



2019
SUSTAINABILITY
REPORT

GEARING
FOR
GROWTH



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ABOUT THIS REPORT 102-49, 102-50, 102-54

Gearing for Growth is Atlas Consolidated Mining and Development Corporation's (Atlas Mining) 2019 Sustainability Report covering the period from January 1 to December 31, 2019. This Report is aligned with the United Nations Sustainable Development Goals (UN SDGs) and is a testament of the Company's commitment to the United Nations Global Compact (UNGC) Principles.

This Report has been prepared in accordance with the GRI Standards: Core Option. For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. Highlighted in this Report is Carmen Copper Corporation, Atlas Mining's wholly-owned subsidiary.

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.

VALUES

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

ATLAS CONSOLIDATED MINING AND DEVELOPMENT CORPORATION



ABOUT US

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

It operates in Toledo City, Cebu through its wholly-owned subsidiary, Carmen Copper Corporation (Carmen Copper), serving as the country's principal producer and exporter of copper concentrate.

To optimize its operations and align to its mission, it correspondingly pursues the development and commercial distribution of marketable by-products such as molybdenum, magnetite and pyrite.

Carmen Copper ships copper concentrate mainly to smelters in China and Japan and to the Philippine Associated Smelting and Refining Corporation in Leyte Province.

ECONOMIC VALUE TABLE

| In PHP Million | Atlas Mining | | | |
|----------------------------------|--------------|---------|---------|--------|
| | 2016 | 2017 | 2018 | 2019 |
| Economic Value Generated | 12,242 | 12,063 | 14,389 | 17,340 |
| Economic Value Distributed | 13,945 | 13,723 | 15,797 | 16,812 |
| Operating costs | 10,473 | 10,488 | 12,133 | 12,906 |
| Employee wages and benefits | 1,062 | 1,019 | 1,052 | 1,074 |
| Payments to providers of capital | 1,760 | 1,632 | 1,608 | 1,669 |
| Payments to government | 418 | 480 | 835 | 1,002 |
| Community investments | 232 | 105 | 169 | 160 |
| Economic Value Retained | (1,703) | (1,661) | (1,408) | 529 |



PHP75.6B

Market capitalization
as of 31 Dec 2019



CARMEN COPPER'S OPERATIONAL SCALE AND PERFORMANCE

276

hectares of active
mining area out of

1,676

hectares of total
operating area



Largest copper
producer in the
Philippines with

323

shipments
made since

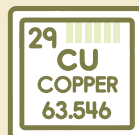
2008



844M

tons mineral
resources with an
average grade of

0.34% Cu



Clean copper
concentrate
with extremely
low impurities,
significantly below
market requirement



| | 2017 | 2018 | 2019 |
|--|-----------|-----------|-----------|
| Monthly Milling Average (in Million DMT) | 1,186,000 | 1,355,000 | 1,465,000 |
| Daily Milling Average (in Million DMT) | 39,000 | 44,500 | 48,200 |
| Copper Recovery (in Percentage) | 86.398% | 86.838% | 87.528% |
| Copper Concentrate (in '000 DMT) | 134,600 | 149,300 | 186,500 |
| Copper in Final Tailings (in Percentage) | 0.040% | 0.037% | 0.040% |
| Number of Shipments | 27 | 30 | 38 |

JOINT MESSAGE FROM THE CHAIRMAN OF THE BOARD AND PRESIDENT



"Underlining these efforts is our commitment to a culture of good governance, compliance and sustainability as the bedrock of how we do our business."

ALFREDO C. RAMOS

To Our Committed Stakeholders:

Copper extraction is intrinsically a long-term business with planning horizons that can go beyond a decade. This being the case, we made a significant shift in our mindset over the past three years to ensure that long-term sustainability is integrated into the various facets of our business and are part of the enduring changes we have made in our operation.

At our wholly-owned subsidiary, Carmen Copper Corporation (Carmen Copper), we further emphasized the needs of all our stakeholders – not just our shareholders – in running our business. This meant going beyond our top priority to return to profitability. It is clear to us that to be a long-term, sustainable business, we continuously re-assess, innovate and fine-tune our operations to mitigate our impact on the environment, how we help our host communities thrive and prosper and collaborate with the government to promote inclusive business growth.

An anchor to our efforts is the 8-year mine plan that we established in 2019 to direct our efforts. As we continue to make our operations more efficient, we are also making sure that our employees are gaining substantial experiences and opportunities to grow in their roles. As we

"It is clear to us that to be a long-term, sustainable business, we continuously re-assess, innovate and fine-tune our operations to mitigate our impact on the environment, how we help our host communities thrive and prosper and collaborate with the government to promote inclusive business growth."

ADRIAN PAULINO S. RAMOS

challenge our people to increase mine capacity, we are also inviting them to be ambassadors of our sustainability efforts across our operations.

Underlining these efforts is our commitment to a culture of good governance, compliance and sustainability as the bedrock of our business.

With these principles in place, we are confident in achieving sustained growth, allowing us to create shared value for all our stakeholders.

From the leadership of Atlas Mining, we express our genuine appreciation to all our stakeholders who have remained steadfast in our vision to be a role model for responsible and sustainable mining.

ALFREDO C. RAMOS

Chairman of the Board

ADRIAN PAULINO S. RAMOS

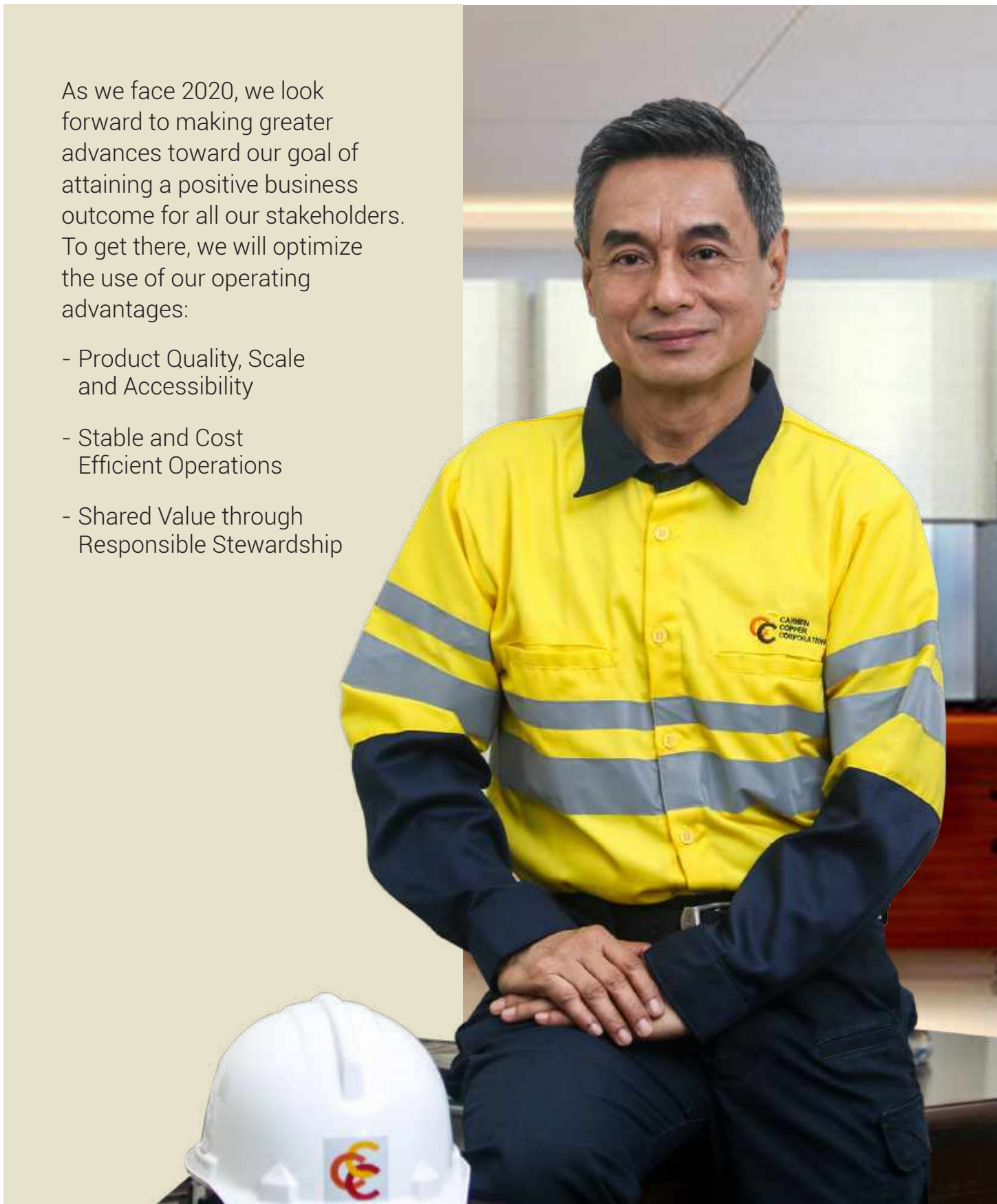
President,
Atlas Mining



MESSAGE FROM THE PRESIDENT AND CEO

As we face 2020, we look forward to making greater advances toward our goal of attaining a positive business outcome for all our stakeholders. To get there, we will optimize the use of our operating advantages:

- Product Quality, Scale and Accessibility
- Stable and Cost Efficient Operations
- Shared Value through Responsible Stewardship



To Our Valued Stakeholders:

At the direction of the Board of Directors of Atlas Mining, we took on the task of looking at our large-scale operation through the lens of sustainability. As the company's operating subsidiary, we were pressed not just to overcome operating challenges and deliver profitable results but to do so in a way that considered our many stakeholders. To do this, we chose to focus on a few key areas:

Driving Optimum Results

First, we focused on our greatest resource – our people. With the return to profitability as our aim, having a robust corporate culture of excellence, integrity and single-mindedness is an indispensable component. We implemented a manpower analysis and a human capital plan to achieve optimum skills, size and job match. We launched a compelling corporate culture mantra, "Competence, Commitment, Cooperation," as our battle cry in conquering our obstacles and as a call to excellence from all our teams.

