan actualizaciones anuales a la Política de Ética donde puntualmente declaramos que no tenemos conflictos de interés con Cerrejón, sus subsidiarias y sus grupos de interés.

Third-Party Review Report

Third-Party Review of Cerrejón's 2015 Sustainability Report

Scope of our work

We have reviewed the alignment of Cerrejón's 2015 Sustainability Report contents to the guidelines for preparing the Global Reporting Initiative's Sustainability Reports version 4.0 (G4).

Assurance standards and processes

This work has been carried out in accordance with the ISAE 3000 International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accounts (IFAC).

Our review work has comprised asking questions of management and of the diverse areas at Cerrejón that have been part of the preparation of the sustainability report and applying certain analytical procedures and sample checks as described below:

- Interviews with Cerrejón personnel to learn about the principles, systems, and management approaches used to prepare the report.
- An analysis of how (based on the materiality exercise) the contents, structure, and indicators in the report are defined, in accordance with the suggestions in the GRI G4 methodology.
- Assessment of processes for gathering and validating data presented in the report.
- Verification (using tests based on sample selection and the review of evidence) of the quantitative and qualitative information corresponding to the GRI indicators and their own included in the sustainability report and its appropriate compilation based on the data supplied by Cerrejón's sources of information.

Verification that the Integrated Report is prepared in accordance with the GRI G4 Core methodology.

General aspects

We confirmed that the report is in accordance with the requirements of the core option of the general aspects of the GRI G4: the G4-1 to G4-34 and G4-56 were reported. The company has also reported additional indicators to those required under the core option.

Specific aspects

We reviewed the management approach and GRI and their own indicators for material aspects (see Annex 1).

ANNEX 1

Material topics	GRI indicator and/or Cerrejón's indicator
Economic performance and contributions to La Guajira	EC1
Economic performance and contributions to La Guajira	HR7, HR8, HR12, MM5 Own. Number and percentage of goods suppliers that underwent the tender process with the company that are evaluated in human rights criteria.
Sustainable development and engagement with the community of La Guajira	SO1
Responsible, comprehensive resettlement	MM9
A safe, healthy work environment	LA6 Own Cerrejón in Motion
Water Management	EN8
Environmental regulatory compliance	EN29, EN31
Air quality and emissions control	EN21
Skill-building for our employees	LA11
Biodiversity	MM1
Waste management and disposal	EN22, EN23

Conclusions

Our review has found no aspect leading us to believe that the Sustainability Report contains any significant errors or has not been prepared in accordance with the guidelines for the preparation of Global Reporting Initiative (G4) core option reports.

Deloitte & Touché Ltda.

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Responsibilities of Cerrejón senior management and of Deloitte

- The preparation of the 2015 Sustainability Report, and its contents, is the responsibility of the organization. The company is also responsible for defining, aligning, and maintaining the management systems and internal control from which the data is obtained.
- Our responsibility is to issue an independent report based on the procedures applied in our review.
- This report has been prepared exclusively for the organization in accordance with the terms in our service proposal. We do not accept any responsibility from third parties other than the company's senior management.
- Our work has been carried out in accordance with the standards of independence required by the Ethics code of the International Federation of Accountants (IFAC).
- The scope of a limited review is substantially lower than that of an audit. Therefore, we provide no audit opinion on the integrated report.

Deloitte & Touche Ltda.
Jorge Enrique Múnera D.
Partner

Audit.Tax. Consulting. Financial. Advisory
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Tohmatsu

Findings & recommendations concerning Cerrejón's 2015 Sustainability Report

In addition, we have provided Cerrejón with our recommendations regarding areas for improvement to consolidate processes, programmes, and systems related to sustainability management. The most relevant recommendations are:

GRI and WBCSD Principles

Sustainability context

Observations

Cerrejón carries out an in-depth exercise to identify material topics for the company. However, it does not explicitly link its materiality with the United Nations' Sustainable Development Goals (SDGs) defined in September of 2015.

Recommendations

Although not part of the company's strategic priorities for the reporting year, Deloitte recommends that future reports prioritize and link the SDGs to the organization's materiality in order to better align its strategy with national and international agendas on sustainable development.

Comparability/Specification

Observation

It is worth noting that Cerrejón prepares its sustainability report annually, which allows its stakeholders to analyse the evolution of the organization's performance in management and also to compare it to other benchmark or peer organizations in the sector. Currently, the report is published in the second half of the year, which could detract from the pertinence of the information reported.

Recommendations

We suggest optimizing verification and reporting times for the sustainability report so that the various stakeholders have the information available right away and can thus make well-founded decisions.

