



**2023 INTEGRATED REPORT**

Atlas Consolidated Mining  
and Development Corporation

# Serving Our People



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## About this Report

We are united in our commitment to maintain our progress, overcome obstacles in collaboration with our communities, and protect the environment. We strengthen our commitment to a culture of good governance, environmental sustainability, social equality, and development by attaining commercial success through genuine service.

## Vision

We aim to be the leading copper producer in the Philippines, a preferred employer in the industry and a role model for responsible mining and good governance.

## Mission

Anchored on our vision, we will enhance value for our shareholders by pursuing long-term prospects for stability, growth and diversification while harmonizing safe and efficient business practices with the social and environmental needs of our host communities.

## The Values We Uphold

- Professionalism
- Team Orientation
- Innovation
- Genuine Concern for the Company
- Concern for Safety, Health, Social Development and Sustainability



## We are Atlas Mining

We are **Atlas Consolidated Mining and Development Corporation (Atlas Mining)**, a publicly listed company in the Philippines engaged in metallic mineral exploration and mining.

We operate in Toledo City, Cebu through our wholly owned subsidiary **Carmen Copper Corporation (Carmen Copper)**. From our humble beginnings, we have since grown to be one of the largest copper producers in the world and the top producer in the Philippines.

We deliver clean copper concentrate to smelters in China and Japan as well as principal by-products gold and silver. We also distribute other marketable by-products such as pyrite, magnetite and molybdenum.

As we deliver the essential metals, the world needs, we commit to support the transition to a green economy in the most responsible way, anchoring our practices on responsible stewardship, good corporate governance, adherence to regulatory standards and progressive rehabilitation plans.

### Awards and Citations

#### **Presidential Mineral Industry and Environment Award (PMIEA)**

Platinum Achievement (2023, 2019, 2018)  
Titanium Achievement (2017)

#### **Gawad Tugas for**

Responsible Mining (2018, 2015)  
Forest Protection and Management (2017)

#### **Region 7 Best National Greening Program Implementer (2013)**

#### **Region 7 Environmental Protection Award (2011)**

#### **Best Mining Forest**

Champion (2010)  
1st Runner Up (2015, 2013, 2011)  
2nd Runner Up (2016, 2014, 2012)  
3rd Runner Up (2023)

#### **OTHER AWARDS AND CITATIONS**

Most Improved Safety Performance Award (2019)

Outstanding Grievance Machinery for Industrial Peace Award (2021, 2019, 2017)

Hall of Fame Recognition for three-peat win in the Search for Outstanding Grievance Machinery for Industrial Peace (2021, 2019, 2017)

Special Recognition from the Bureau of Fire Protection Central Visayas (2022)

Silver Anvil Award for Sustainability Report (2019, 2018, 2017)

Special Recognition for Support to Persons Deprived of Liberty (2019, 2018)

Recognition for Support to Education and Disaster Response (2018)

Commendation for Contribution to the Peace and Order and Socio-Economic Programs in Visayas (2018)

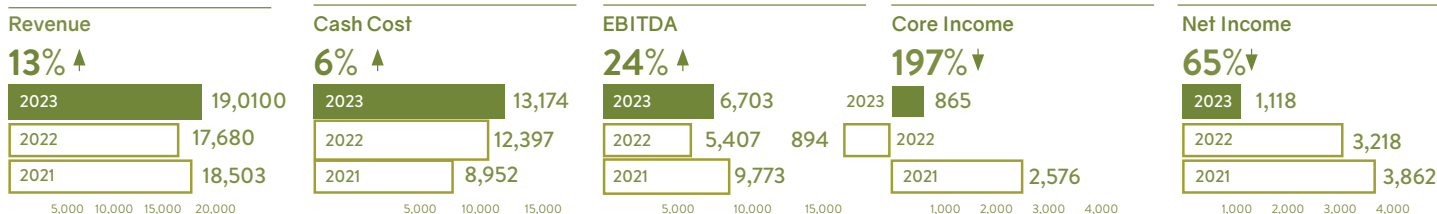
Red Cross Blood Services Platinum Award (2017)

