

REVISTA



DRUMMOND

June 2019 / Issue 9

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A world-class
operation

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Revista Drummond is published by Drummond Ltd. Colombia.



DRUMMOND LTD.
COLOMBIA

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By Roberto Carlos Hernandez

An example to follow



There are catchphrases that people use without even realizing it, and in many cases they are clichéd expressions that we use because we can't think of anything different or original to say about something or someone. In this case, today I would like to use one of those phrases without reservation and without fear: what would the development of one of the country's main mining projects have been like without the work that Alfredo Araujo and his team in the Community Relations Department have been doing? By sowing seed by seed, they have helped to create a relationship with our surroundings that has greatly contributed to Drummond's success in Colombia.

As many of you know, Alfredo is now the longest-tenured employee at Drummond Ltd., and he recently celebrated 30 years of supporting us and guiding us, along with his team and in cooperation with the company's corporate and operational areas, in our relationships with the communities and local governments in our area of influence.

Drummond has a direct presence in five municipalities in the mining zone in the center of the Cesar Department, the municipality of Ciénaga in Magdalena, where our export port is located, and an indirect presence as a user of the Fenoco railroad concession, which connects our mines along 195 kilometers to Puerto Drummond. Adding the departmental capitals, our area of influence covers approximately 350,000 people.

Alfredo, as the Community Relations Manager, has been responsible for spreading Drummond's good name throughout the region, with all of our stakeholders. He has given special attention to building and implementing a *Good Neighbor* strategy, with investment areas focused on optimizing conditions for coexistence between Drummond as a member of civil society and the community.

This has led us to build trust in our relationship with the community and a transparent and constant dialogue through which our surroundings and the residents of our area of influence have become natural allies of one of the country's largest mining projects.

This hard work by Alfredo and his team was the beginning of everything we have today. At the same time, thanks to the audits and observations by third parties, we have implemented plans for continuous improvement. One example is the European organization Bettercoal, whose first audit in its history was conducted with Drummond in 2014, and the latest one was completed at the beginning of this year, with very positive results.

The examples of the company's good practices highlighted by Bettercoal include the Human Rights Risk Management System, its active participation in and support for initiatives like the Mining and Energy Committee and the Working Group on Human Rights and Coal; its preference for local suppliers and skill-building so that local companies can qualify as suppliers; its certification under standards such as OHSAS 18001 in occupational health and ISO 14001 in environmental management, both at the mine and the port.

Another measurement metric is the study by *Brújula Minera*, which measures perceptions of companies in the sector around the country every year. According to the latest measurement, Drummond now has about 70% favorability in the mining municipalities. Additionally, in terms of the way that government officials perceive the company's environmental performance, we moved up from 10th place in 2014 to 2nd place in 2018.

All of the above reflects the progress from the intense teamwork that shows the responsibility and sustainability of our operation, developing

robust systems and policies in key areas where we had opportunities for improvement, which has given us very strong results.

Our Corporate Social Responsibility policy is focused on the United Nations' Sustainable Development Goals, with pillars such as Peace and Human Rights, the Economic Development of our surroundings, our Governance for Development through which we promote initiatives to strengthen institutions, and Environmental Development where we reinforce all issues related to sustainability, both in our operations and in the communities in our area of influence.

For this reason, as I said at the meeting of the Colombian Mining Association in Cartagena in May, the company has contributed, for example, through improvements to educational and healthcare infrastructure in its area of influence, as well as projects that promote peaceful coexistence within the framework of respect for human rights. We also work on training and supporting public officials with programs that give them the tools to develop projects that contribute to the sustainability of the region.

All of this has been achieved in large part thanks to the ongoing relationship work to which Alfredo Araujo has dedicated great efforts, with heart and soul, and which has yielded great results for the company. The foundations that Alfredo and his team have built since the early 1990s have allowed us to not only evolve in our Corporate Social Responsibility programs, but also to operate in an environment with a community that supports Drummond and see in us opportunities for it to develop and grow.

A World-class operation

Drummond Ltd.'s operations are based on the highest standards used around the world. Our work, focused on excellence and continuous improvement, comes out of a corporate culture that strives for performance free from risks, in the framework of best practices.

Drummond Ltd. redoes large-scale open pit mining using highly technical methods. The process encompasses the different stages of coal production, selection, transportation, and shipping, all done using efficient monitoring and control processes that guarantee environmental protection, safety for the company's workers, and progress in the communities.

In addition to performance, Drummond Ltd. believes it is essential to obtain those good results while considering the well-being of the people in the communities in the area of influence. The operation must be safe and must promote respect for human rights in every process, seeking to go above and beyond the requirements of business and environmental regulations.