Second, we brought innovative solutions to recurring and new operational realities. Through meticulous analysis of our value chain and restructuring of work processes, we achieved higher productivity and reduced wastage. In 2019, we shipped 192,905 dry metric tons of copper concentrate and completed 38 shipments, surpassing the annual performance of the previous three years.

Third, we formulated an 8-year mine plan to carry on sustained growth following the last phase of high stripping in 2019. This provides us with a long-term perspective and ability to plan for all aspects of our business.

Lastly, we pursued global standards of sustainability and governance in every facet of our business. This year, we attained a remarkable improvement in our safety performance. For the past 3 years, our average incidents dropped by 76% earning us the Most Improved Safety Performance Award from the Philippine Mine Safety and Environment Association (PMSEA) and the Department of Environment and Natural Resources – Mines and Geosciences Bureau (DENR-MGB). We also maintained emission rates significantly below global and national NOx, SOx and CO emission standards.

We deepened our engagement with our host communities, focusing on sustainable development initiatives to help them attain self-sufficiency. This year, we built two school

buildings, three health centers, ten kilometers of road networks, subsidized more than 693,000 kWhr of energy and provided more than 625,752 cubic meters of water to our communities.

In 2019, we invested more than Php290.9 million on our Environmental Protection and Enhancement Program. We forested 18.1 hectares of land and donated more than 523,216 seedlings in support of the government's National Greening Program.

This year, we were honored with the Presidential Mineral Industry and Environmental Award Platinum Achievement for Surface Mining category by the Presidential Mineral Industry Environmental Award Selection Committee in recognition of our environmental, safety and health management and community development in the conduct of our mining operation.

Geared for Sustained Growth

As we face 2020, we look forward to making greater advances toward our goal of attaining a positive business outcome for all our stakeholders. To get there, we will optimize the use of our operating advantages:

Product Quality, Scale and Accessibility – We will capitalize on our scale production abilities and our strategic location in the region to deliver the cleanest copper concentrate in the region.

Stable and Cost Efficient Operations – With projected lower levels of waste stripping and anticipated more efficient operating costs, we will work to expand our margins and increase cash from operations.

Shared Value through Responsible Stewardship – We will advocate care for our environment and invite our people and host communities to do the same.

With these in place, we are geared for positive impact in the coming years.

ROY O. DEVERATURDA

President and CEO,
Carmen Copper

MESSAGE FROM THE CHIEF FINANCIAL OFFICER

"We believe that considering the needs of all our stakeholders and taking on both financial and non-financial issues will allow us to achieve sustainable growth for our business."



To Our Valued Shareholders:

The investment horizon of a copper concentrate producer is, by necessity, long term. Our capital expenditure and operating strategies go beyond ten-year periods, so our financial plans need to as well. Currently, our focus is to return our operations to profitability and pare down debt. With the support of our shareholders and creditors for the 8-year mine plan established in 2019, we believe we have a way forward to achieve those goals.

The decline in copper prices in 2015 led us to reassess our operations at our wholly-owned subsidiary, Carmen Copper, and determine how we would survive that price environment as if it were the "new normal". While considering various options for exposing alternate ore sources using minimal stripping, we implemented mine-wide programs for process improvements, personnel skills enhancement and improved labor relations. However, it wasn't until 2018 that our initiatives to consider a more sustainable approach to building our business gained traction. The key elements of this plan involved:

- Strengthening our cost efficiency campaign focusing on manpower productivity ratios, strict procurement standards and stringent audit systems
- Instituting multi-level HR training programs to increase the level of competence of our people and achieve our goal of eliciting commitment and cooperation from all operating teams
- Deepening our engagement with stakeholders to disseminate our credo of responsible mining and our ideas to achieve sustainable development

In 2019, we were gratified to see some fruits of this plan. Production and shipment volumes reached a 3-year high while unit production costs are at their lowest in four years. Copper metal production increased by 25% and gold production by 40%. These increases came from an 8% increase in milling tonnage and improved copper and gold grades which went up by 15% and 12% respectively.

Closer collaboration from our main operating groups helped bring this about.

On the mining side, we invested in greater waste movement in the earlier years to uncover alternate ore sources and allow for higher grade recovery in the medium term. This

meant more options to source ore and feed predictable and consistent ore to the mills. This, in turn, reduced variability in our flotation and recovery operations. Mining costs, which had gone up in earlier years, decreased in 2019 as compared to 2018.

Similarly, we have seen maintenance costs decline as scheduled maintenance instead of breakdown reactivity has become the norm for both heavy transport and ball mill equipment leading to higher equipment availability. Taken together, scheduled maintenance and higher equipment availability translated into higher operating efficiency which led to a 26% reduction in our unit production (C1) costs. This allowed us to generate Php5.39 billion more cash flow from operations, which in turn enabled us to reduce debt.

In non-operating areas, we have spent more than Php910.6 million since 2009 through Carmen Copper Communities, our social outreach arm spearheading our commitment to responsible stewardship in our mining operation. We believe that this is money well spent. We let our employees, 81% of whom are from Toledo City, know the positive effect their work is having: health centers, schools and roads are built, deserving children receive full scholarships, farming livelihood opportunities are provided, mined out areas are reforested and their communities prosper. This is part of a positive cycle of giving, generating goodwill and benefiting from an energized workforce that we hope will continue in the years to come.

We believe that considering the needs of all our stakeholders and taking on both financial and non-financial issues will allow us to achieve sustainable growth for our business. We will put in as much effort into advancing community and environmental interests as we do on delivering increased operating efficiencies. By working together, we can create sustained value for our shareholders, our environment and our host and neighboring communities.

FERNANDO A. RIMANDO

Chief Financial Officer,
Atlas Mining/Carmen Copper

ATLAS MINING SUMMARY OF FINANCIAL RESULTS

| Year-on-Year (In Million Pesos) | 2018 | 2019 | Change |
|------------------------------------|---------|--------|--------|
| Revenues-gross | 14,210 | 17,129 | 21% |
| Cash Cost | 10,438 | 11,094 | 6% |
| EBITDA | 3,853 | 6,115 | 59% |
| Core Income (Loss) | (1,511) | 422 | -128% |
| Net Income (Loss) | (1,720) | (565) | -67% |

CARMEN COPPER SUMMARY OF OPERATIONS

| Year-on-Year | 2018 | 2019 | Change |
|--|--------|--------|--------|
| Production | | | |
| Milling Tonnage ('000 dmt) | 16,256 | 17,575 | 8% |
| Daily Milling Average (dmt per day) | 44,536 | 48,151 | 8% |
| Ore Grade | 0.278% | 0.319% | 15% |
| Copper Concentrate (‘000 dmt) | 149 | 187 | 25% |
| Copper Metal Gross (in million lbs) | 85.83 | 107.24 | 25% |
| Gold (ounces) | 27,013 | 37,786 | 40% |
| Shipment | | | |
| Number of Shipments | 30 | 38 | 27% |
| Copper Concentrate (‘000 dmt) | 147 | 193 | 31% |
| Copper Metal Gross (in million lbs) | 84.46 | 110.25 | 31% |
| Gold (ounces) | 24,988 | 35,374 | 42% |

CARMEN COPPER SUMMARY OF COSTS

| Year-on-Year (US\$/lb Cu) | 2018 | 2019 | Change |
|---------------------------|------|------|--------|
| C1 | 1.86 | 1.38 | -26% |
| C2 | 2.65 | 2.06 | -22% |
| C3 | 3.20 | 2.53 | -21% |

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 (AVERAGE INVOICED PRICE)

| Year-on-Year | 2018 | 2019 | Change |
|------------------|-------|-------|--------|
| Copper (US\$/lb) | 2.96 | 2.72 | -8% |
| Gold (US\$/once) | 1,270 | 1,394 | 10% |

To view Atlas Mining 2019 Audited Financial Statement please visit:
<https://www.atlasmining.com.ph/sites/default/files/financial%20reports/AT%20Annual%20Audited%20Financial%20Report.pdf>







GENERATING SUSTAINED GROWTH FOR ALL

As we pursue responsible mining practices, sustainable development is at the core of how we do our business. In support to national and global goals, we identified our sustainable development focus areas which have the greatest impact on our stakeholders and on our ability to deliver shared value.