Commitments and goals

Observations

It is evident and worth stressing the work by Cerrejón to integrate the company's challenges for 2015 both for its management of material topics and for topics related to its stakeholders.

Recommendations

We suggest this good practice be kept for future reports and the inclusion of goals set for the short, middle, and long term (both qualitative and quantitative) to allow measurement of the organization's performance and progress regarding sustainability management. This will permit an annual assessment on goals exceeded/not met and the definition of associated plans of action.

ANNEX 2 Declaration of Independence

Deloitte is one of the largest companies providing professional services in auditing, taxes, consulting, and financial and sustainability advice to public and private organizations in various industries. Deloitte provides its world-class skills and high-quality service to clients via a global network of member firms in over 185 countries. Approximately 210,000 professionals are committed to being a standard for excellence. We confirm our independence from Cerrejón. All of our employees take yearly refreshers in our Ethics Policy, where we specifically declare we have no conflict of interest with Cerrejón, its subsidiaries, or its stakeholders.

GRI Index

This report was put together following the guidelines of the GRI Global Reporting Initiative version G4.0, with the core option.

Code	Contents	Page	Independent Assurance
STRATEGY AND ANALYSIS			
G4-1	Provide a statement from the senior decision-maker in the organization	7	
G4-2	Provide a description of key impacts, risks, and opportunities	9	
ORGANIZATION PROFILE			
G4-3	Name of organization	2	
G4-4	The primary brands, products, and services in the organization	5	
G4-5	Location of organization's headquarters	2	
G4-6	Report the number of countries where the organization operates and the names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	2	
G4-7	Describe the nature of ownership and legal form	2	
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	5	
G4-9	Report the scale of the organization (employees, operations, sales)	6	
G4-10	Labour indicators (number of employees, region, type of contract)	24	
G4-11	Percentage of employees covered by a collective bargaining agreement	29	
G4-12	Describe the organization's supply chain	21	
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	21	
G4-14	Report whether and how the precautionary principle is addressed by the organization	9	
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	15	
G4-16	List associations (such as industry associations) and national or international advocacy organizations to which the organization belongs	16	
MATERIAL ASPECTS AND BOUNDARIES			
G4-17	List all entities included in the organization's consolidated financial statements and other equivalent documents	19	
G4-18	Explain the process for defining the report content and the Aspect Boundaries	10	
G4-19	List all the material Aspects identified in the process for defining report content	11	
G4-20	Report the boundary in the organization for each material Aspect	11	
G4-21	Report the Aspect Boundary outside the organization for each material Aspect	11	
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons	2	
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries	2	
PARTICIPATION OF STAKEHOLDERS			
G4-24	List stakeholder groups engaged by the organization	10	
G4-25	Report the basis for the selection of stakeholders with whom to engage	10	
G4-26	Report the organization's approach to stakeholder engagement	10	
REPORT PROFILE			
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded, including through its reporting	11	
G4-28	Reporting period (such as fiscal or calendar year)	2	
G4-29	Date of most recent previous report (if any)	2	
G4-30	Reporting cycle (such as annual, biennial)	2	
G4-31	Provide the contact point for responding to questions regarding the report or its contents	2	
G4-32	Report the 'in accordance' option with the guidelines that the organization has chosen	2	
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report	2	
GOVERNMENT			
G4-34	Report the governance structure of the organization, including committees of the highest governance body	14-16	
ETHICS AND INTEGRITY			
G4-56	Describe the organization's values, principles, standards, and norms of behaviour such as codes of conduct and codes of ethics.	16	

Management approaches, Basic specific material contents and from the Mining and Metals Sector Supplement:

Aspects	Code	Name	Page	Omissions	Independent Assurance
ASPECTOS MATERIALES					
Economic performance and contributions to La Guajira	G4-EC1	Direct economic value generated and distributed.	19		✓
	Own	Purchases from locally-based suppliers.	21		
Compromiso con los Derechos Humanos	Own	Percentage of new employees trained in human rights.	32		✓
	G4-HR7	Percentage of security personnel trained in organization's policies or procedures regarding aspects of human rights that are relevant to operations.	32		
	G4- HR10	Percentage of new suppliers screened using human rights criteria.	33		
	Own	The number and percentage of major contracts with current suppliers that include human rights clauses.	33		
	Own	The number and percentage of current contracts with suppliers subject to an audit on labour management issues.	33		
	G4- HR8	Number of incidents of violation of rights of indigenous peoples and measures taken.	35		
	G4- HR12	Number of grievances on human rights filed, addressed, and resolved through formal grievance mechanisms.	34		
Sustainable Development and Engagement with the Community of La Guajira	G4- MM5	The number and percentage of company operations or sites where there are formal agreements with indigenous communities.	51		✓
	G4- SO1	Percentage of operations with development programmes, impact assessments, and participation of the local community.	46		
Responsible, comprehensive resettlement	G4- MM9	Sites where resettlements have taken place, number of households resettled in each, and how their livelihoods were affected in the process.	52		✓
A safe, healthy work environment	G4- LA5	TWorkers represented on health and safety committees.	27		✓
	G4- LA6	Type and rates of injuries, occupational diseases, lost days, absenteeism, and number of work-related fatalities.	28		
	Own	Number of workers participating and percentage of adherence to Cerrejón in Motion programme.	28		
Water Management	G4-EN8	Withdrawal of high-quality water.	40		✓
Environmental regulatory compliance	G4-EN10	Percentage and total volume of water recycled and reused.	41		✓
	G4-EN29	Monetary value of fines and number of non-monetary sanctions for non-compliance with environmental laws and legislation.	59		
	G4-EN31	Environmental expenditures and investments by type.	59	Expenditures and investments correspond to: 20% CAPEX \$ 29,048,397,207 80% OPEX \$ 118,351,926,305	
Aspects	Code	Name	Page	Omissions	
Air quality and emissions control	G4-EN21	Emisiones atmosféricas significativas	60	The most relevant parameter is the particulate matter (PM) concentration. In contrast, greenhouse gases such as nitrogen oxides (NOx) and sulfur oxides (SOx) are monitored every two years both at our mining operations and in the communities in our area of influence. Records show them to have very low to undetectable concentrations.	
Other topics					
Aspects	Code	Name	Page	Omissions	Independent Assurance
Job Creation	G4- LA1	Total number of employees, rate of new hiring, and average employee turnover	24		
Skill-Building for Our Employees	G4- LA9	Average annual training hours per employee	25		✓
	G4- LA10	Amount of programmes for skills management and lifelong learning that support the employability of workers and assist them in managing career endings.	26		
	G4- LA11	Percentage of employees receiving regular performance and career development reviews by gender and employee category.	26		
Engagement with worker associations	G4-LA8	Percentage of health and safety topics covered in formal agreements with trade unions.	29		
	G4-MM4	Número de huelgas y cierres superiores a una semana de duración.			
Biodiversity	G4-EN13	Hábitats protegidos o restaurados	63		✓
	G4-EN12	Description of most significant impacts in biodiversity, species rescued, and species rehabilitated	64		
	MM1	Cantidad de tierra rehabilitada	64		
Gestión y disposición de residuos	G4-EN22	Total water discharge by quality and destination	42	235,872,629 BCMs of waste material removed, necessary step to access the coal reserves, will undergo rehabilitation processes	✓
	MM3	Management of mining waste	59		
	G4-EN23	Total weight of managed waste by type and treatment method			

Abbreviations

ABBREVIATION	MEANING
ACM	Colombian Mining Association (Asociación Colombiana de Minería)
ANDI	National Business Association of Colombia (Agencia Nacional de Industriales)
ANDESCO	National Association of Public Services Companies of Colombia (Asociación Nacional de Empresas de Servicios Públicos de Colombia)
APP	Public-Private Associations (Asociaciones Público Privadas)
AVC	High Conservation Values
BCM	Bank Cubic Metre
CCS	Consejo Colombiano de Seguridad [Colombian Safety Council]
CECODES	World Business Council for Sustainable Development (Consejo Empresarial Mundial para el Desarrollo Sostenible)
CEMT	Mining and Transfer Contract (Contrato de Explotación Minera y de Transferencia)
CESSMAC	Strategic Committee on Safety, Health, Environment, and Community (Comité Estratégico de Seguridad, Salud, Medio Ambiente y Comunidades)
CIFR	Classified or disabling injury frequency rate
CFI	International Finance Corporation
CIC	Conservation International Caribbean
CLMMW	Salario Mínimo Mensual Legal Vigente
CMC	Coal Marketing Company, sole marketing agency of Cerrejón coal
COL-GAAP	Generally accepted accounting principles in Colombia
Comfaguajira	Family Compensation Fund of La Guajira (Caja de Compensación Familiar de La Guajira)
COP	Communication On Progress
COPASST	Workers Committee on Occupational Health and Safety (Comité Paritario de Salud y Seguridad en el Trabajo)
Corpoguajira	Regional Autonomous Corporation of La Guajira (Corporación Autónoma Regional de La Guajira)
CSR	Corporate Social Responsibility
CZN	Cerrejón Zona Norte S.A.
DMI	Integrated Management District — Protected Area
DNP	National Planning Department (Departamento Nacional de Planeación)
EOT	Land Use Plan (Esquema de Ordenamiento Territorial)
EMP	Environmental Management Plan
FINCO	Cerrejón Finance Committee
FCPA	Foreign Corrupt Practices Act
GDP	Gross domestic product
GRI	Global Reporting Initiative
ha	Hectare
HOI	Human opportunity index
HR	Human rights
ICMM	International Council on Mining and Metals
ICONTEC	Colombian Institute of Technical Standards and Certification (Instituto Colombiano de Normas Técnicas y Certificación)