To ensure compliance in these areas, the company has adopted diverse standards to make sure objectives are met, both at

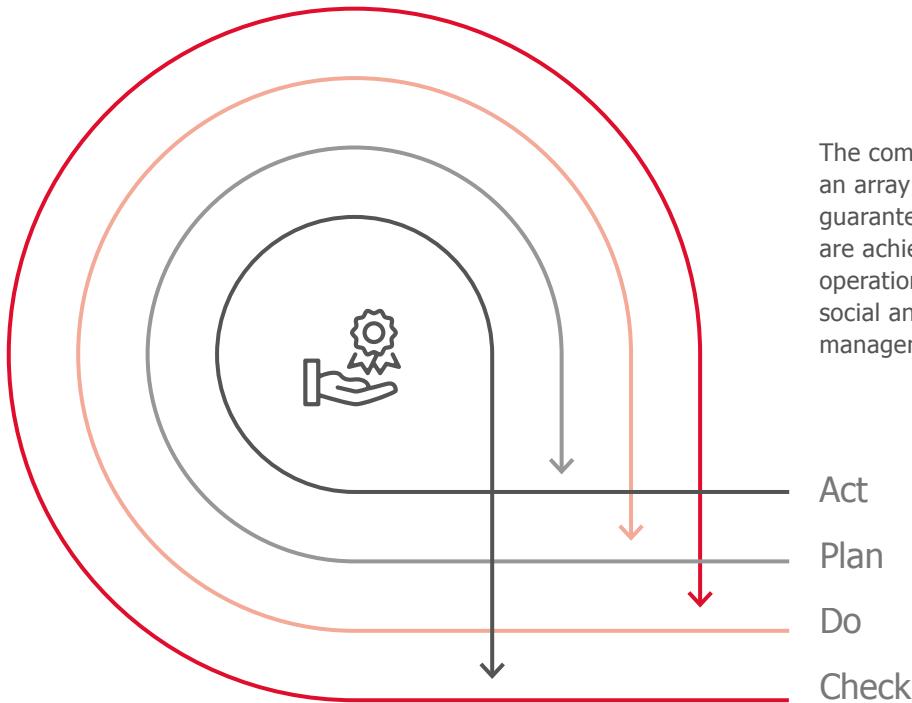
an operational level, and also in terms of its social and environmental management.

This has to do with executing the company's strategy based on three key pillars: the sustainability of the business, effective social and environmental management, and the well-being of employees.

Operating under High Standards

The work in the mines excels in aspects such as occupational health and industrial safety.

"Working at a company like Drummond Ltd., more than an opportunity, it is a privilege, because we form a part of an organization that, through the commitment of high-level management, demonstrates a concern for the health and safety of its employees," stated Oscar Vega, Safety Manager at Drummond Ltd.



The company has adopted an array of standards to guarantee that objectives are achieved both at an operational level and in its social and environmental management.

The company is aware of the potential impacts of the operation. Drummond Ltd. therefore ensures, through its management system, the prevention of accidents and illnesses. Continuous improvement is a key element for keeping the system updated and constantly reducing risks. The system is based on the Deming cycle, as established in the OHSAS 18001:2007 standard, in which Drummond Ltd. has been certified.

The first frame of reference for the company's standards in this area is Decree 1072 in 2015, which issued the Sole Regulatory Decree for the Labor Sector. The Decree established the basics of employment and labor law.

Occupational Health and Safety

The international standard OHSAS 18001 establishes minimum requirements for best practices for occupational health and safety. These requirements help an organization control operational risks and improve performance.

Certification in this standard ensures the operation has procedures in place for reducing the number of work-related accidents.

Recently, 16 Drummond Ltd. employees were certified as auditors of the Occupational Health and Safety Management System, based on the ISO 45001:2018 standard.

To promote a culture of continuous improvement in accident reduction, Drummond Ltd. uses the Tap-Root methodology to identify the causes of incidents and propose strategies for preventing their repetition in the future.

In addition, it follows the guidelines of the Occupational Safety and Health Administration – OSHA, which is the federal agency in charge of watching over the health and safety of workers in the United States. The guidelines establish the rights and responsibilities of employers and employees, along with a series of indispensable requirements for guaranteeing a safe environment for the workplace.



In order to stimulate continuous improvement in the areas of occupational health and safety, companies in the sector share best experiences, in order to build on a foundation of results based on evidence.

The Environment

ISO 14001 is the international standard for Environmental Management Systems (EMS), and it is very useful for identifying, prioritizing, and managing environmental risks as part of the habitual practices of a business.

One of the great strengths of this standard is that it can be integrated with other management system standards (such as ISO 9001, focused on quality) to facilitate a more fluid performance inside organizations.

The most important thing about applying a standard like this one is that risks are managed comprehensively and actions are taken to prevent certain events, leading to efficiency, which means more responsible management of the surroundings.

Local authorities, regulatory bodies, the communities, and even clients outside the country are deeply interested in learning about the company's environmental management, and the application of this standard is of great help in that aspect.

Drummond Ltd.'s buyers, located in diverse parts of the planet, also want to know how the company manages the environment, and in this aspect, certification plays a key role.

Bettercoal functions in a similar manner. It is an international organization of coal buyers that established a performance code focused on sustainability regarding the supply chain for the coal industry, and it promotes continuous improvement.

To analyze performance, based on these standards, companies must implement corporate transparency policies, work to involve stakeholders, and establish a risk-based approach.

Among the examples of the company's best practices highlighted by Bettercoal are our human rights risk management system; our active participation and support for multi-actor initiatives such as the Energy Miner's Committee and the Human Rights and Coal Working Group; the development of the skills local companies need in order to qualify as suppliers; and our certification under standards such as OHSAS 18001 in occupational health and safety and ISO 14001 in environmental management. The report also mentions that the conditions of the operations during the field visit and the management practices were outstanding.