# The Progress We've Made for Greener Practices

## ATLAS MINING

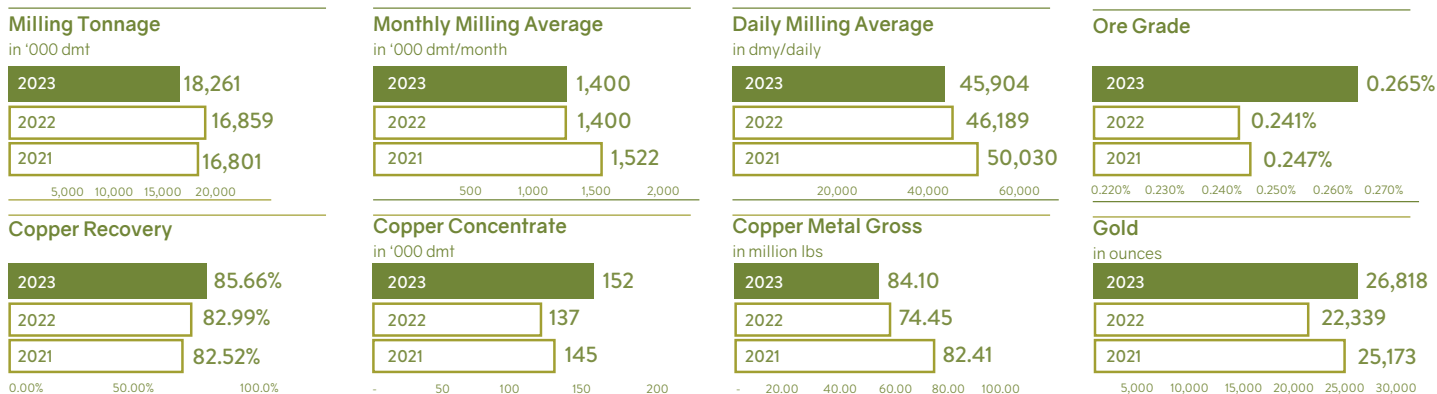
### Financial Results

in PHP millions

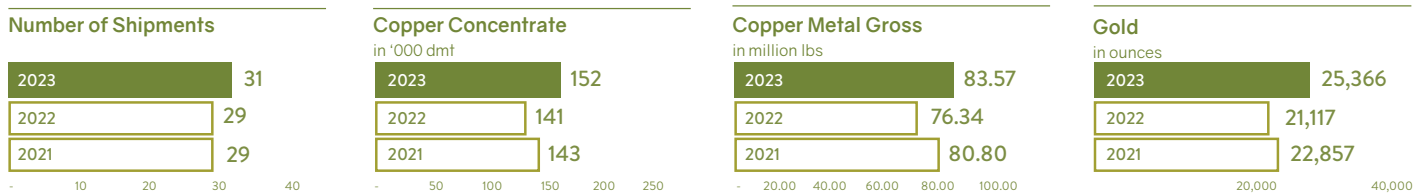


## CARMEN COPPER SUMMARY OF OPERATIONS

### Production



### Shipment

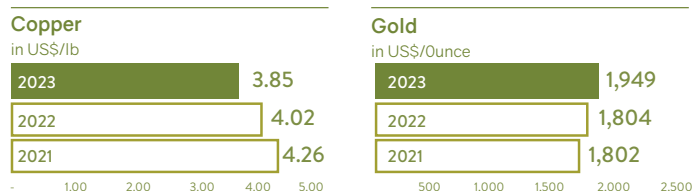


## Carmen Copper Summary of Costs



C1 = Production cost, G&A, smelting and related charges less by-product credits  
 C2 = C1 + depreciation and depletion cost  
 C3 = C2 + mine product tax and royalties, financing charges net of interest and other charges

## Metal Prices



## Employment and Diversity

**2,817**  
co-workers

**97%**  
locally hired coworkers  
within Cebu



**9%**  
women in the workforce

**22%**  
women in management  
positions

## Communities

**PHP5.5bn**  
worth of goods and services  
sourced within the Philippines

**PHP1,618mn**  
taxes paid



**PHP136mn**  
spent in Social Development  
and Management Program

## Safety

**18.5mn**  
manhours without lost time



**0**  
Fatalities

## Environment

**36.3%**  
recycled water  
**415,350 MWh**  
MWh energy used

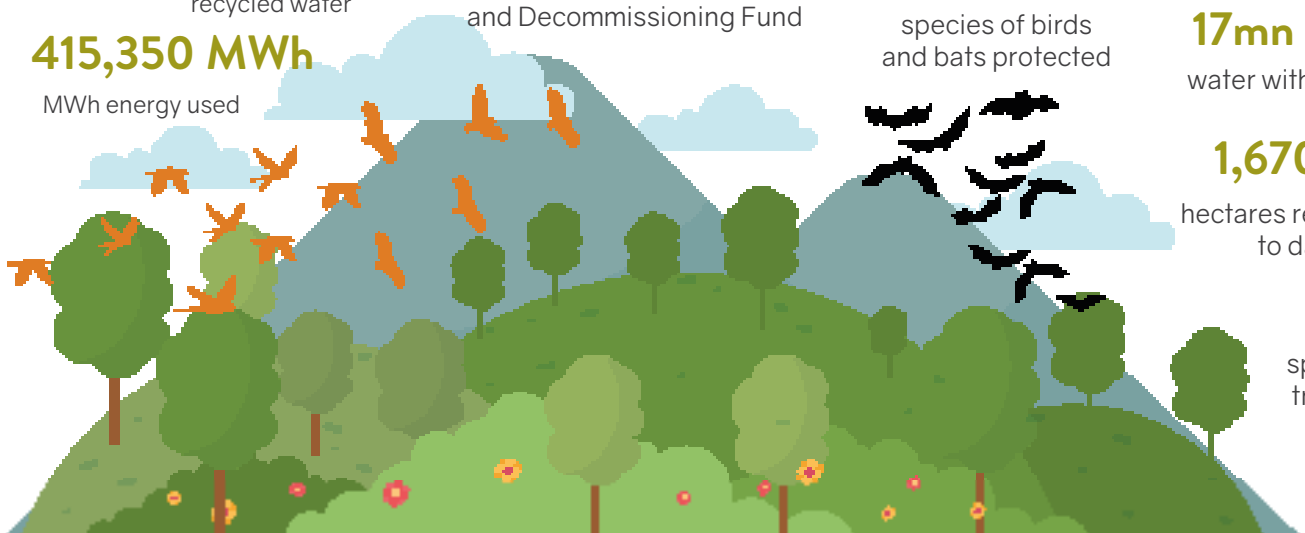
**PHP84.9mn**  
Final Mine Rehabilitation  
and Decommissioning Fund

**31**  
species of birds  
and bats protected

**17mn m3**  
water withdrawn

**1,670.4**  
hectares reforested  
to date

**81**  
species of  
trees and  
plants



## Dear Stakeholders,

The past year has been both a yin and yang for the Philippine mining industry as it relished the government's determination to revitalize the mining and minerals processing sector and its greatest potential to be a key driver in the economy, while at the same time enduring another challenging year brought about by the unpredictable results of the continuing geopolitical tensions around the world and subsequent increased trade barriers affecting the volatile nature of world metal prices.

On the other hand, the enduring progress in digitalization, decarbonization, and the just transition to renewable energy and metal demand from the electric vehicle market are seen as growth opportunities that the Philippine minerals sector can take on moving forward.

In recognizing these challenges and opportunities, Atlas Mining focused on taking a prudent and practical approach to spending and developing of its mineral resources by increasing operational efficiency and optimizing production targets in a financially viable, environmentally friendly, technically feasible, socially acceptable, legally compliant, and responsibly safe and sustainable manner. These efforts resulted in lowering down debt solely on cash generated from operations while maintaining enough profits to maintain capital and operating expenditures.

We continue to serve our people by promoting awareness and developing a stronger and more robust safety culture in the workplace. The safety and wellbeing of our coworkers and stakeholders will always remain a paramount priority. This was exemplified when our Carmen Copper mine garnered a total of 18.5 million safe manhours and zero lost-time incidents at the end of December 2023. This is a testament to our commitment to carrying out safety, health, and climate disaster programs in accordance with best developed standards, regulations, and existing laws.

We continue to implement environmental management programs akin to industry-developed practices that are aligned with existing regulations. We value our role as environmental stewards and promote plans, projects, and activities in accordance with the approved environmental work programs. Our efforts were rewarded when Carmen Copper received the Platinum Achievement Award and was named the Third Runner-Up for the Best Mining Forest Contest in the Metallic Category during the Awards Night and Testimonial Dinner of the 69th Annual National Mine Safety and Environment Conference held on November 17, 2023 in Baguio City.