ABBREVIATION	MEANING
IDEAM	Institute of Hydrology, Meteorology, and Environmental Studies (Instituto de Hidrología, Meteorología y Estudios Ambientales)
IDP	Individual Development Plan (for qualified technical staff)
ILO	International Labour Organisation
IFRS	International Financial Reporting Standards
ISO	International Organization for Standardization
ISO 14001	Environmental Management System Standard published by the ISO
TI	Information technology
km	Kilometre
LEED	Leadership in Energy and Environmental Design
m ³	Cubic metre
MADS	Ministry of the Environment and Sustainable Development (Ministerio de Ambiente y Desarrollo Sostenible)
MDC	Management Development Committee
MEPU	Mining and Energy Planning Unit
MPI	Multi-dimensional poverty index
MPT	Professional staff
MT	Millions of tonnes
NGO	Non-governmental organization
NOOA	National Oceanic and Atmospheric Administration
NTC	Colombian Technical Standard (Norma Técnica Colombiana)
OCAD	Professional Organizations for Administration and Decision (Investments and Royalties) (Organos Colegiados de Administración y Decisión)
OD	Occupational diseases
OHSAS 18001	Occupational health and safety management systems specification
OIS	Operational Integrity System
PBV	Puerto Bolívar
PM ₁₀	Particulate matter under 10 micra
PM _{2,5}	Particulate matter under 2.5 micra
PTC	Qualified technical staff (personal técnico calificado)
RIFR	Recordable injury frequency rate
RFP	Protected Forest Reserve (Reserva Forestal Protectora)
SAGRLAFT	System for the self-regulation and management of the risk of money laundering and financing of terrorism
Sena	National Training Service (Servicio Nacional de Aprendizaje)
Sinracarbón	Majority Cerrejón trade union
Sinracerrejón	Cerrejón worker trade union
Tonne	Metric tonne
TSP	Annual average of total suspended particless
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
US-EPA	Environmental Protection Agency of the United States
µg	Microgramo
WQI	Water quality index

Glossary

GLOSSARY	MEANING
ANLA	National Authority for Environmental Permitting (Agencia Nacional de Licencias Ambientales)
BOW - TIE	Cerrejón's risk management system
Comprehensive performance index	This index measures the performance of regional entities as regards efficacy in meeting the goals of their development plans, efficiency in providing the basic services of education, healthcare, and drinking water, compliance with budget execution requirements defined by law, and administrative and fiscal management.
Recordable injury frequency rate (RIFR)	The RIFR is calculated based on the number of persons injured per 200,000 hours of exposure over the number of hours of exposure in that period. It includes all injuries except for first-aid treated ones.
WQI NSF	The NSF water-quality index was developed by the National Sanitation Foundation (NSF) of the United States of America and adopted by Cerrejón. It serves to evaluate the sanitary quality of the river and its creeks as influenced by outside sources and by the mining operations.
Mining WQI	The Mining WQI was developed by the University of the Valle for Cerrejón. It reflects the influence of mining activities on the water quality of the river and its tributary streams.
Water pond (jagüey)	The term jagüey is a Wayuu word used in Colombia for surface water deposits in areas with extended seasonal droughts. In: http://www.boletinagrario.com/ap-6,jagüey,527.html
OCAD	Professional Administrative and Decision Bodies (Órganos Colegiados de Administración y Decisión) of the municipality of Albania
Pit	Step or mining unit on which extraction work proceeds in open-pit mines. In: http://www.anm.gov.co/sites/default/files/DocumentosAnm/glosariominero.pdf
Compite	Reinforcement programme for cost control culture 2014–2015
Compite 2.0	Programme to strengthen the strategy for performance improvements based on good sector practices and our own historic performance.
Money laundering	A means to give the appearance of legality to illegally obtained money. Source: Company Superintendency.
PAUEDA	Water Conservation and Efficient Usage Programme (Programa de Ahorro y Uso Eficiente del Agua)