Corporate Aviation

Drummond Ltd.'s operation uses foreign aircraft in Colombia. The company therefore applies both US and Colombian regulations, in order to provide a high quality service in line with the standards of both countries.

In compliance with the parameters of the Aviation Regulations of Colombia and the Latin American Civil Aviation Regulations, Drummond Ltd. is recognized by the International Business Aviation Council – IBAC as an organization dedicated to promoting best practices for aviation in businesses.

Drummond Ltd. is the only corporate operator certified in Colombia by the International Standard for Business Aviation Operations - ISBAO.

To achieve this objective, the company participated in a demanding review and verification process by the international organization, and the effort produced a model for the highest level of corporate aviation management in Colombia.

Safety in Drummond Ltd.'s aviation operation is essential. It is governed by the parameters of the Safety Management System – SMS. That system produces preventive reports

and reports after the fact to promote continuous improvement of the service and apply best practices. ►

Aviation at Drummond Ltd. – Figures



The standards that support our operations

Through the adoption of norms and standards from different sectors, Drummond ensures the application of best practices and the quality of all of its processes. This is the way it supports a world-class operation.



Mining and Energy Committee (MEC):

This initiative brings together companies in the industry that want to participate in developing improvements in human rights management, based on a proactive and respectful dialogue among the companies, civil society, embassies and the national government. In 2017, Drummond was accepted as a member of the MEC in late 2017, and in 2019 became a member of the Board.



Bettercoal:

The purpose of this organization is to promote continuous improvement in coal mining to benefit society by promoting the implementation of good practices that ensure mining that is responsible with people and sustainable for the environment. The company conducts evaluations and offers feedback in different areas to identify opportunities for improvement.



Voluntary Principles (VP) on Security and Human Rights:

These principles were launched in December 2000 by the U.S. Department of State and the U.K. Office of Foreign Affairs. They offer practical guidance for companies to ensure that all of their operations are conducted within the framework of human rights.



NPA:

The National Plan of Action on Business and Human Rights (NPA) was a pioneering legal document in the continent issued by the national government in 2015, inspired by the standards described above (VP and UNGP, in addition to the work by multi-actor initiatives such as the CME, the Global Compact and Colombia Guides).

Many of these standards are integrated into the company's work on a voluntary basis. Although they are not mandatory, they are part of Drummond's commitment to achieve a responsible and sustainable operation.



OHSAS 18001:

This is the international standard for excellence on specifications regarding workplace health and safety. OHSAS (the Occupational Health and Safety Assessment Series) compiles the requirements that companies must meet to ensure the welfare of their employees in the work environment. The company is currently working to make the transition to the ISO 45001 standard, which replaces the OHSAS and provides new opportunities to promote the development of better workplace health and safety systems.



U.N. Guiding Principles (UNGP) on Business and Human Rights:

Also known as the Ruggie Principles (for their creator's last name), they offer a set of guidelines for companies to promote human rights, respect them in all their actions and provide effective remedies if any negative impact is generated.



Working Group on Human Rights and Coal:

Drummond Ltd. participated in what initially was a pilot program at the invitation of the Presidential Office on Human Rights, to exchange experiences, identify replicable lessons and make recommendations regarding public policy, in cooperation with other companies in the industry. It is now a permanent Working Group.



MSHA:

The Mine Safety and Health Administration is an agency of the U.S. Department of Labor that offers guidelines for safe mining activities. Drummond applies these principles in its operations to complement its work on occupational safety issues.



Sustainability Accounting Standards Board (SASB):

Since 2011, this institution has developed and promoted the adoption of accounting standards in sustainability. Although it was created in the United States, Drummond uses it as a point of reference and implements several aspects that ensure responsible behavior by the organization in its accounting tasks.



ISO 14001:

This is the international standard for environmental management systems. It allows companies to identify, prioritize and manage its operations' environmental risks, taking into account the sustainability of the business and environmental protection in the areas of operation.



'Palabrario & Numerario',

a project for elementary education

Thanks to a partnership between Drummond Ltd. and the Genesis Foundation, the 'Palabrario & Numerario' project has benefited more than 5,600 children at schools in the municipalities of Agustin Codazzi, Chiriguana, La Jagua de Ibirico, and El Paso.

This program is a part of Drummond Ltd.'s Corporate Social Responsibility Strategy, which from the beginning has promoted the development of communities by generating educational opportunities. One of the pillars of Drummond Ltd.'s CSR strategy is 'Comprehensive Development,' which means, "Strengthening local skills for the prosperity of employees, their families, and the communities in our area of influence."

This particular project transforms the teaching practices of preschool and elementary teachers to strengthen student performance in the areas of language and mathematics.

The goal of 'Palabrario & Numerario' has a broader scope than just the academic arena, seeking to contribute to the development of children and families in the area of influence of Drummond Ltd.'s operations.

"From the beginning, at Drummond Ltd. we have worked hard on expanding the coverage of the school system in the area of influence, and we have made significant

progress. Now we are focusing on improving the quality of that education. That's why we started working with the Genesis Foundation to implement this program and make a contribution to the education of preschool and elementary children," stated Juan Pablo Arteaga, Corporate Social Responsibility Manager at Drummond Ltd.