We continue to follow and further develop our eight-year mine plan by taking into consideration science-based management tools and engineering interventions to calculate adjustments and by come up with sound management decisions to address operational risks, hazards, and opportunities, thereby improving operational efficiency, mine ground conditions, product grade ore, copper concentrate production, and employee engagement.

We continue to serve our communities through our Social Development and Management Programs aimed in developing the host and neighboring communities thru an approved plan centered on health, education, livelihood, infrastructure and promotion of social cultural awareness. We continue to provide opportunities to the less privileged but deserving students by increasing the number of scholars from 2,027 in 2022 to 2,124 in 2023. We also facilitated and organized various farmer-training programs aimed at

promoting new farming technologies and developing the skills of some 4,137 farmers within our host and neighboring communities.

While the global outlook of the growth opportunities for copper metal remains positive in the next five years, we must remain vigilant and persistent in assessing risks and opportunities that will allow the operations to adapt to the changing needs of the mine and extend its life in order to sustain the annual copper production target and keep our aspirations of contributing to a greener future.

At Atlas Mining, our operations adhere to a sustainability framework that not only centers on technological advancement and technical process improvement but also focuses on environmental protection and enhancement, social development and stakeholder engagement, safety and health performance, employee development and training, emergency preparedness, crisis management and disaster risk response, biodiversity and climate change resilience. The framework adheres to the United Nations 17 Sustainable Development Goals. With our renewed approach to sustainability under the guidance of our sponsors, partners, and regulators, we will have a larger role to play in accelerating and improving the way we advance our operations and the communities.

We further take active participation in adopting greener programs in our business, such as maintaining a 180kw solar power panel system at our main administration building and likewise partaking in the development of a 4.996 MWp Solar Power Floating Project, an own-use facility, that will be utilized during peak hours to help reduce dependence on fossil fuels in compliance with the terms and conditions of Carmen Copper's Environmental Compliance Certificate and related regulatory frameworks on the just transition to renewable energy,

We will continue to expand the development of more tree plantations through the engagement of the identified farmer associations within and outside our areas of operations to enhance our existing biodiversity footprint while increasing our carbon sequestration capacity within acceptable standards.


We will also focus on employee development and talent recruitment programs that will promote employee retention and likewise attract the talents we need in the fields of mines and geosciences, engineering, and other support sciences in accounting, social development, environmental science, and human resources, among others.

These commitments are fundamentally embedded in our plans, consistent with the long-standing principles of responsible environmental stewardship, good corporate governance, sound fiscal management, and sustainable mining practices.

We would like to sincerely thank our leaders, colleagues, communities, partners, shareholders, and stakeholders who continue to believe and to remain confident in the way we do business and the way we operate towards achieving the milestones and goals through the years. We remain humbled by your support. Through our mutual respect, cooperation, and shared responsibility, together we can confidently move forward with a renewed spirit of genuine interest and innovation as we continue to drive change for the betterment of Atlas Mining and serve the people who depend on the mine for their means of livelihood. Together, let's aim for a stronger 2024.

ATLAS MINING

## Message from Our President and CEO



“While the global outlook of the growth opportunities for copper metal remains positive in the next five years, we must remain vigilant and persistent in assessing risks and opportunities that will allow the operations to adapt to the changing needs of the mine and extend its life in order to sustain the annual copper production target and keep our aspirations of contributing to a greener future.”

**ADRIAN PAULINO S. RAMOS**  
President and CEO  
Atlas Mining

CARMEN COPPER  
Message from our  
Chief Operating  
Officer

“We have launched a management-by-objective initiative to improve production and cost efficiencies in each management area.”

**YULO E. PEREZ**  
Chief Operating Officer  
Carmen Copper Corporation





## Dear Stakeholders,

The year 2023 set another reflection on the outlook and future of the minerals industry as our company continued to face both external and internal challenges that affect the way we do business and operate the mine. While the prolonged unease in the geopolitical tensions between the US and China resulted in the instability of the global metal prices of copper, nickel, and other rare earth minerals, the global demand for copper remains positively high as the supply requirements for electric vehicle production and renewable energy projects remain stable.

This year, the management embarked on expanding the Carmen Pit by increasing the movement of waste materials situated at higher elevations. The goal was to gain wider and longer-term access to the ore sources at the pit bottom.

The operations team rearranged the mining priorities to fast-track the mine stripping or development of the next ore sources. Consequently, they optimized equipment traffic, leading to increased productivity. We alleviated the unproductive congestion at the pit's bottom and allocated equipment to the more productive mining areas. The change in the digging sequence also minimized weather delays.

By raising goals for machine availability and utilization, reducing truck turnaround times, ensuring timely use of explosives and blasting equipment, improving the mine development plan, reducing the need for rental equipment, allowing preventative maintenance at the mill plant, and implementing project cost control mechanisms, Carmen Copper attempted to make operations more predictable.

We were also fortunate that the mine experienced relatively favorable weather conditions in the second half of 2023, as it allowed us to continue accessing safely the only ore source at the pit bottom while pursuing our pit expansion plans, which resulted in the operations ending the year with an average material movement of 110,000 metric tons per day, a 26 percent increase compared to the same period in 2022. By year-end, the mine was moving 150,000 metric tons per day using the same mining fleet. Copper concentrate production during the year was 36,578 metric tons, equivalent to 30.5 shipments, or a 17 percent increase compared to 2022.

### Innovating and adopting alternatives to address operational challenges

The Carmen Copper Mine continues to innovate and improve its pit optimization plan, adapting to the challenges posed by the Carmen Pit's geographical characteristics. It started the mine expansion in the second half of 2023 by increasing material movement using its existing fleet, with the objective of providing wider access to ore sources and extending the mine's life for another ten to fifteen years.

The ore from the current pit's deepest portion will be exhausted in the early part of 2024, so the focus for the next two years is the development of a wider pit to expose the deeper-seated ore in multiple locations. When completed, this will allow ore production that is more protected from weather disruptions. A competent and independent third party will also review the Carmen and Lutopan deposits to assess options for maximizing their full-life potential. We will also invest in an extensive review of the mill equipment and develop a predictive maintenance program to increase the reliability of the copper concentrator plant.

Part of the plant cost optimization is to review the effectiveness of the ore sorting facility to determine if it is economically beneficial to Carmen.

We continue with our ongoing commitment to safety and the environment, with a budget of PHP194.2 million in 2023 for our Environmental Protection and Enhancement Program. To date, we have reforested 1,670.42 hectares of land planted with 81 trees and plant species. The Annual National Mine Safety and Environmental Conference in Baguio City in November 2023 rewarded Carmen Copper with the Platinum Achievement Award and named us Third Runner-Up for the Best Mining Forest in the Metallic Category.