CREATING SUSTAINED VALUE



18.1

Hectares of mined out areas planted in 2019

2.347M

saplings planted at the mine complex to date

1,477

Hectares of land reforested to date



REFORESTATION / REHABILITATION

3.025M

Seedlings produced to date

523,216

Seedlings donated to communities

625,752

Cubic meters of water supplied to communities in 2019

2,916,048

Cubic meters of water supplied to communities since 2012



SEEDLING PRODUCTION / NURSERY

MALUBOG DAM

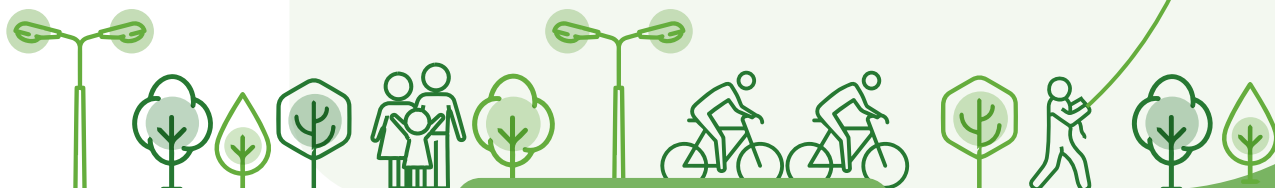


81

Species of trees and plants protected

31

Species of birds and bats protected



ARBORETUM/ ECO-PARK

CREATING SUSTAINED VALUE

1,676

Hectares of total operating area

2,413

Total employees with more than

6,000

direct dependents

60%

of total employees covered by CBA

PHP1.074B

Employee wages and salaries

844M

Tons mineral resources

154mg/Ncm

NO_x emission level

93%

below DENR limit

OPEN PIT MINE

PHP4.3B

Worth of goods and services sourced from Cebu

PHP75.4M

Worth of goods and services sourced from Toledo City

PHP1.2B

Worth of goods and services sourced outside Cebu province but within the Philippines

PHP413.8M

Worth of goods and services sourced internationally

FLOTATION

55%

of water consumed per year is recycled

11M

Safe man hours

204

Safety trainings and orientations conducted

WATER RECOVERY

SOLID LIQUID SEPARATION

CONCENTRATE HAULING

302.2mg/Ncm

CO emission level

69%

below DENR limit

144.7mg/Ncm

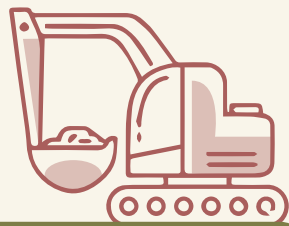
Particulates emission level

4%

below DENR limit

27%

Decrease in
severity rate
vs. 2018



EXTRACTION



ORE TRANSPORT



85.21

Average DBA
noise level

28%

below DENR limit

88%

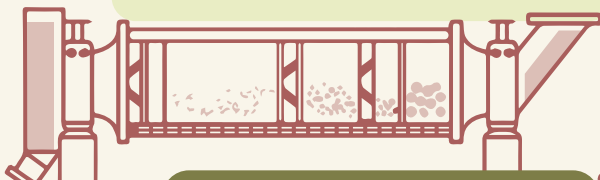
Copper
recovery

0.34%

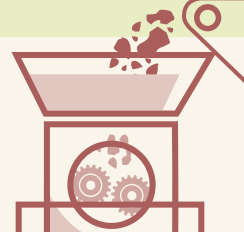
Copper grade

4%

Decrease in kwh/ton
energy consumed
vs 2018



MILLING



CRUSHING

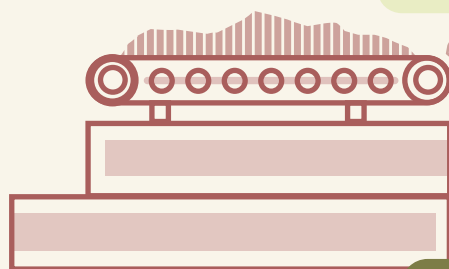


192,905

dmt of copper
concentrate shipped
and delivered in 2019

38

Shipments of
copper concentrate



SHIPMENT

13

School buildings with

69

Classrooms benefiting

10,789

Students to date

2,900

Farmers engaged in

21

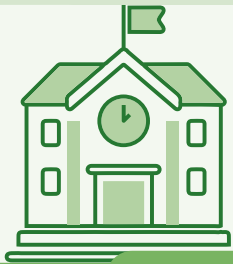
Cooperatives to date

12,000

Kilos of produce harvested

5M

Total beneficiaries of social development projects to date



EDUCATION

LIVELIHOOD

4,593

Mine tourists visited the Carmen Copper Heritage Center to date

2,020

Indigent patients served through the Doktor to the Barangay Program

20

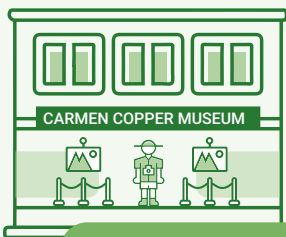
Ambulances donated to date

4

Health centers built and rehabilitated that served

318,836

Patients



CULTURAL HERITAGE

HEALTH

110

Kilometers of road network built, repaired and maintained to date

192,977

Number of residents who have enjoyed the use of camp facilities

179,700

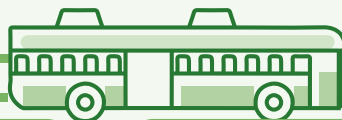
availed the free community bus service

13,277

have enjoyed the free use of sports and recreational facilities

21

Emergencies responded (Fire Rescue, Search and Retrieval Operation, Road Accidents and other emergencies response)