The program was launched and is operated in the Department of Cesar by Corporacion Educativa Minuto de Dios, which is in charge of the fieldwork, with strategic direction from Drummond Ltd. and the Genesis Foundation.

Solving Problems affecting Children

Despite the significant progress made in the percentage of children attending school, the crisis in the quality of their learning continues to be a critical issue worldwide. According to the United Nations Educational, Scientific and Cultural Organization (UNESCO), there are currently 250 million elementary-age boys and girls, either attending school or not, who are deficient in the basic competencies of reading and writing.

The goal of 'Palabrario & Numerario' has a broader scope than just the academic arena, seeking to contribute to the development of children and families in the area of influence of Drummond Ltd.'s operations.



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SCHOOLS

The Palabrario & Numerario program raises the standards for mathematical thinking and develops competencies in reading and writing starting in early elementary. This helps children reach their potential and gain a positive attitude about math. It also leads to their recognition as people who are capable of learning and actively participating in the world.

them improve their teaching practices. They can then strengthen the reading, writing, and mathematical skills of the children who reap these benefits,” stated Bonilla.



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TEACHERS

“Palabrario & Numerario” is an educational program that promotes reading, writing, and logical-mathematical thinking for preschool and elementary students, through a transformation in the way teachers teach,” explained Andrea Bonilla, Program Coordinator at the Genesis Foundation in Colombia.

Currently the program is in Phase I of the three that will be carried out. In phase I, through workshops targeting school Principals and teachers, future challenges are identified that will be covered in the following phases, in order to help strengthen and transform teaching practices in the classroom, making them more dynamic.

Drummond Ltd. will remain steadfast in its commitment to education and will continue to form alliances and develop projects to strengthen education by supporting training programs that improve the quality of life of the inhabitants of the mining corridor and contribute to the quality of education.



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CHILDREN FROM PRESCHOOL TO FIFTH-GRADE

The main objective is to implement a training program that emphasizes methodologies and the use of didactic materials in order to raise the quality of teacher’s educational practices for developing competencies in reading, writing, and logical-mathematical thinking for preschool and elementary students.

This is an essential point in the Sustainable Development Goals (SDG 4) with which Drummond Ltd. identifies and promotes in order to help bring about the 2030 Agenda established by the United Nations. ▶



Contributing

to peacebuilding

With the goal of contributing to peace-building in Colombia and preventing the recruitment of minors in its area of influence, Drummond Ltd. has partnered with the Agency for Reincorporation and Normalization (ARN for the Spanish) in a high-impact social project for community integration and collective protection of the social environment.

The project, called 'Protective Arenas for a New Peace-building Generation,' is underway in the 'Primer La Gente' neighborhood in the town of La Loma in the municipality of El Paso, Cesar. There, the ARN did a diagnosis using a social mapping methodology to identify possible risks associated with recruiting minors, risks born out of various problems in the community.

"In the neighborhood we identified an opportunity for the recruitment of minors, not only by illegal armed groups, but also by other illegal activities related to sexual exploitation, child labor, and other types of abuse," stated Yilda Pineda, Drummond Ltd.'s Community Relations Coordinator in Cesar.

Through the diagnosis, the project identifies whether the risks in the neighborhood are associated with a lack of infrastructure (spaces for recreation and sports) or with deteriorated relationships (little communication between neighbors, or lack of trust in institutions) and then deploys a strategy to leave capacity installed in such a way that the difficulties can be overcome.

This process provides more opportunities for education, recreation, and protection in spaces set aside for free-time activities that promote integration within the community in addition to promoting a collective consciousness.

Although the project focuses on providing accompaniment for children and teens, information about the project is shared with parents in order to get them involved. In addition, neighborhood leaders and members of the Community Action Board participate, and the project is presented along with the Colombian Institute for Family Welfare and the Children and Teens Police Unit.

Through recreational activities, the ARN team interacts with the children and teens, and shares with them basic aspects related to values. The Children and Teens Police Unit shares advice with the community on how to lower the risk of the recruitment of minors.

In addition to talks reflecting on values and children's rights, activities are organized to empower the young people and strengthen in them their neighborhood identity.

Through fun recreational activities, the ARN team interacts with the children and teens, and shares with them basic aspects related to values.



Campaigns to protect the environment and beautify neighborhood streets are some of the activities organized by the project in the community.

“In the name of the ARN we would like to thank Drummond Ltd., the Office of the Mayor of El Paso, and the inhabitants of La Loma for joining these important partnerships that have the main objective of building peace and contributing to reconciliation in the different regions of the country,” stated Angelica Agamez, ARN Coordinator in the Cesar Region.

**Installed Capacity:
the results of the project**

The project involves three lines of action: arenas for community reintegration, arenas for the prevention of recruitment, and arenas for strengthening the exercise of citizenship.

This intervention seeks not only a short-term response. It also works toward a transformation that can be sustained over time. For that reason, to generate strategies that will reduce the risk of the recruitment of minors, the project delivers installed capacity to the community in terms of infrastructure and knowledge.