In our continuing commitment to support the green movement, we have initiated the 4.996 MWp Solar Power Floating Project, which we plan to complete in early 2025. We are likewise currently enjoying energy savings from the 180 Kw solar power rooftop that we installed at the main administration building in May 2023. We will persist in enhancing and refining the five-year sustainability roadmap while also crafting programs that align with the 17 United Nations sustainability development goals and cater to the requirements of both internal and external stakeholders.

The high volume of waste movement during the next two years will lead to another challenging period for the Carmen Copper mine operations in 2024, requiring additional costs to prepare sustainable ore for a more stable feed to the mill. Meanwhile, as this is happening, our feed grade to the mill will be lower, therefore limiting our ability to increase our production for now. We are developing a temporary alternative ore source from the Lutopan pit as a remedial measure. We have also launched a management-by-objective initiative to improve production and cost efficiencies in each management area.

On the other hand, management continued to develop alternative strategies to lessen its impact on mine operations, taking into account the potential negative effects of the Israel-Hamas conflict and the ongoing Ukraine war on global commodity prices, particularly if these conflicts extend and grow into larger regional conflicts.

To overcome these challenges, our focus is to further improve and sustain mine production efficiencies, bringing the waste-to-ore ratio to 2:1 in the next two years. We can sustain production and profitability at this level. We will also continue with the cost-improvement initiatives to enhance the company's productivity.

I extend my sincere appreciation to our employees, leaders, officers, and members of the Board of Directors for their resilience and support throughout the transition. We also thank our regulators, business partners, and stakeholders who have continued to support the mine operations through the years. With our collective commitment to continuous improvement, we were able to continue operating the mine in a positive direction and overcome another difficult year.

## To Our Valued Shareholders,

Notwithstanding the unpredictable price fluctuations of our essential commodities, our company achieved another prosperous year in 2023. The perseverance of all parties involved, which contributed to our resilience, enabled us to surmount these challenges and maintain financial and operational recovery.

Atlas Mining maintained a favorable net income of PHP1.1 billion in 2023. This is in spite of the difficulties in carrying out operations caused by severe weather conditions and unpredictable fluctuations in energy costs. A gain on an early loan payment in 2022 has led to a 65 percent decrease in the bottom line for 2023. The number of shipments increased to 30.5, which is 1.5 shipments greater than in 2022, due to continuous and improved operations.

We predict an increase in waste stripping in 2024 compared to 2023. This is to open up the pit to make it safer to work in while also preparing the ore required to sustain mining operations for at least 10 years and beyond. However, we continue to experience obstacles as a result of bad weather at our mining sites, making opening the mine for alternate ore sources crucial. Meanwhile, the commodities market continued to exhibit a strong and noteworthy performance. Despite a 4 percent decline in the provisional price compared to 2022, revenues in 2023 increased by 13 percent to PHP19.9 billion from PHP17.7 billion in 2022. The revenue increase was supported by 30.5 shipments, which were approximately 1.5 shipments higher than in 2022 and thus compensated for the drop in material prices, particularly copper.

The introduction of new mining tax regimes in operations will not have an immediate impact in 2024, but it will have an effect within the next two to three years. Furthermore, the ongoing geopolitical turmoil is bound to have a significant effect on both petroleum prices and supply chain expenses. We are considering implementing hedging strategies in order to manage the volatility of fuel prices. We are contemplating the implementation of hedging strategies. This would allow us to make fuel costs more predictable. Additionally, in order to ensure a steady supply chain, we may need to secure fixed-cost contracts for staggered deliveries.

Ensuring cost management is a constant concern in sustaining the financial sustainability of our company. We consider cost effectiveness to be our safeguard against price volatility. Enhancing operational efficiency by implementing cost ownership, whereby department/division leaders are responsible for identifying, reporting, and explaining cost variations, as well as proposing improvements.

In order to accomplish this, it was imperative to devise an efficient mining and production strategy, implement it with rigor, negotiate contract terms meticulously, consistently enhance procedures and processes, minimize lost working hours by strictly adhering to safety, health, and environmental protocols, and avert downtime by regularly conducting preventive maintenance on equipment. With a total financial cost of PHP13.2 billion in 2023, expenditures increased by 6 percent compared to 2022.

We are progressing as planned and expect to accomplish the strategic objectives outlined in the 2019 optimized eight-year mine plan. Given a positive outlook on the metals market in the foreseeable future, our continuous endeavors to improve our business operations and gain the backing of key stakeholders will facilitate the recovery and growth of our company.

ATLAS MINING AND CARMEN COPPER

## Message from Our Chief Financial Officer



“Given a positive outlook on the metals market in the foreseeable future, our continuous endeavors to improve our business operations and gain the backing of key stakeholders will facilitate the recovery and growth of our company.”