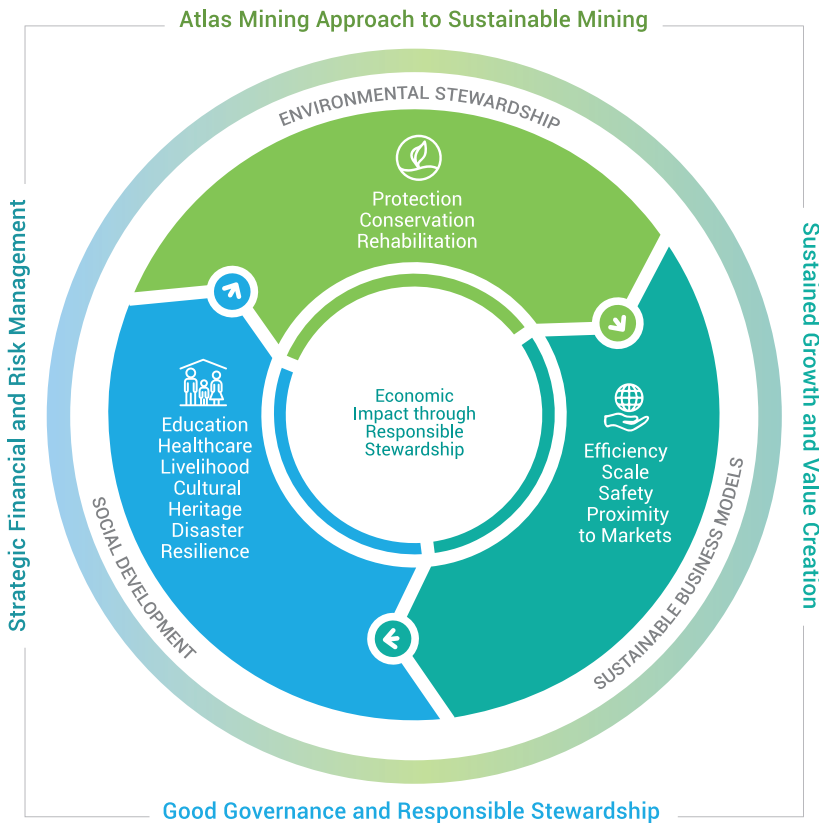
PUBLIC INFRASTRUCTURE

USE OF CAMP FACILITIES

DISASTER RESPONSE



DRILLING SUSTAINABILITY PRINCIPLES AT THE CORE



Risk Management and Optimizing Opportunities

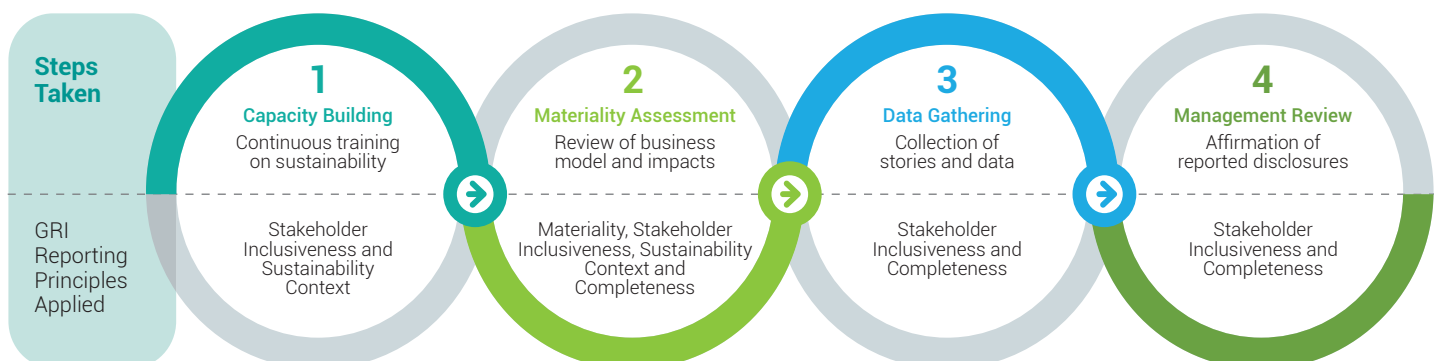
Atlas Mining adopts a risk management approach that ensures adequate mitigation measures without curtailing the Company's ability to innovate and capitalize on opportunities. The Board of Directors of Atlas Mining has constituted the Board Risk Oversight Committee (BROC), composed of Independent Directors, responsible for the oversight of the Company's risk management system: how the Company manages its existing risk sources and minimizes the likelihood of their occurrence. Together with Carmen Copper's Enterprise Risk Management Committee, the Company rolled out policies and implementing guidelines at all operational levels. Risk dashboards, standard risk assessments, remediation measures and identified high probability risks are monitored and reported monthly.

Policies: Carmen Copper IMS Policy
<https://www.atlasmining.com.ph/sites/default/files/files/AT%20CCCC%20Board%20Risk%20Oversight%20Committee%20Charter.pdf>
https://www.atlasmining.com.ph/sites/default/files/files/AT%20CCCC_Sustainable%20Development%20Policy.pdf

Atlas Mining is a responsible steward of the resources, people, communities and environment that are entrusted to us.

We are committed to protect the welfare of our employees, provide our host and neighboring communities with opportunities for livelihood, employment, education and contribute in the protection and restoration of our natural environs. Guided by the principles of safety, social development and sustainability, we ensure long-term growth for future generations.

102-46

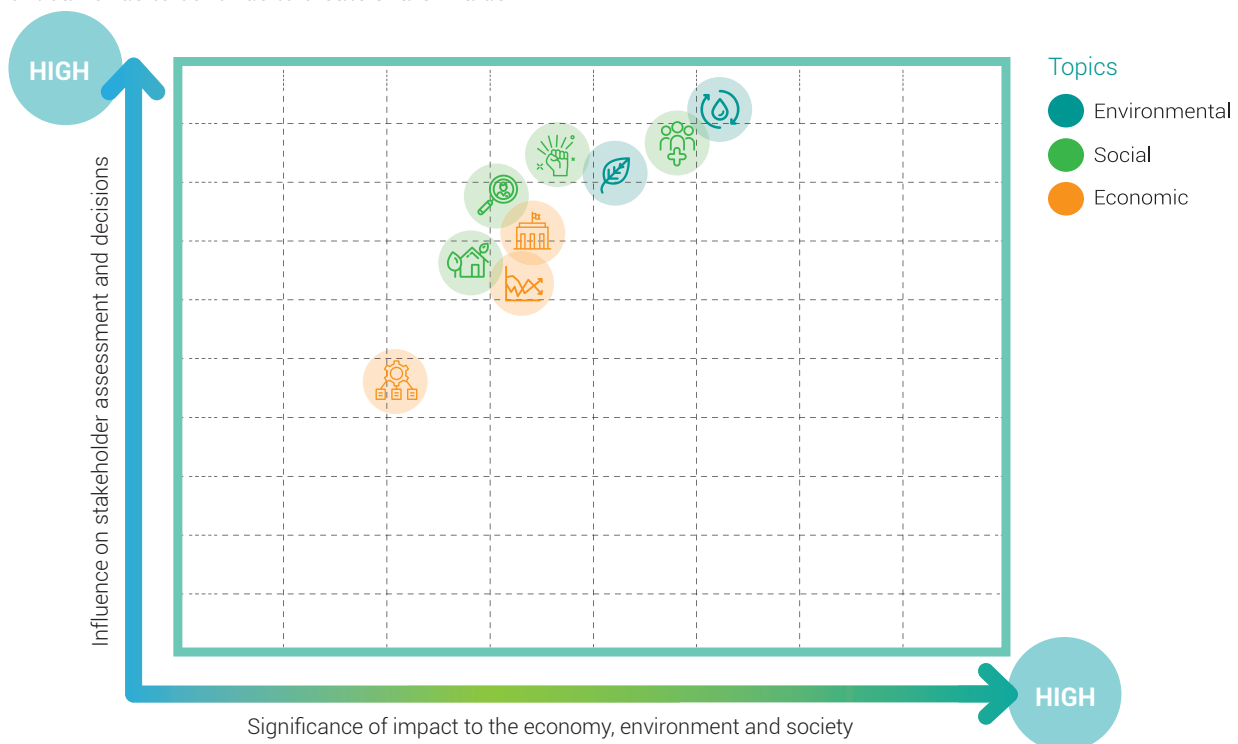




Materiality Assessment Process

Materiality: What Matters to Our Stakeholders

We reviewed the material aspects of our business not merely as a holding company but more importantly as an enterprise, through Carmen Copper, benefitting several communities in Cebu Province. The review process was conducted with focused stakeholder engagement and strategic assessment on the significant aspects critical for us to continue to create shared value.



Materiality Key Themes 102-47


















| | | | |
|---|--|---|--|
|  | Conservation and Protection of Biodiversity |  | Governance, Risk Management and Compliance |
|  | Occupational Health and Safety |  | Community Development |
|  | Human Rights and Equal Opportunities |  | Economic Performance |
|  | Environmental Footprint |  | Procurement Practices |
|  | Employee Training, Development and Career Path | | |

Table of Material Topics and Topic Boundaries 102-46, 102-47

| Material Topics and Sub-Topics | | Topic Boundaries | Relevance |
|---|-----------------------------|---|---|
| Conservation and Protection of Biodiversity | | | |
|  | | Within the organization, with local government units and our host communities | We conserve and protect our biodiversity by preserving the habitat of our flora and fauna. We grow native trees, grass and food-plants for the wildlife onsite. We also conduct surveys of various species of flora and fauna on site. We educate our communities on the importance of environmental protection and propagation. |
| Occupational Health and Safety | | | |
|  | | Within the organization, with our service contractors and our host communities | We ensure the health and safety of our employees, service contractors and communities by adopting safety standards and protocols, provide continuous training, health insurance, hospital, medical and dental services, personal protective equipment and promoting the well-being of all. |
| Environmental Footprint | | | |
|  | Energy, Emissions and Water | Within the organization and with our host communities | We practice due diligence, regular monitoring and disclosure to ensure that our impact on the environment is mitigated and minimized and that we perform within set standards. We conserve and manage water consumption to continue the supply of water to our host and neighboring communities. |
| | Effluents and Wastes | Within the organization and with our host communities | |
| | Environmental Compliance | Within the organization and our service contractors and among our host communities and regulators | |
| Human Rights and Equal Opportunities | | | |
|  | | Within the organization, and with our service contractors, business partners and host communities | We uphold, protect and promote the rights of our employees, cultivating an engaged and productive relationship with our employees duly recognized association. We also promote equal opportunity to our partners and host communities for employment and business engagements. |
| Employee Training, Development and Career Path | | | |
|  | Employment | Within the organization, with our service contractors and our host communities | We recruit and develop our people in various roles where they can grow and their contributions will be recognized, ensuring alignment to their long-term professional development. We provide and/or sponsor trainings, seminars and scholarships to enhance the skills and knowledge of our employees, the employees of our service contractors and members of our host communities. |
| | Training and Education | Within the organization, with our service contractors and our host communities | |
| Governance, Risk Management and Compliance | | | |
|  | | Within the organization, and with our service contractors and regulators | We ensure our compliance to all applicable government regulations and conduct all our transactions to the highest standards of ethical business practices and risk management. |
| Economic Performance | | | |
|  | | Within the organization, with our service contractors, business partners, government and our host and neighboring communities | We generate economic value through job creation, service contracts and business opportunities, and create positive socio-economic development growth for all our stakeholders. |
| Community Development | | | |
|  | Indirect Economic Impacts | Within the organization and among our service contractors and our host and neighboring communities | With our operation in Toledo City, Cebu, we acknowledge our responsibility to our host communities which we demonstrate by providing and investing in programs, projects and activities that address their needs and develop their capability for self-determination, self-sufficiency and sustainability. |
| | Local Communities | Within the organization and among our service contractors and our host and neighboring communities | |
| Supply Chain Management | | | |
|  | Procurement Practices | Within the organization and among our service contractors, suppliers and business partners. | We uphold fair and transparent dealings in all our transactions with our partners. Whenever possible, we prioritize local suppliers and contractors to help boost local economic activity. |