Sports Club: A sports club was organized, recognized by the local administration,

strengthened by Drummond Ltd. with sports equipment, and administered by the community of the ‘Primero la gente’ neighborhood. Although there was already a team and a place to practice, the team needed equipment for the children and maintenance for the field. Practicing soccer with a focus on values has thus been encouraged, in a similar manner as is done with ‘Golombiao.’

The result will be a friendlier community that thinks about actions they can take together and that takes care of places where minors can engage in healthy leisure time activities. 150 children have benefited directly from this program in the neighborhood. The project will make a visit every three months to check on the continuity of the program and how the spaces are being cared for, because the idea is to maintain the support in order to replicate this experience in other communities.

This project invests in generating developmental spaces, reweaving the social fabric, recovering athletic fields, integrating the community, and promoting early prevention of the recruitment of children in the Department.

Drummond Ltd. continues strong in its commitment to work for peacebuilding in its area of influence through projects like this one, stimulating the development of communities. ►

Drummond Ltd. continues strong in its commitment to work for peace building in its area of influence through projects like this one, stimulating the development of communities.

“Sustainability
is what
brings us
together”

On May 9th and 10th the National Mining Congress was held in Cartagena de Indias, with the theme of “Sustainability is what brings us together,” highlighting the importance of responsible and sustainable mining.

This annual event has become a showcase to present the work and progress made by mining companies in Colombia in what, in 2019, has become a highly technified, environmentally sustainable industry that generates high-paying jobs and contributes every day on a large scale to the country’s economic development.

During the first day of the Congress, the President of Drummond Ltd., José Miguel Linares, in one of his last acts at the end of his two-year term as Chairman of the Board of Directors of the Colombian Mining Association (CMA), stressed the importance of the contributions that the mining industry is making to the country’s gross domestic product, noting that mining represents 28% of national exports and contributes nearly COP \$4 trillion in taxes and royalties.

Additionally, Mr. Linares called on the national government and the private sector to carry out initiatives that would give legal security to the industry. For this reason, he reiterated the sector’s support for this administration, which seeks to pass a Prior Consultation law that would make the rules of the game clear for both companies and the ethnic communities. “We need to have clarity in the rights, and also in the obligations and responsibilities of the State, in addition to complying with the timelines for conducting these consultations,” he said. This is why creating ties with the government has been a major goal.

During the Congress, it was stressed that one of the critical factors that has helped mining to continue contributing not only to the country’s finances, but also to the communities, are industry members’ corporate social responsibility policies, most of which are



aligned with the United Nations' Sustainable Development Goals.

This event also presented Drummond's work and its commitment to the country, demonstrated through initiatives for improving education and healthcare infrastructure and peaceful coexistence. The company also promotes trainings for public officials and programs that serve as tools for developing projects to support the sustainability of the regions.

During the Congress, Mr. Linares stated that "the mining sector was one of the main promoters of a dialogue that made it possible to create the National Plan of Action on Human Rights and Business in 2015. Similarly, at companies like Drummond, we have worked with the Agency for Reincorporation and Normalization, with the aim of supporting projects that allow

people who have demobilized to have real opportunities to reintegrate into society, and we have supported the victims of violence so that they can return to their land and dedicate themselves to farming."

It was a gathering in which the national government, the mining industry and the community at large had the opportunity to come together and encourage opportunities for discussion to promote development initiatives for the regions where these companies operate, making clear the importance of belonging to and working in support of this industry. "I will never get tired of saying that each one of us, our families, the employees of the companies we lead, our contractors and suppliers, should say to the country that we are deeply proud of being miners. That's what we are. That's what unites us. That is what we have to show the world," said José Miguel Linares. ►



Operations

with a minimal accident rate

A safe operation is one of the pillars of the company. To protect the health and well-being of its employees, Drummond Ltd. employs different measurements and strategies based on international standards, thanks to which it has a world-class operation with systematic projects to reduce the accident rate.

Mitigating risks, taking into account the huge size of the equipment used in the operation and the work done in the mining process is one of the aspects under which the company projects its occupational health and safety policy.

“Running the comprehensive management system oriented toward protecting and conserving the environment and the health and lives of its employees, contractors, subcontractors, visitors, and communities is part of the company’s everyday work, as it seeks to generate well-being for all of its stakeholders,” stated Jorge Hinojosa, Production Superintendent at Drummond Ltd.

Aware that any abnormal situation can represent a risk of great magnitude from the slightest accident, Drummond Ltd. has implemented tools and systems based on international standards that provide the safety employees need.

The Center for Attention to Sleepiness and Fatigue (CASF), a stalwart ally

The CASF (Center for Attention to Sleepiness and Fatigue) offers company employees different activities to avoid fatigue and sleepiness to the maximum. Fatigue and sleepiness are two situations that present a high risk to a mining operation such as that of Drummond Ltd.

“The Center gives immediate attention to an operator who feels tired, during the day or night. As soon as he reports symptoms of fatigue, the personnel automatically stops the machinery he or she is handling and the operator is removed from the scene of the operation. Later, the person involved is given a safety talk,” added Hinojosa.



At the Center for Attention to Sleepiness and Fatigue, follow-up is done on operators who have repeatedly reported sleepiness, have been involved in accidents related to fatigue, those returning from vacation, and operators who have been reported by their coworkers for some sort of suspect behavior.