**RODYARDO B. RAÑADA**  
Chief Financial Officer  
Atlas Mining/Carmen Copper

## Serving through Responsible Mining

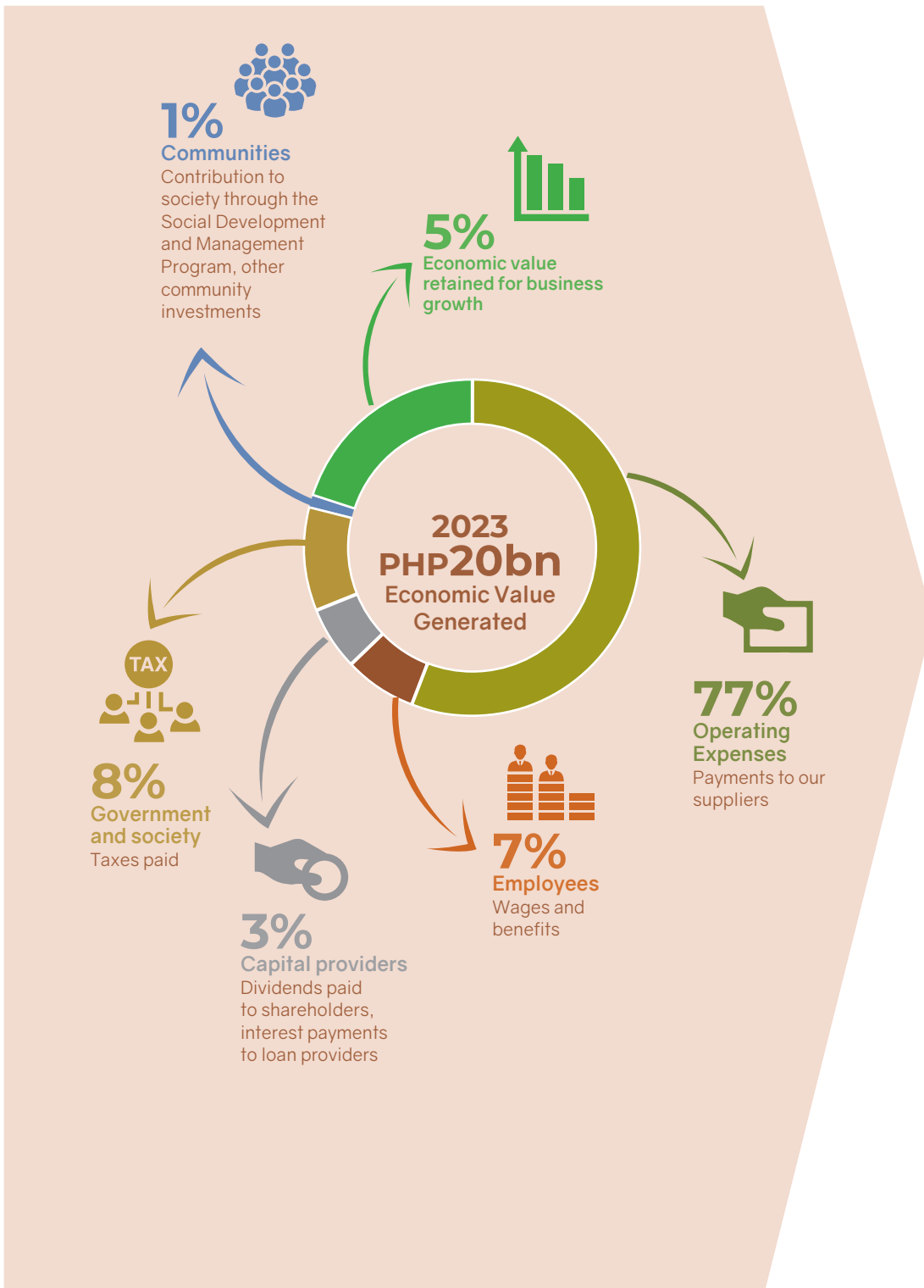
We can declare our endeavors successful when the environment remains unaffected, our communities appreciate our civic responsibility, our products contribute positively to society, our shareholders experience satisfaction with their investments, our customers and suppliers benefit from our associations, and our employees are safeguarded, well-being, and thrive in their jobs.

OUR VALUED RESOURCES p.12	THE VALUE WE CREATE	
 Coworkers   Relationship with Our Customers	 p.19 <b>QUALITY METALS FOR A GREEN TRANSITION</b> We provide quality metals to meet the needs of the modern world, with responsible stewardship at the core of how we operate	31 shipments 150,212 dmt of copper produced 26,818 oz of gold produced 45,904 dmt daily milling average 415,350 MWh energy consumption 17 m³ of water withdrawn 36.3% of water recycled 1,670.4 has. of land reforested
 Relationship with Our Communities   Relationship with Our Business Partners	 p.27 <b>PEOPLE WELL-BEING AND DEVELOPMENT</b> We create purposeful opportunities for our coworkers and partners, committed to a safe and healthy work-place for all	2,591 coworkers 10:1 male to female ratio 1.8 average training hours 0 lost time injury frequency rate 100% of eligible employees were appraised 835 employees from service contractors
 Natural Resources   Intellectual Capital	 p.33 <b>COMMUNITY PROSPERITY</b> We serve as the bridge for our host communities to access social programs that help improve quality of life	4 host barangays 34,228 population PHP122mn SDMP disbursement 487 current scholars
 Manufactured Capital   Financial Resources	 p.43 <b>SUSTAINED GROWTH</b> We deliver positive financial returns, maintaining the highest level of good governance and adherence to regulatory standards	PHP3,218mn net income 38% increase in cash costs PHP81.3mn Final Mine Rehabilitation and Decommissioning Fund

By generating value that is perceived by our stakeholders, we impart both financial and non-financial benefits.

THE VALUE WE SHARE

OUR CONTRIBUTION TO SOCIETY



- 3** GOOD HEALTH AND WELL-BEING
- 4** QUALITY EDUCATION
- 5** GENDER EQUALITY
- 6** CLEAN WATER AND SANITATION
- 8** DECENT WORK AND ECONOMIC GROWTH
- 11** SUSTAINABLE CITIES AND COMMUNITIES
- 12** RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13** CLIMATE ACTION
- 15** LIFE ON LAND

## Our Valued Resources: Our Capitals

Our operational assets are essential for the successful fulfillment of our commitments. Our task is to guarantee that these capitals are utilized in a manner that improves the outcomes for our stakeholders and increases the value we generate and distribute.

	CAPITALS	RELATIONSHIP WITH THE CAPITALS
<p><b>COWORKERS</b></p> 	<ul style="list-style-type: none"> <li>• Committed workforce</li> <li>• Culture of commitment, competence and cooperation</li> <li>• Strong leadership</li> <li>• Safety culture</li> <li>• Engagement with labor union to maintain industrial peace</li> </ul>	<p>We invested in the health, safety, and regular training of our coworkers. Overall, our production increased and lost work hours decreased as a result of our rigorous safety and health protocols.</p> <p>The successful execution of provisions outlined in our labor union's five-year collective bargaining agreement was also facilitated by the collaborative spirit exhibited by both management and our coworkers. Consequently, our intellectual and social capital grew in tandem with our income and incentives.</p>
<p><b>RELATIONSHIP WITH OUR CUSTOMERS</b></p> 	<ul style="list-style-type: none"> <li>• Long-term relationship with smelters</li> <li>• Off-take agreements</li> </ul>	<p>By providing only the purest copper concentrate that satisfies their quality requirements, we uphold the relationship of trust we have established with our clients, who are smelters in China and Japan. We worked to keep expenses under control through various operational efficiency initiatives in order to deliver these at reasonable prices.</p>
<p><b>RELATIONSHIP WITH OUR COMMUNITIES</b></p> 	<ul style="list-style-type: none"> <li>• Social development programs</li> <li>• Engagement with the mining industry, the Mines and Geosciences Bureau, Environmental Management Bureau, and Department of Environment and Natural Resources</li> <li>• Carmen Copper Hospital</li> </ul>	<p>By allocating 1.5% of our operational expenses to our Social Development and Management Program, which provides social safety nets in the areas of education, livelihood, health, and public infrastructure, we endeavor to generate positive outcomes for the communities.</p> <p>Additionally, we collaborate closely with our regulatory bodies to ensure that our sites maintain the utmost levels of safety and environmental preservation. This contributes to the reputation of our brand as a conscientious steward and corporate citizen. The opening of the Carmen Copper Heritage Center aims to foster an appreciation for Toledo's mining heritage while ensuring the safety of local tourists.</p>
<p><b>RELATIONSHIP WITH OUR BUSINESS PARTNERS</b></p> 	<ul style="list-style-type: none"> <li>• Vendor selection process</li> <li>• Partnership with suppliers that comply with industry standards on worker safety, health, environmental protection and business ethics</li> </ul>	<p>Establishing and maintaining positive relationships with our supply chain partners is crucial to achieving our strategic goals.</p> <p>We strongly advocate for our supply chain partners to comply with environmentally sustainable operations.</p>