Stakeholder Engagement and Our Performance Report 102-40, 102-42, 102-43, 102-44

| Our Stakeholders | Topics of Concern | Channels of Engagement | Our Commitment | Our Performance |
|---|--|---|--|--|
| Investors, Shareholders, Creditors  | Economic Performance Governance, Risk and Compliance | Annual Stockholders' Meeting Investor meetings Non-deal road shows Mine tours Annual Report Sustainability Report Online surveys Disclosures Website | Continuous adoption of sustainable business practices, and the transparent, complete and timely disclosure of material information, performance, risks and opportunities | About this Report (inside cover) About Us (pages 2-3) Summary of Financial Results (page 9) Corporate Governance (pages 48-52) Awards and Citations (page 56) |
| Government and Regulatory Bodies  | Conservation and Protection of Biodiversity Occupational Health and Safety Governance, Risk and Compliance Human Rights and Equal Opportunities Community Development Environmental Footprint | Regular and accurate reporting Compliance Partnerships Online surveys Technical conference and meetings | Practice highest standards of responsible mining and good governance. Going beyond compliance with applicable laws and to build strong partnership | Maintaining the Delicate Balance of our Natural Environments; Biodiversity; Water Quality and Management; Air Quality; Energy Management; Waste Management; Development, Rehabilitation and Closure Planning (pages 33-37) Fostering the Development of Self Reliant Communities (pages 38-45) Corporate Governance (pages 48-52) Rights and Protection of Stakeholders (page 50) Labor and Human Rights (page 52) Awards and Citations (page 56) |
| Regional Smelters  | Governance, Risk Management and Compliance Procurement Practices | Coordination for on-time delivery of copper concentrate Online survey | Timely delivery of quality copper concentrate and its by-products | Contributing to Local and National Growth (page 24) Value of Commitment (page 27) Corporate Governance (pages 48-52) |
| Employees  | Human Rights and Equal Opportunities Occupational Health and Safety Employee Training, Development and Career Path | Regular town hall meetings Training programs Labor Management Relations Council meetings Focus group meetings Employee engagement activities Online surveys | Continuous employee development for long-term career growth and incentives for excellence | Upholding the value of our People (pages 26-27) Developing Competence in Skills and Leadership (pages 28-29) Safeguarding the Health and Safety of our People; Occupational Health (pages 30-31) Rights and Protection of Stakeholders (page 50) Labor and Human Rights (page 52) |
| Service Contractors and Business Partners  | Governance, Risk Management and Compliance Economic Performance Procurement Practices Occupational Health and Safety | Regular meetings Procurement management protocols Performance reviews | Ethical business practices of transparency, accountability and fair dealings. Beyond transactional deals, to build long-term relationships | Relationships that Create Value (pages 24-25) Corporate Governance; Supply Chain (pages 48-52) |
| Communities  | Community Development Conservation and Protection of Biodiversity Environmental Footprint | Regular dialogue Informal interactions Community needs analysis Program implementation and review Information, education and communication campaigns | Create and add value to the local communities by providing access to quality education, healthcare and livelihood while safeguarding a healthy and safe environment | Maintaining the Delicate Balance of our Natural Environments; Biodiversity; Water Quality and Management; Air Quality; Energy Management; Waste Management (pages 33-37) Fostering the Development of Self Reliant Communities (pages 38-45) Rights and Protection of Stakeholders (page 50) Community Relations (page 50-51) |
| Socio-Civic and/or Non-profit Organizations  | Environmental Footprint Human Rights and Equal Opportunities Conservation and Protection of Biodiversity | Membership in associations Program partnerships Online surveys | Partnership for the implementation of social development projects and in pursuit of sustainable best practices | Maintaining the Delicate Balance of our Natural Environments; Biodiversity; Water Quality and Management; Air Quality; Energy Management; Waste Management; and Development, Rehabilitation and Closure Planning (pp. 33-37) |
| Media  | Governance, Risk and Compliance Human Rights and Equal Opportunities | Media briefs and event coverage Online surveys Annual Stockholders' Meeting | Transparent and timely disclosure of updates and performance. Open dialogue and press conference briefings for critical issues. | Rights and Protection of Stakeholders (page 50) Labor and Human Rights (page 52) Shareholder Information (Inside Back cover) |





SUSTAINABILITY ACROSS OUR OPERATIONS

In fostering sustainable mining practices in all aspects of our operations, we diligently strive to maximize the efficient use of limited resources, ramp up capacity-building opportunities, leverage stakeholders' participation and inclusion and simultaneously ensure that the indivisible rights, dignity, safety, health and welfare of all are protected.

CONTRIBUTING TO LOCAL AND NATIONAL GROWTH

As the largest copper producer and exporter in the country, we contribute to both local and national growth channeled through the copper mining industry.



Total dry metric tons delivered



No. of shipments

| | | |
|-----------|----------------|------------|
| 2019 | 192,905 | 38 |
| 2008-2019 | 648,874 | 323 |



RELATIONSHIPS THAT CREATE VALUE



Powering Progress

The partnership between Pilipinas Shell Petroleum Corporation and Carmen Copper began in 2007 and has evolved into what it is today – collaborative, forward thinking and socially responsible. Beyond the commercial relationship, Pilipinas Shell and Carmen Copper share the same values and principles on safety, environmental performance and sustainability practices. We aim to be good neighbors by continuously improving the ways in which we contribute to nation building. This strong partnership allows us to innovate our products and services giving life to our commitment to help Carmen Copper increase efficiency of operations, reduce environmental impact and stay competitive today and tomorrow.

Together, we will continue powering progress in our respective communities, bringing positive economic impact and nurturing our natural habitats with our safe and responsible operations every day. Together, anything is possible.

Dennis Javier

Vice President for Wholesale Commercial Fuels,
Pilipinas Shell Petroleum Corporation



Ensuring Safe Footing

When safety means a pair of dependable shoes, PANPISCO is a solid partner. PANPISCO has been a reliable provider of occupational safety footwear and apparels in Carmen Copper since 2016. "Like Carmen Copper, we put a premium on safety because safe and productive operations everyday translates into success of our business enterprise too."

Arturo Dy

President, Pacific Industrial Sales Co., Inc.



Creating Opportunities

Galeo is a long-term service contractor of Carmen Copper providing mining solutions in our operation. At the peak of their engagement, Galeo employed more than 800 employees from our host and neighboring communities in Toledo.

Galeo and Carmen Copper work together to preserve the values of excellence in their respective operations and remain true to their commitment of creating job opportunities to increase the income generating capacity of the people of Toledo and nearby communities.

Miguel Alberto V. Gutierrez

Chairman, Galeo Equipment Corporation



Partners for Growth

From a few units to a fleet of heavy equipment, JBeltram has grown steadily with Carmen Copper through the years. "Our journey started from rehabilitation in 2007 until today where Carmen Copper is the country's largest copper producer. We journeyed together through the challenging landscape of the mining industry because we have a common goal in delivering economic benefits in the region."

Joseph Beltram

Proprietor, JBeltram Western Cruiser Trucking



UPHOLDING THE VALUE OF OUR PEOPLE



"The heart and commitment of the employee is a formidable force. It can overcome the greatest challenges, drive unwavering perseverance and muster steadfast courage. When inspired and harnessed, infinite possibilities arise."

Roy Deveraturda, President and CEO of Carmen Copper

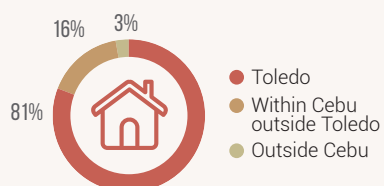
Total employees



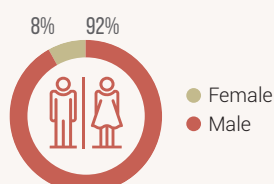
2,413

Our people are our partners. We look to them individually and as a team. We recognize and harness each one's unique abilities and foster a sense of community to create positive impact, not only for the Company, but for the communities and the personal lives of our people as well.