To establish these relationships with the employees, the Center engages in the following activities:

- **Cab Contact:** This is an opportunity for generating confidence between a truck driver and his or her supervisor. The supervisor accompanies the driver in the cab during the truck’s run through one or two cycles. During that time, they talk about personal matters and safety issues, and review the conditions of the operation. As of the month of October 2018, 2,286 cab contacts had been conducted.
- **Interviews:** This is a meeting in the truck office between the supervisor and a driver to give the employee feedback on topics of interest to the area, such as safety, absenteeism, and performance. This activity is supported by the Occupational Health Department, the Human Resources Department, and a psychologist if necessary.
- **Sleepiness Report:** This is a report made by a truck driver when he feels tired or drowsy as a result of any adverse condition, whether psychological or physical. During 2018, close to 950 sleepiness reports were filed by truck drivers.
- **Cacica Stereo:** Drummond Ltd.’s Communications Department partnered with the regional radio program Cacica Stereo to develop programming through which drivers can listen to each other and program the music they want to

hear. They can also listen to special programming for them during the night shift. This is a way the company can help drivers stay alert during their work shifts.

- **Active Pauses:** Active pauses allow truck drivers to take a 10-minute segment of time to climb down from the truck and stretch, exercise, have a cold drink, or do any activity that will activate their bodies and keep them awake and focused on the job. Truck drivers have taken more than 5,600 active pauses this year.
- **Monitoring to Support Drivers:** Truck drivers can be monitored using the dispatch system. There are 10 lines of action for doing this monitoring, especially after a driver comes back from vacation or when he has a temporary sleep disorder.

During 2018, more than 4,700 actions were taken to follow-up on drivers. Since the creation of the Truck Department in 2013, a reduction of more than 30% has been maintained in the accident rate year-over-year, and the time-period between one accident and another is approximately 50,000 hours. These figures are of great importance to the company, bearing in mind that the operation requires close to 250 trucks and more than 4,000 employees.

The team’s motto is “Our priority today, tomorrow, and always is zero accidents.” Their objective is to live with safety as a lifestyle. ►



This is how we train

our team

For Drummond Ltd. it is of the utmost importance to have a positive impact on the quality of life of its workers through education and training programs designed to strengthen their skills in different dimensions.

In House Program:

This program discovers talent in the company's area of influence (Departments of Cesar and Magdalena) and offers them opportunities to join the company.

"People from the region are trained to operate mining equipment such as trucks, bulldozers, motor graders and other equipment to later on fill jobs that open up according to the needs of the operation. After successfully completing this learning process, they have the possibility of working directly for Drummond Ltd.," stated Claudia Acosta, Director of Development and Selection at Drummond Ltd.

At the beginning of the project, Drummond Ltd. hired personnel experienced in mining who

came from different regions of the country. With support from SENA, it later sponsored railroad and mining training programs.

The growth of the project and the arrival of more equipment and machinery, together with a scarcity of skilled personnel to fill the positions needed, required it to select personnel from outside its area of influence. Currently, Drummond Ltd. trains them directly through its Training Area.

In House training lasts for one year, during which time all the participants are hired directly by the company through a fixed-term employment contract. In addition to the remuneration and legal benefits, participants receive subsidies for transportation, food, and uniforms, among many other benefits.

To participate in the project, people must meet the following qualifications: they must be of legal age, high school graduates, from one of the municipalities in the project's area of influence, have a driver's license, and demonstrate having family-type responsibilities.

In addition to the remuneration and legal benefits, participants receive subsidies for transportation, food, and uniforms, among many other benefits.



The course includes the following stages:

- 1. Classroom stage:** Training is provided in all the basic concepts related to the equipment and safety policies.
- 2. Simulator Training:** Tasks are done in simulators before doing them out in the field.
- 3. Operating by watching** (Training from inside the equipment, accompanying an instructor).
- 4. Operating by doubling up** (Training from inside the equipment, operating it with the support of an instructor).
- 5. Operation of the equipment** (Operating alone only on the day shift and accompanied by the instructor during the night shift).
- 6. Operating alone**

From the beginning of the program in the year 2009, **712** people from the Department of **Cesar** have participated, distributed as follows:



Approximately 80% of the people who have participated in this training process have subsequently been hired by the company under open-ended contracts. Those not hired, however, still have the skills to apply for a job with any other company in the country's large-scale mining sector.

"This Human Resources program that is part of one of the pillars of the CSR strategy, is one of the ones that generates the most pride for Drummond Ltd. This is because, out of the 712 people who have been trained from municipalities such as El Paso, Chiriguana, La Jagua de Ibirico, Becerril, and Agustin Codazzi, 80% continue to work for the company in 2018," added Acosta.

Professionals in Training

To promote training within the organization, Drummond Ltd. implemented a training program focused on professionals in careers connected with mining: civil engineering, mechanical engineering,

industrial engineering, and electrical or electronic engineering.

This program began in the year 2006 with the first group of professionals. It lasts for approximately one year, and its objective is to train a group of professionals to move into supervisory and leadership positions in the company in the future.