CAPITALS	RELATIONSHIP WITH THE CAPITALS
<ul style="list-style-type: none"> <li>• Mining properties</li> <li>• Water</li> <li>• Energy</li> <li>• Air</li> <li>• Biodiversity</li> </ul>	<p>In an endeavor to offset the environmental impact of our operations, we actively pursue conservation initiatives. Resource conservation and operational cost-effectiveness are achieved through the implementation of water recycling, routine equipment preventive maintenance, and optimized production planning.</p>
<ul style="list-style-type: none"> <li>• Corporate culture</li> <li>• Brand reputation</li> <li>• Policies and systems</li> </ul>	<p>It was due to our steadfast corporate culture, which is built upon integrity, cooperation, and proficiency, that we were able to collectively surmount the COVID-19 pandemic and achieve consistent financial performance. This not only enhanced our standing as a socially responsible mining organization but also provided our coworkers with a sense of accomplishment and pride.</p>
<ul style="list-style-type: none"> <li>• Mineral properties</li> <li>• Processing assets and equipment</li> <li>• Investments in personal protective equipment</li> </ul>	<p>Our operational efficiency is the result of the investments we make in instruments and the labor of our coworkers.</p> <p>Every coworker is provided with personal protective equipment of the highest quality in order to enhance overall performance and guarantee safety. Additionally, we diligently seek out the most optimal equipment to facilitate comprehensive business expansion.</p>
<ul style="list-style-type: none"> <li>• Working capital</li> <li>• Cost management strategy</li> </ul>	<p>With the implementation of our eight-year mine optimization plan, our financial and operational recovery strategy remains on course. Our cash resources are allocated strategically to investments in our other locations. To mitigate the impact of price volatility, we implemented cost-effective measures such as ensuring the health and safety of our coworkers, engaging in meticulous negotiations with clients regarding commercial terms, adhering to environmental regulations, and optimizing equipment utilization.</p>

### NATURAL RESOURCES



### INTELLECTUAL CAPITAL



### MANUFACTURED CAPITALS













### FINANCIAL RESOURCES







## Drivers of Value: Our Material Topics

By taking into account the priorities of our stakeholders, our long-term impact, and our organization's capacity to generate value, we are able to execute our strategy more effectively. An annual evaluation of our material subjects is conducted, during which we assess the opportunities and threats to our organization, the domains in which we can exert the greatest influence, and the authentic concerns of our stakeholders. These are the most crucial areas in which we intend to create sustainable value and support the United Nations Sustainable Development Goals, according to a review with our management and the results of our stakeholder engagement.

Value We Create	Material Topics	Why is this important in creating sustained value and our stakeholders		
<p><b>CLEAN COPPER FOR A GREEN TRANSITION</b></p>  <p>p.18</p>	<p><b>Operational Performance and Innovation</b></p>	<p>By ensuring the provision of the purest copper concentrate, our organization has established itself as a reputable supplier to our clientele. Our primary objective is to preserve the quality of our copper concentrates by implementing industry-leading procedures and fostering ongoing innovation.</p>	<ul style="list-style-type: none"> <li>• <b>2,201,637 dmt</b> copper produced and delivered since 2008</li> <li>• <b>448 shipments</b> since 2008</li> </ul>	 
	<p><b>Climate Change</b></p>	<p>The adverse consequences of climate change will have repercussions on the health and safety of our coworkers as well as our host communities, considering our geographical placement. Nonetheless, as the demand for copper, a crucial metal in the green transition, increases, so will the requirement for renewable energy systems.</p>	<ul style="list-style-type: none"> <li>• <b>PHP194.2mn</b> invested in Annual Environmental Protection to date</li> <li>• <b>1,670.42</b> hectares reforested areas to date</li> </ul>	 
	<p><b>Environmental Footprint</b></p>	<p>By effectively managing the environmental impact of our operations, we can effectively control and mitigate costs and risks across the entire value chain.</p>	<ul style="list-style-type: none"> <li>• <b>36.34%</b> water recycled</li> <li>• <b>148,889 mt</b> overburden materials diverted from landfill</li> </ul>	
	<p><b>Conservation and Protection of Biodiversity</b></p>	<p>Prolonged investments in rehabilitation initiatives and the conservation of biodiversity constitute integral components of our environmental stewardship obligations. In addition to significantly contributing to our adherence to legal requirements, these also afford social and environmental advantages to our stakeholders.</p>	<ul style="list-style-type: none"> <li>• <b>31</b> species of birds and bats protected</li> <li>• <b>81</b> species of trees and plants protected</li> <li>• <b>2,703,010</b> saplings planted at the mine complex to date</li> <li>• <b>PHP84.9mn</b> Final Mine Rehabilitation and Decommissioning Fund deposited as a trust fund</li> </ul>	
<p><b>PEOPLE WELL-BEING AND DEVELOPMENT</b></p>  <p>p.26</p>	<p><b>Occupational Health and Safety</b></p>	<p>Implementing rigorous safety protocols and standards for both our coworkers and contractors is a critical component of effective mining company management. By ensuring the utmost levels of safety, we are able to avert operational interruptions and maintain a healthy and engaged workforce throughout our operations.</p>	<ul style="list-style-type: none"> <li>• <b>18.5mn</b> of manhours without lost time</li> <li>• <b>0</b> day lost in 2023</li> <li>• <b>30</b> safety trainings conducted in 2023</li> <li>• <b>64</b> safety orientations conducted in 2023</li> </ul>	 
	<p><b>Human Rights, Labor Rights and Equal Opportunities</b></p>	<p>By advocating for human rights, labor rights, and equal opportunity, we foster an environment that encourages active participation and mutual benefit among our coworkers and business associates.</p>	<ul style="list-style-type: none"> <li>• <b>22%</b> women in management positions</li> <li>• <b>48.7%</b> employees covered by collective bargaining agreement</li> </ul>	 
	<p><b>Employee Training and Development</b></p>	<p>We consider our coworkers to be our most valuable asset. Investing in them enables them to progress as leaders in tandem with us, thereby ensuring that our business objectives and their enduring professional development are congruent.</p>	<ul style="list-style-type: none"> <li>• <b>27,562</b> total hours of training conducted</li> </ul>	