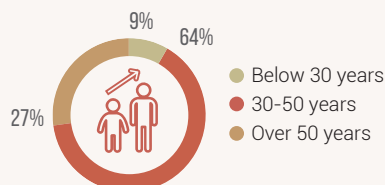
Breakdown by residency



Breakdown by gender



Breakdown by age

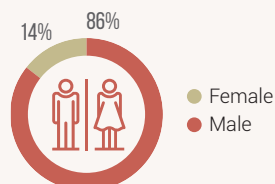


New hires

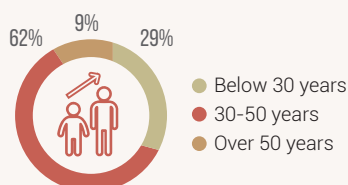


245

By gender



By age

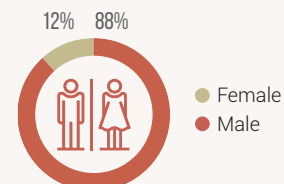


Employee separation

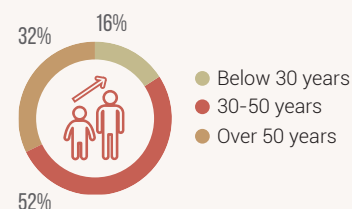


240

By gender



By age



Cultivating the Value of Commitment in Our People

Commitment drives our people to become responsible stewards. With the alignment of our various operating units and the cohesive accountability of our employees, we surpassed our production targets for the year. This manifests that commitment is no longer a mantra for us but an integral part of who we are.



A Story of Extraordinary Commitment

Each copper shipment we make is a reflection of the resiliency of our people. Our 300th shipment made on May 15, 2019 was laden with challenges. Before the shipment, our employees at the mill encountered challenging technical issues putting at risk the on time delivery of the required concentrate. Our personnel together with the

service contractors labored day and night in resolving every obstacle that hampered operation. With the tenacity of our people and the firm resolve of our leaders, we were able to deliver the required volume. We capped this milestone with a simple fete to honor the dedication of our people.

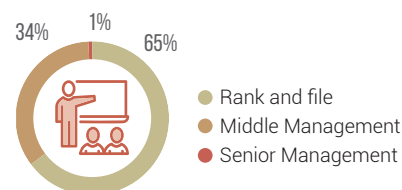
Developing Competence in Skills and Leadership

We value the professional growth of our people. We look out for their development and welfare and actively find ways to provide them work experiences and trainings that can enhance their knowledge and skills.

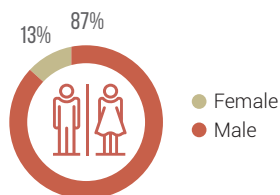
Total training hours



Total training hours by rank



Total training hours by gender



Average training hours per employee by gender 401-1



Excellence is Our Signature

A Woman of Substance

Deacina is a mother of five who lives with her family in Biga, Toledo City. She, like many others from her barangay, works at Carmen Copper. But that is where all similarities end. Deacina is the first female dump truck operator in the history of the mine. Every time she is at the wheel of her 100-tonne machine, she feels gender no longer matters. She is focused on doing her job efficiently and well. She is a living example that anything is possible when you put your mind and heart to it.

"Everything that I do, I do it well."

Deacina R. Helaria

Dump Truck Operator, Mine Open Pit



Fostering the Spirit of Cooperation

As an enclosed working community, we maintain a delicate balance of professionalism and a sense of family in our workplace. Through various engagements at work and corporate events, we provide activities that build a sense of family, trust and camaraderie which is needed especially in achieving the demands in our productivity.



SAFEGUARDING THE HEALTH AND SAFETY OF OUR PEOPLE

The health and safety of our people come first. As a matter of principle, we uphold the highest standards of occupational health and safety in our workplace. We conduct our operation in accordance to the British Standards for Occupational Health and Safety Assessment Series (BS OHSAS 18001:2007) as certified by TUV Rheinland.

In 2019, we achieved zero fatality and significantly reduced the number of accidents. This resulted to our severity rate dropping by nearly 27% in 2019 compared to 2018.

For our unprecedented record in 2019, Carmen Copper was awarded with the Most Improved Safety Performance Award by the DENR MGB and the Chamber of Mines of the Philippines.



No. of safety trainings conducted



2019 **75**

No. of participants in safety training



2019 **1,599**

No. of safety orientations conducted



2019 **129**
2018 **113**  14%

No. of participants in safety orientations



2019 **3,221**

Average dBA noise level (DENR standard = 90 dBA)



2019 **85.21**
2018 **77.55**

Days lost



2019 **148**
2018 **177**  16%

Near misses



2019 **10**
2018 **10**

Total no. of incidents



2019 **13**
2018 **19**  32%

Incidence rate



2019 **1**
2018 **2**  40%

Severity rate



2019 **14**
2018 **19**  27%

1. We conducted **information and education campaigns** in the workplace regarding hazard identification, risk assessment, and operational control measures



2. We **installed safety and hazard warning promotional signages** in strategic locations critical to operations



3. We implemented **stringent housekeeping practices and operational control procedures**



4. We **reinforced our monthly Occupational Health and Safety audit/inspection** to ensure compliance with safety standards and identified weaknesses in our safety programs and processes



5. We **established a system to continually identify risks, gaps, and best practices** in safety and are nurturing a culture of continuous improvement



Occupational Health

Carmen Copper operates a 30-bed, PhilHealth accredited, level 1 hospital dedicated to providing inclusive healthcare services to employees and their dependents. Carmen Copper Hospital also responds to medical emergencies affecting the community in Toledo City. It recently upgraded its facilities to include a fully functional, state-of-the-art operating theater to avoid the cost of having to send patients who need surgical interventions to other far-off hospitals.





MAINTAINING THE DELICATE BALANCE OF OUR NATURAL ENVIRONS

Forestation

We steadfastly promote environmental responsibility in every facet of our operation. We accelerated our forestation efforts in mined-out sites, slopes of decommissioned tailings pond, and waste dumps by reconditioning the soil and transforming once barren sites into forests and wildlife rich habitats. Different tree species such as acacia auri, mangium and crassiacarpa now blanket once arid lands. This will improve significantly in year 2020 with our progressive rehabilitation efforts covering more than 100 hectares of land.



PHP290.941M

Spent in Annual Environmental Protection and Enhancement Program in 2019

53,669

Trees grown in mined out areas in 2019

1,477

Hectares reforested to date



523,216

Donated seedlings in support of National Greening Program

2.347M

Saplings planted at the mine complex to date with 88% survival rate

18.1

Hectares of mined out areas planted in 2019

Biodiversity and Land Management

We preserve biodiversity within the mining complex by effectively managing our land access. We enrich sparsely vegetated areas by planting native trees and incorporating food-plants for the wildlife thriving onsite. Our forested areas are home to Philippine monkeys, civets, iguanas, monitor lizards and different species of birds such as wild ducks, kingfishers, tree sparrows, Asian glossy starlings, red-keeled flowerpeckers and hawks.



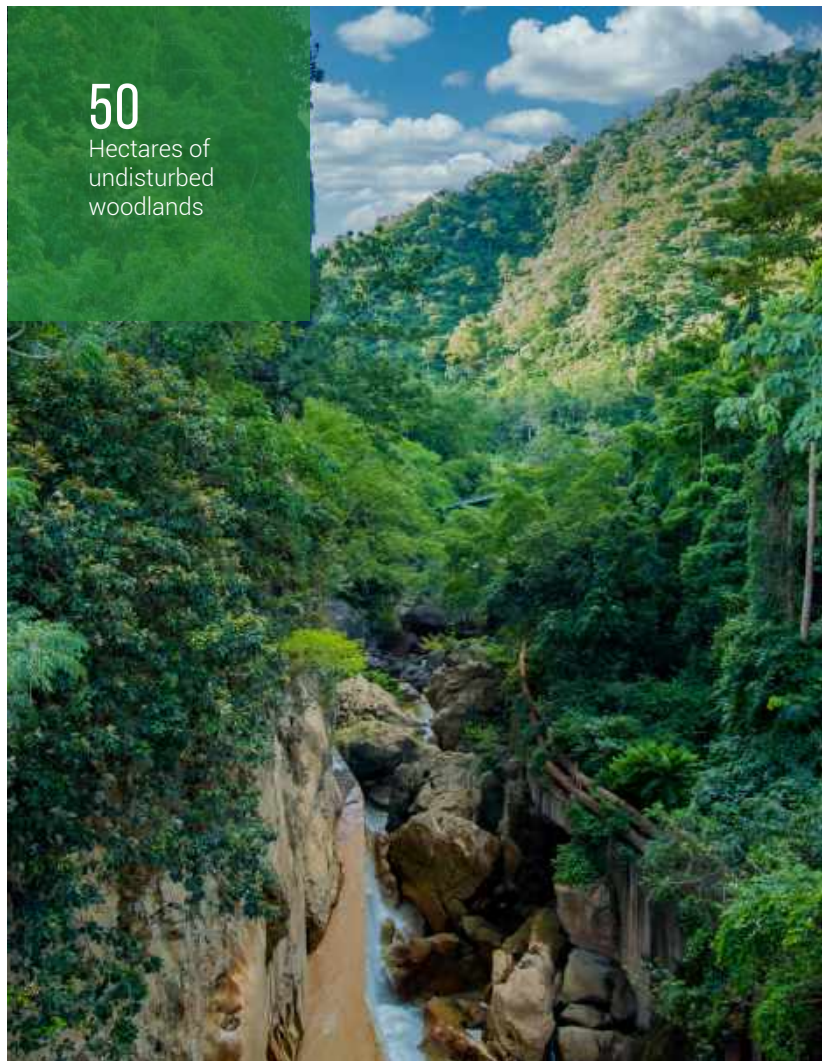
1,477
Hectares
reforested
to date



78,540
Total native
tree saplings
grown to date



71,442
Total fruit
bearing tree
seedlings grown
to date



50
Hectares of
undisturbed
woodlands

Water Quality and Management

The Malubog Dam is Atlas Mining's main reservoir, purposely built to collect, conserve and manage water flows at the mine. Because this dam supplies the requirements not only of Carmen Copper but also that of nearby communities through the Toledo City Water District, responsible water management is a high priority for us.