This training focuses mainly on the organizational culture inside Drummond Ltd. and it is accompanied by a mentor who continuously provides guidance to the professionals during the entire process.

Currently, 25 professionals who went through the process have been hired directly by the company, holding positions of leadership in different areas of the mining and port operations. Last October 3, twenty-four professionals began the classroom stage, all of them from the Department of Cesar, and they are now in field training, rotating through all the areas of the mining operation. ▶

30 Years of serving

the community

Alfredo Araujo celebrates 30 years with Drummond Colombia, where he currently serves as Community Relations Manager, a position where he has been able to fulfill his dreams. In an interview with **Revista Drummond**, he tells us about his experience at the company, the lessons learned over the years and the importance of his work in his life.

How did you start your career at Drummond?

I started as an Administrative Manager. At that time there were three of us who supported all of the company's departments and we were in charge of the different processes, especially processing the permits and preparing the studies.

I remember when construction started on the coal port in Ciénaga (Magdalena) and we had to move there. It was in 1994 when construction was complete that the Community Relations Department was created, based in Valledupar, and I have lived here ever since.

What has motivated you to work at Drummond for 30 years?

The challenges. When I joined the company, Drummond had just signed a contract with the national government to carry out a project that required different designs, construction and assembly processes. After working hard on it for six years, we could see the fruits of our labor. It is worth noting that, at that time, the country was in a complicated situation in terms of law enforcement and that was not attractive for foreign investment projects.



At the same time, Drummond was starting mining activities in the Cesar Department and our challenge was to build a solid relationship with the neighboring communities so they could understand that it would be a long-lasting project that would include cutting-edge technology and would be beneficial for all.

Working for Drummond changed my life. I started to work thinking about the long-term, about the project and the stability that it represented for me and my family. Today I thank God for having given me this opportunity.

Did you ever imagine that you would be working at Drummond for 30 years?

No, before I joined the company I had different life expectations related to activity in the public sector, but the truth is that people would rather stay where they have support, backing and activities to complete. I chose to stay at the place where I could fulfill my dreams.

From the Community Relations Department, I have been able to

achieve everything I envisioned and wanted to do in the public sector.

Of the strategies that you have promoted in the Community Relations Department, which ones have been most significant?

We started with a community relations policy where we created different programs to benefit the communities. The first program was *Strengthening Communities*, through which we promoted education, healthcare, recreation and sports strategies. This was the program that provided solutions to the deficiencies that we found in the socioeconomic impact studies conducted for the projects.

Because the region has weaknesses in terms of developing projects, and the municipal governments receive funds from different sources, either through royalties or funds from the national government, but they don't know how to develop projects, we created the *Institutional Strengthening* program, in which we have helped to strengthen the different municipalities through training, in partnership with universities, so that they

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can manage their own projects. In parallel, we created the Committee for Monitoring Investment of Royalties (CSIR, in Spanish) in the department, which provides real-time monitoring of accountability reporting processes. This institutional strengthening has allowed the community to take ownership of the oversight of their projects and the different ways they receive resources.

We have also worked using a Community Information program, through which we show the community what we do at Drummond. We promote regular, on-going visits to the operation centers so the community can learn about our mining activities, the company's obligations and the projects that benefit them. Similarly, we provide accountability through meetings where we show the community how we have implemented our social and environmental plan.

We have always had the support of the communities in every aspect.



Which areas of the company are part of the strategies aimed at the community?

Department, which has worked hard to support the relationship with neighboring communities and stakeholders so that people perceive us as being good neighbors (responsible with the region).

Over time, the company has been aware of the importance of having a strategy that guarantees its policies and establishment, and for that reason they are an important part of it. It goes without saying that from Drummond's highest levels, we have aimed to have everyone contribute so we can continue to be a company that is responsible with its environment.

What lessons has Drummond taught you on a personal and professional level?

I have learned constantly. From the first day that I started, I have learned new things, things that we didn't even use to handle in this country. Doing mining like Drummond does is novel and today, through our work, many sectors in Colombia have developed an exact understanding of how technical and responsible mining is done.

At Drummond we learn something new every day. This is a company that started as a family business that has a very clear philosophy, which has shown me every day what a big heart Garry Drummond had. I have learned that the easiest way to conduct a professional activity is by growing closer to individuals. ■



Drummond Ltd. joined 'Clean Colombia'

With an aim of promoting greater awareness and care of the planet, Drummond Ltd. joined the national initiative 'Clean Colombia.' The municipality of Cienaga is part of that initiative, as one of the country's 13 destinations where massive cleanups are taking place. The company cooperated with the campaign to pick up garbage in the El Carmen neighborhood. That campaign strongly emphasized the importance of taking care of the Cienaga Grande wetland and conserving biodiversity.

'La Palmita' Soccer School receives support from Drummond Ltd.

In order to improve spaces for games, sports, and the healthy use of leisure time, Drummond Ltd. delivered sports equipment to children and young people from the 'La Palmita' soccer school, located in the town of La Jagua de Ibirico. The soccer school has 18 members, many of them coming out of a financial situation at home that would prevent them from having the uniforms and equipment necessary for practicing this sport. Drummond Ltd.'s donation has been key for the proper development of the school and its players.



A great achievement: new generation of Dragline Operators certified by Drummond Ltd.