<p><b>COMMUNITY PROSPERITY</b></p>  <p>p.32</p>	<p><b>Local Community Development</b></p>	<p>By working with local suppliers, creating employment opportunities, and implementing social development programs in the fields of health, education, sustenance, and disaster response, we strive to ensure that our host communities also flourish. Our local communities have an expectation that we will provide them with benefits.</p>	<ul style="list-style-type: none"> <li>• <b>1,698</b> scholar graduates to date</li> <li>• <b>409,210</b> patients served by the health centers to date</li> <li>• <b>34,232</b> patients served through Doktor sa Barangay program since 2015</li> <li>• <b>2,124</b> scholars since 2015</li> <li>• <b>244</b> classrooms in <b>91</b> schools built and refurbished since 2015</li> <li>• <b>5,234,412</b> m3 of water supplied to communities since 2012</li> </ul>	
<p><b>SUSTAINABLE AND RESPONSIBLE GROWTH</b></p>  <p>p.42</p>	<p><b>Economic Performance</b></p>	<p>We must sustain business expansion in order to continue operating and delivering value to our numerous stakeholders. In light of cost inflation, ore-grade degradation, and market volatility, it is imperative that we implement a robust financial strategy to guarantee our ongoing expansion.</p>	<ul style="list-style-type: none"> <li>• <b>PHP1.4bn</b> employee wages and benefits in 2022</li> <li>• <b>PHP575mn</b> payments to providers of capital in 2022</li> <li>• <b>PHP1.6bn</b> payments to government in 2022</li> </ul>	
	<p><b>Supply Chain Practices</b></p>	<p>Our supply chain partners are indispensable to the successful delivery of our products. We adhere to principles of fairness and transparency in all of our business dealings with our partners. We prioritize local contractors and suppliers whenever possible in an effort to stimulate local economic activity.</p>	<ul style="list-style-type: none"> <li>• <b>PHP5.5bn</b> local procurement spending in 2021</li> </ul>	
	<p><b>Governance and Risk Management</b></p>	<p>Effective risk management and governance systems are critical for our organization to maintain competitiveness in the industry and ensure compliance. We ensure adherence to all relevant governmental regulations and execute every transaction in accordance with the utmost principles of ethical business conduct and risk management.</p>	<ul style="list-style-type: none"> <li>• Board Risk Oversight Committee Charter</li> <li>• Governance Policies</li> </ul>	



## Relationships that Matter: Our Stakeholders

The faith that our stakeholders have in us has helped us expand. We communicate with our stakeholders on a frequent basis to have better understanding about their needs and how we can meet them.

### Coworkers

Our coworkers are vital allies in the pursuit of our objectives. In order to achieve the objectives of our organization, we require a dedicated and actively involved workforce.

#### How we engage them

Virtual meetings, surveys, monthly trainings and learning sessions, and updates on safety protocols and company programs

Daily departmental pep-talks, human resources departmental visits, regular monthly Central Safety, Health & Environment Committee meetings

Regular monthly meetings with the labor union

#### Key issues raised

Health and safety protocols

#### Our response

We ensure that our employees are provided with adequate health and medical benefits. To further encourage the adoption of a healthy lifestyle, we consistently provide health programs and activities.

### Communities

Our perpetual objective has been to achieve success while simultaneously making an enduring impact on the communities we operate in and the ones surrounding us. By maintaining favorable relations with our communities, we are able to sustain our mining operations.

#### How we engage them

Regular checks and evaluations on the economic and civic status of our communities to determine the needs of the areas through regular visits, attendance on social activities and other sessions

Annual general needs assessment

#### Key issues raised

Infrastructure developments to provide basic services on health, education and livelihood

#### Our response

In an effort to equip members of the LGBTQIA+ sector and out-of-school youths to face climate change-related catastrophes, we hosted bloodletting activities and disaster resilience trainings in addition to allocating PHP136 million to our Social Development and Management Program.

### Customers

The company's inspiration and growth come from our consumers. Providing for the requirements and wants of our clients at a historic period such as our main operations depend on the pandemic.

#### How we engage them

Constant communication via telephone, emails, conferences and site visits

Engaging customers prior, during, or after they had purchased our copper concentrate products

#### Key issues raised

Meeting production target and schedule

#### Our response

Precautions are taken to guarantee that production objectives are met on schedule. In order to ensure the preservation of customer commitments in the face of unforeseen circumstances that may disrupt our operations, we maintain effective channels of communication among team members

## Investors and Shareholders



Our company's orientation is aided by our owners and investors, especially throughout the challenges and changes posed by the COVID-19 pandemic

### How we engage them

Annual stockholders' meetings either through pre-pandemic in person meetings, online or virtual conference or a combination of both

Easy and regular access to information regarding our activities and performance through timely disclosures of material events via the online disclosure system of the Philippine Stock Exchange, and by posting financial and operations reports on its official website

Key issues raised	Our response
Operational matters related to the production schedule, regulatory compliance and financial results	By executing our business continuity plans, safety management systems, and operating systems, we were able to sustain production, dispatch in excess of annual projections, and maintain a high level of profitability.

## Government and Regulations



We collaborate with governments and regulators to promote responsible mining practices and drive industry success in the country.

### How we engage them

Regular meetings, conferences, monitoring activities, official visits to their office, annual audits, permit related inspections, complaints, surprise inspections, phone calls and online meetings

Key issues raised	Our response
New regulations, submission of reports, informal meetings, complaints, request and donations, compliance to regulations	In addition to mere adherence to regulations, we engage in proactive collaboration with the government. Additionally, we provided immediate aid to our communities in the midst of the COVID-19 pandemic.

## Business Partners (Suppliers and Contractors)



We continue to work with our suppliers and contractors to provide high-quality service to our consumers. Their contributions are crucial in achieving our aims.