In 2019, we achieved an 11.4% decrease in our consumption ratio as a result of various water reduction measures mine wide. Significant savings were derived from the collection of run-off water from mill operations and re-use in the plant. Today, of the total fresh water sourced from Malubog Dam, nearly 55% is recycled for use in our grinding operations.



11.4%

Decrease in water consumption ratio



55%

Water recycled



Air Quality

Results from ambient air sampling tests conducted quarterly by the Multi-Partite Monitoring Team are below national set limits. To further maintain air quality and promote public health, we effected the following initiatives to control dust generation:



Continuous watering on haul and access roads



Installation of water sprinklers in strategic locations

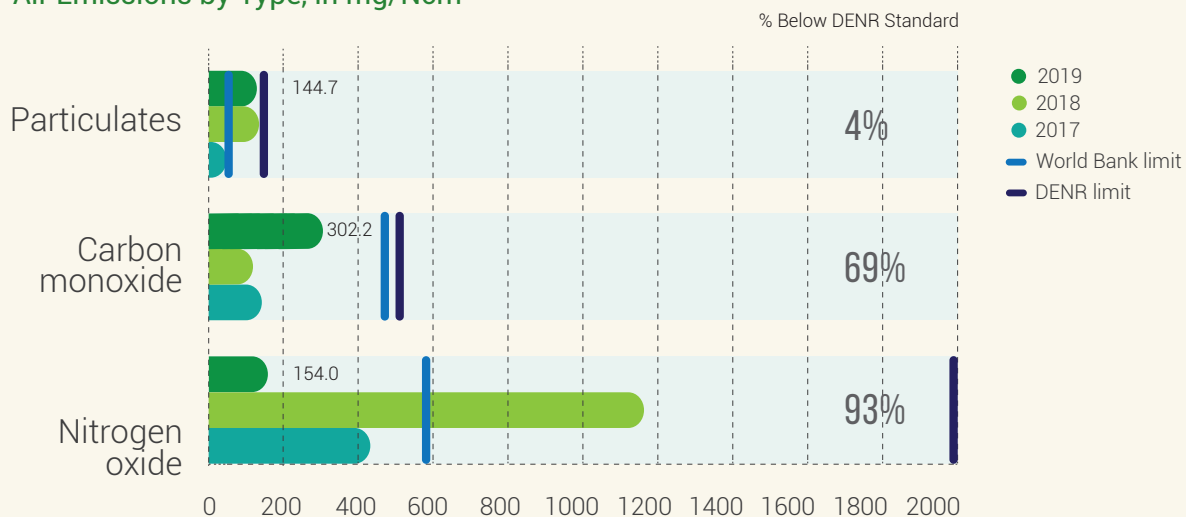


Control of traffic speed limits



Conduct of ambient air sampling in Barangay Biga

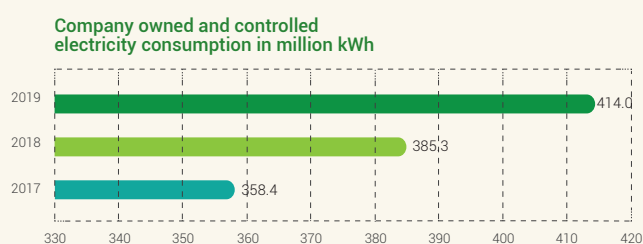
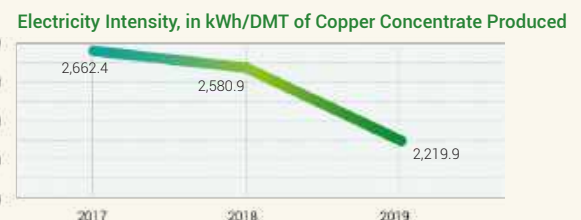
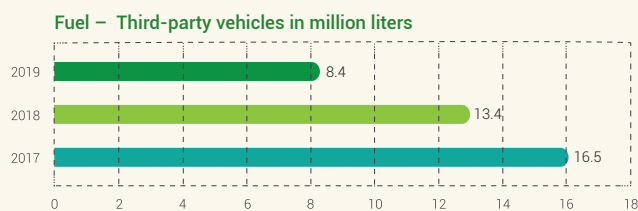
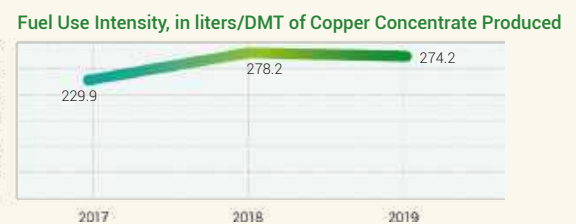
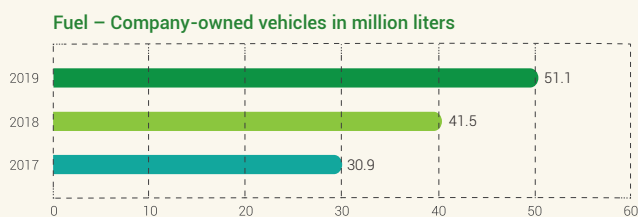
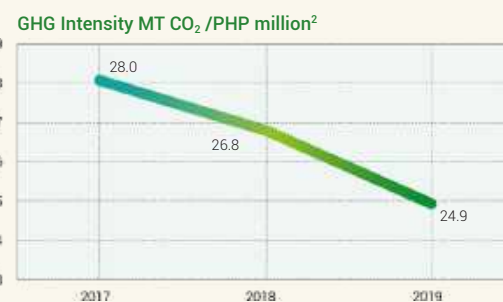
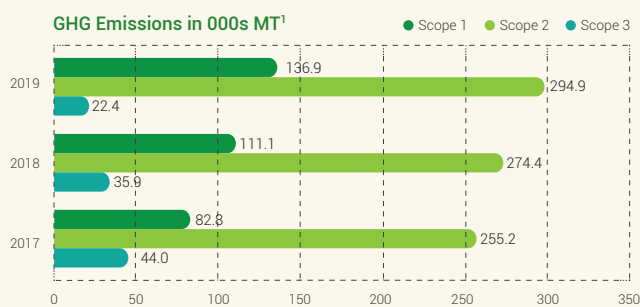
Air Emissions by Type, in mg/Ncm





Energy Management

We endeavor to continuously improve energy efficiency in our operations. Various initiatives were implemented to reduce our carbon footprint. We monitor and control our energy use and green house gas emissions, and regularly conduct mine-wide energy conservation efforts. We implemented the use of LED lights throughout the minesite for improved efficiency and low energy consumption.



¹ 102-48
Calculated following the operational control approach of the Greenhouse Gas Protocol. Moreover, Scope 2 emissions were computed using the 2015-2017 National Grid Emission Factors provided by the Department of Energy. Recalculated 2017 and 2018 data following emission factors of the Greenhouse Gas Protocol Cross-Sector Tools (2017). As reported in Carmen Copper Sustainability Report 2018 (p.16), total emissions for 2017 and 2018 were 127.1M and 147.3M respectively.

² Calculated using Total Scope 1 and 2 emissions (in MT CO₂e) and Direct Economic Value Generated (in PHP million)

Waste Management

In compliance with regulatory protocols and standards, we manage our effluents under our Waste Management Program. The Biga Pit, mined in previous years, was converted into a tailings storage and disposal facility. With its landlocked features, the Biga Pit is a strong, safe and secure containment pond for mill tailings. Our non-hazardous wastes are likewise prudently handled with due regard to environmental parameters and processes.



351,611

kgs recyclable and non-biodegradable wastes collected



Ore below cut-off grade of .20% is deposited at the Mabais-Sigpit Waste Dump and Lutopan Pit



Development, Rehabilitation and Closure Planning

We conduct progressive rehabilitation alongside mining operations. We have also earmarked resources and laid out measures under the Final Mine Rehabilitation and Decommissioning Plan (FMRDP) for our Company's after life-of-mine landscape.

PHP73M

Approved fund under FMRDP

PHP71.5M

Final Mine Rehabilitation and Decommissioning Fund (FMRDF) deposited as a trust fund







FOSTERING THE DEVELOPMENT OF SELF RELIANT COMMUNITIES

To build and nurture a strong relationship with each of our communities, we go beyond the requirements of the government's Social Development and Management Program (SDMP) and invite our communities to share in our long-term view on sustainable development. This led us to review our focus areas and how we deliver social services to our communities.