Drummond Ltd. is committed to the development of its employees. Proof of this are the 17 employees who were certified as new dragline operators by the Training Department and the Dragline Operations Department. For 6 months, qualified instructors trained the workers to operate the largest excavation machinery in Latin America. They were later tested on their theoretical and practical knowledge, operating skills, and operator safety and care, in order to guarantee a safe and reliable operation.



At Puerto Drummond, young people from Cienaga learn to take care of the environment

As part of the Golombiao project, students from 6 participating schools visited the installations of Puerto Drummond Ltd. where they were welcomed by the Community Relations Department, and they heard a talk about the Drummond Ltd. Scholarship Program, given that the students are in their last two years of high school. After that, they received a training session from the Environmental Department about how to deal with solid waste products and the importance of reducing, reusing, and recycling. To conclude the visit, they took a tour of different areas of the company such as the Lookout Point, the nursery, the freshwater pond, and the dock, where the objective was to show them how the operation is managed.



Drummond Ltd. supports the Women's Volleyball team from Magdalena



By donating uniforms, Drummond Ltd. supported the women's volleyball team in Magdalena. The team was then able to participate in the 56th annual National Women's Volleyball Championship in the city of Medellin, where the team faced off with teams from Cesar, Valle, Bolivar and Bogota. The players are made up of young women from 14 to 22 years of age, many of whom began to practice the sport from the time they were very little. The company's contribution allowed the young women to meet the requirements for participating in the sporting event.



SENA certifies 39 welders at Drummond Ltd.

Drummond Ltd., in partnership with the National Learning Service (SENA for the Spanish) certified 39 of its employees as Welding Technicians under the standards called "Rebuilding metal products with gas metal arc welding and flux-cored arc welding (GMAW-FCAW) according to established procedures" and "Welding metal sheets using shielded metal arc welding or manual metal arc welding." The course was taught by qualified personnel and took 6 weeks. With these projects, Drummond Ltd.'s aim is to increase the professionalism of employees, to motivate them and keep them interested in continuous improvement and quality on the job.

Music has been a blessing in my life

Written by Roberto Hernandez,
Supervisor of the Materials Department
at the Pribbenow Mine

I still remember that afternoon in March 2007. I was watching a soccer game with my father, and I received a call from Drummond Ltd. They wanted to set up an appointment for a job interview.

I remember it like it was yesterday. I hugged my father, thanking God, because we knew how great a company it is, and how so many people would do whatever they could to have an opportunity to work there.

After I successfully passed the selection process, I joined the Materials Department in the warehouse area as a warehouse worker. I am currently serving as a supervisor in the same area.

I believe the experience I have acquired in the Materials Department throughout these years has been like going back to school. I have learned about handling inventory, managing personnel, about things related to safety, and operating a forklift, among other things. And I know I still have a lot more to learn.

I was born in Chiriguana, Cesar, on February 18, 1984. When I was 13, I started playing the guitar and writing my own songs. Since then music has been one of my hobbies.

So far, I have written 16 songs, and, of those, 6 have been recorded: 'Mi mejor Conquista,' which is sung by Alfredo Amaya, who recorded it for the Drummond Ltd. Talent CD made by the company in 2007; 'El trabalenguas,' sung by Davinson Troconis; 'No es lo mismo,' sung by Beimar Toledo; 'El maluquito,' sung by Juan K. Davila; and 'Como un juego' and 'Lastimé una rosa,' sung by Chemo Ruiz.

The most recent song I wrote is called 'Así de simple.' It was inspired by a beautiful woman God put in my path and with whom I began to write a beautiful love story just over 10 months ago.

I dream about someday hearing my songs sung by the great Vallenato artists, and people learning them and singing the choruses together.

Some years back, in a moment of inspiration and gratitude to the company, I decided to write a song about safety. My goal was to motivate us to take care of ourselves and act in a safe way. The title is 'Más que seguro' or 'More than Safe,' and the first stanza is an acrostic with Drummond's company name. ■



Song 'Más que seguro'

Author: Roberto Hernandez

Dame un besito ya tengo que irme
Give me a kiss; I've got to go.

Rogando al cielo que siempre te cuide
I beg heaven to watch over you.

Una vez más quisiera que me abracés
Once more I wish for your embrace,

Me acordarás que tengo que cuidarme
And you remind me to take care.

Más que mi vida tú eres la que amo
More than my life, you're the one I love.

Oscuro el día y lo vas aclarando
The day is dark, but you fill it with light.

No te preocupes que muy pronto vuelvo
Don't worry; soon I'll be back.

Dios me bendijo con un gran trabajo
God has blessed me with a great job.



And the song continues:

Safe, safe for you, I'm staying safe.
Watching out for my eyes to be able to see you. Safe, safe for you, more than safe. Watching out for my hands, so I can caress you again. If it's not safe I know not to do it. There's no guarantee nothing will happen. I don't want to cause a risk on my job, and I'll never sell my soul to the devil.

Last day, and it's time for the weekend. And you are waiting for me eagerly. My heart overflows with joy because soon I'll see my family. I'm going home in one piece with nothing missing. I know I'll wake up at your side tomorrow to enjoy all the time together with you. I want to fill our love with hope.



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