### How we engage them

Accreditation processes before engaging our suppliers and contractors, due diligence on feasibility studies of suppliers

Regular meetings to align our expectations on our quality requirements

Key issues raised	Our response
COVID-19 restrictions hampering delivery of services	Despite the challenges posed by the pandemic, we maintained open channels of communication with our contractors and suppliers as they endeavored to meet our business needs while adhering to ethical business practices

## Media Partners



The media assume a critical role in influencing the public's perspectives and opinions regarding significant public events and subjects of public importance. This is particularly crucial for players in regulated sectors such as mining.

### How we engage them

Press releases, publication of advertisements (both online and in print) and support to special supplements

Key issues raised	Our response
No reported issues for 2023	We ensure timely and accurate reporting by distributing a minimum of one story per month in dailies situated both locally and nationally.

# Quality Metals for a Green Transition



**84.1** million lbs  
of Copper  
Metal Produced



**We maintain an unwavering dedication to delivering results by means of ethical and sustainable mining practices, amidst the worldwide economic landscape's substantial transition to clean and renewable energy sources.**

By supporting the nation's participation in international initiatives to establish a green economy, we aid in the transformation of a more sustainable world oriented toward the green revolution. Copper and gold, two of the most vital materials for the transition, are extracted from our mines. Acknowledging this, we adhere to the protocols and guidelines that are determined by our core values and principles. By prioritizing the safety of our employees at all times, we strive to maintain a positive environment.



## Our Pit-to-Port Operations

The fact that the copper we produce has high electrical and thermal conductivities heightens the significance of our mission to promote alternative clean fuel energy sources. Copper connectivity will be required to span vast areas between solar panels, wind turbines, and electrical networks as the production of renewable energy resources increases. It is a critical component of charging devices, electric vehicles, and electric motors.

We recognize that, as a crucial metal in the green transition, it is our responsibility to ensure that the highest-quality copper is produced in the most environmentally responsible manner possible.

### DID YOU KNOW?

The copper industry is recognized as one of the five primary investment sectors by the Department of Trade and Industry, alongside electronics, IT and Business Processing Management, aerospace, and automotive.

Carmen Copper is the top producer of copper concentrate in the country.



2,201,636.9 dmt

copper concentrate produced and delivered since 2008



448

shipments since 2008





**36.34%**  
of water recycled, equivalent to



**10,237**  
olympic-size pools

## Optimizing Our Operations

### *Energy*

#### **Managing our energy**

Despite the fact that fuel from our vehicles, mining equipment, and electricity continue to be our primary energy sources, we are working to improve the strength and conformity of our energy management strategies in order to accommodate the transition to renewable energy.

Our objective is to generate environmentally friendly fuel and power alternatives through the storage and conversion of solar radiation into solar energy, which will subsequently be utilized in our mining activities.

Two locations have been designated for the implementation of two initiatives that utilize solar energy as a substitute power source. In May 2023, all of the PHP8 million solar panels that we had installed on the Administration Building were fully operational. It possesses an hourly capacity of 180 kilowatts and an expected service life of 25 years.

Additionally, we anticipate that our floating solar panels at the Malubog Dam in Toledo City will be fully operational by the third quarter of 2024. The estimated capacity of the floating solar panel is 5 megawatts, which accounts

for approximately 10% of Carmen Copper's overall power demands. Initially operational during peak hours, its capacity has the potential to be increased to a maximum of 50 megawatts. The design will integrate metal structures into modular floating platforms, facilitating rapid installation, assembly, and scalability.

### *Water*

#### **Conserving our water**

The Malubog Dam, which is under our management, supplies us with freshwater in order to meet the water demands of neighboring communities in Toledo City as well as support our operational activities.

Our strategic objectives include decreasing our reliance on freshwater resources, enhancing the functionality of reclaimed water for operational needs, augmenting the water storage capacity of the dam via desilting, and striving for operational efficiency in consideration of the potential long-term risks linked to water scarcity.

Through the utilization of our thickening facility and reclaimed water extraction system, we acquire water for our operational purposes. 62.1% of our water needs were met in 2023 with reclaimed water.

# Board of Directors



**FREDERIC C. DYBUNCIO**  
Chairman



**ADRIAN PAULINO S. RAMOS**  
Director and President



**PRESENTACION S. RAMOS**  
Director



**JOSE T. SIO**  
Director



**GERARD ANTON S. RAMOS**  
Director



**ISIDRO A. CONSUNJI**  
Director



**EMILIO S. DE QUIROS, JR.**  
Independent Director



**JOSE P. LEVISTE, JR.**  
Independent Director



**GERARDO S. LIMLINGAN, JR.**  
Independent Director



**ATTY. ELMER B. SERRANO**  
Corporate Secretary




## About Our Report

This is Atlas Mining's third integrated report, covering the period January 1–December 31, 2023. This document outlines our company's value creation approach and progress towards achieving the Sustainable Development Goals and the Global Compact's Ten Principles. Our primary focus is on the performance of our lone significant subsidiary, Carmen Copper Corporation.

Our report followed the IIRC Framework's guiding principles and content features. We followed appropriate disclosure frameworks like the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB).

The board acknowledges its responsibility for the integrity of the integrated report. The 2023 integrated report follows the IIRC framework, addressing material problems and providing a balanced perspective of how the organization creates sustainable value.

The Board, through the Executive Committee, approved and authorized the release of this report on March 5, 2024.



**FREDERIC C. DYBUNCIO**  
Chairman of the Board  
Atlas Mining and Carmen Copper



**ADRIAN PAULINO S. RAMOS**  
President and CEO  
Atlas Mining

## Steps Taken



## Disclaimer on Forward Looking Statements

Forward-looking statements are based upon the opinions and expectations of management of the Company as at the effective date of such statements and, in certain cases, information received from or disseminated by third parties. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and that information received from or disseminated by third parties is reliable, it can give no assurance that those expectations will prove to have been accurate or correct. Forward looking statements are subject to certain risks and uncertainties (known and unknown) that could cause actual outcomes to differ materially from those anticipated or implied by such forward-looking statements. These factors include, but are not limited to, such things as the volatility of prices for precious metals and base metals; commodity supply and demand; fluctuations in currency and interest rates; inherent risks associated with the exploration and development of mining properties; ultimate recoverability of mineral reserves; timing, results and costs of exploration and development activities; availability of financial resources or third party financing; new laws, regulations and policies (domestic or foreign); changes in administrative practices; changes in exploration or mine plans or budgets; and availability of equipment and personnel.