TAKING A STRATEGIC AND LONG-TERM VIEW ON SUSTAINABLE DEVELOPMENT



SOCIAL DEVELOPMENT AND MANAGEMENT PROGRAM

We view our host communities as collaborators for growth. We accompany them in their journey towards self-reliance. Through constant dialogue, our host and neighboring communities identified their key social development needs and we work with them to consistently fill in these gaps.

In partnership with our communities, together we have achieved these results.



318,777
Total beneficiaries in 2019



PHP159.875M
Total SDMP disbursement in 2019



5M
Total beneficiaries since 2015



PHP910.638M
Total SDMP disbursement since 2009



EDUCATION



370
Total scholars in 2019



9
Total college scholar graduates in 2019



523
Total scholars since 2015



2
Total schools built with

3
Classrooms in 2019

8
Total schools built with

19
Classrooms since 2015



6
Total schools refurbished with

26
Classrooms in 2019

26
Total schools refurbished with

78
Classrooms since 2015



HEALTHCARE



2,020
Total patients served in 2019 through Doktor sa Barangay Program

22,126
Total patients served since 2015 through Doktor sa Barangay Program



48,564
Total number of children served in school-based feeding program in 2019

488,100
Total number of children served in school-based feeding program since 2015



20
Total ambulances donated to date

4
Health centers built and rehabilitated that served

318,836
Patients



500

Total number of farmers engaged in 2 cooperatives in 2019



12,000

Total kilos of produce harvested in 2019



312,000

Total kilos of produce harvested since 2015



18

Types of vegetables planted (cabbage, lettuce, broccoli, cauliflower, carrot, radish, amplaya, cucumber, sayote, eggplant, hot pepper, bell pepper, long beans, baguio beans, onions, squash, water melon, tomatoes)

2,900

Total number of farmers engaged in cooperatives since 2015

PHP480,000

Value of harvested produce in 2019

PHP2.4M

Value of harvested produce since 2015



LIVELIHOOD



104

Total number of mine tours conducted in 2019



311

Total number of mine tours conducted since 2015



4,593

Total number of mine tourists who visited the Carmen Copper Heritage Center since its inception in 2018



CULTURAL HERITAGE



21

Total number of emergencies responded to in 2019



8

Total number of emergency and disaster preparedness trainings conducted



100

Total number of beneficiaries served in 2019 in response to emergencies



18

Total number of emergency and disaster preparedness drills conducted



DISASTER RESPONSE

MILESTONES | UNFOLDING STORIES OF OUR COMMUNITIES

"With Carmen Copper in Barangay DAS, we are now enjoying basic yet premium social services."

Evangeline Solon, President,
Copper Mine Agro Ventures Organization

"We have been strong partners for social growth and development. We are now heading towards progress and prosperity."

Jeffrey A. Cabrera, DAS Barangay Chairman



Barangay Don Andres Soriano

Carrying on A Legacy of Growth

Named after the founder of Atlas Mining, barangay Don Andres Soriano (DAS), the primary host barangay of Carmen Copper, has achieved milestones in their roadmap towards self-sufficiency. Barangay DAS, with its growing population currently works with about PHP11M in internal revenue allotment annually. They hope to achieve their dream for adequate school buildings for the children, proper sports development for their youth, road networks to facilitate economic activity, health centers and other social development objectives.

Barangay DAS has achieved inroads towards sustainability. Although the journey is still long, the legacy of Don Andres Soriano will be carried on in bringing sustained growth for all.



24,850
Population



5,430
No. of families



PHP11M
Annual IRA

Projects implemented

- DAS Health Center and Lying-In Clinic
- Barangay DAS Fire Station
- De La Salle Andres Soriano Memorial College (Scholarship, Subsidization, free use of camp facilities)
- P. Del Rosario Elementary School (Brigada Eskwela)
- Water System at Sitio Santol
- Electric Power and Water subsidy

"We are happy because we are a host community. We have new school buildings, livelihood programs, farmer's training, and free water supply."

Marites M. Bolo, Resident, Barangay Biga

"The development in Biga is a product of our mutual beneficial partnership."

Pedro H. Sepada, Chairman Barangay Biga

Barangay Biga

Paving the Way to Economic Progress

From a remote barrio in the hinterlands of Toledo, barangay Biga has grown and progressed into a thriving village.

The steady increase of economic activities in Biga is due to the influx of people, with its population increasing by about 35% in the last decade. The opening of access roads has linked farmers to markets, workers to job centers, the sick to health facilities, the students to schools and the residents to government agencies.

With Carmen Copper as its solid partner for growth, Barangay Biga is able to give quality education to its children, improve its access to basic services through the road network opened and maintained by the company, take care of its sick people through the health center and ambulance and preserve their heritage through the multipurpose cultural center. This strong partnership has paved the way toward self-sufficiency and progress for the people of Biga.



4,200
Population



837
No. of families



PHP6M
Annual IRA

Projects implemented

- 1-storey, 4-classroom School Building
- Senior Citizen Building and Birthing Facility
- Shuttle Bus Service
- Biga Barangay Hall
- Covered Court
- Road Opening and Road Maintenance
- Feeding Program
- Scholarships
- Water System Project
- Livelihood Assistance/ People's Organizations
- Electric Power and Water subsidy

"Our partnership has taken us a long way. The assistance that we received from Carmen Copper has greatly helped our people."

Junalyn Alicaba, Chairman, Barangay Loay

Barangay Loay

Nourishing the Beauty of Loay

Loay, one of the smallest barangays in Toledo City, boasts hidden natural gems that are slowly being discovered. It is home to the famous Lake Bensis, a man-made lake that has now become a popular site for campers and hikers. This is aligned with Barangay Loay's intent to promote nature tourism. To do this, it has laid the groundwork by building roads and facilities in partnership with the government and private stakeholders.

Carmen Copper, is a close partner of Barangay Loay in building a self-reliant community. The Company has implemented projects that complement government efforts and Loay's long-term vision for sustainable tourism.



1,624
Population



525
No. of families



PHP2.4M
Annual IRA

Projects implemented

- Road improvement
- Health Center and Lying In Clinic
- Multipurpose Covered Court
- Slope Protection/Retaining Wall
- Scholarships
- Livelihood Assistance
- Electric Power and Water subsidy

"As partners for progress, we look forward towards achieving sustained growth in our barangay through human capacity building."

Hilario Alferez, Chairman, Barangay Media Once

Barangay Media Once

Investing in Future Generations

The arable lands in Barangay Media Once present many opportunities for socio-economic growth. Majority of its population are engaged in farming and animal raising. Seeing the potentials of its bustling young population, Media Once veered its focus towards investing in the future generation and agricultural development. Efforts for sustainable development center on securing the children's future through quality education, capacitating local farmers through trainings on latest farming technologies and provision of agricultural inputs and implements.



7,364
Population



2,541
No. of families



PHP6.7M
Annual IRA

Projects implemented

- Vegetable Production
- Banana Plantation
- Community-based Greening Program
- Distribution of Farm Inputs and Implements
- Cacao Production
- Biochar Model Facility
- Multipurpose Covered Court
- Goat Raising
- Day Care Center Building
- School-based Feeding Program
- Health Center Renovation
- Scholarships





PRIORITIZING GOVERNANCE

Atlas Mining believes pursuing initiatives aimed at strengthening governance structures, processes and systems in the organization and its subsidiaries immensely contribute to the growth and sustainability of its business for the benefit of all its stakeholders.

CORPORATE GOVERNANCE

The Board of Directors (The Board) and management of Atlas Mining commit themselves to the principles and practices of good corporate governance as institutionalized in the Corporation's Code of Corporate Governance (CCG). Atlas Mining believes pursuing initiatives aimed at strengthening governance structures, processes and systems in the organization and its subsidiaries contribute to the growth and sustainability of its business for the benefit of all its stakeholders.

Atlas Mining strives to develop corporate leaders committed to the optimization of shareholder value and to the protection and enhancement of the rights of its stakeholders.

Governance Structures and Systems

The Board of Directors

Compliance with the principles of good corporate governance emanates from the Board. It is responsible for the oversight of the over-all business and operations of the Company.

The Board is composed of eleven (11) members who hold office for one (1) year until their successors are qualified and elected. Atlas Mining has currently four (4)

Independent Directors who satisfy the requirements of independence under the Securities Regulation Code (SRC), its implementing Rules and Regulations (IRR) and the CCG.

Committees of the Board

Pursuant to the Company's By-laws and the CCG, the Board has established five (5) committees composed of its members for the effective performance of its policy-making and oversight functions.

Each Board Committee has a Charter defining its composition, roles and responsibilities, conduct of meetings and proceedings and reportorial duties. All the Committees are headed by Independent Directors except for the Executive Committee.

- 1) The Executive Committee is tasked to exercise the powers of the Board which may be lawfully delegated in the management and direction of the affairs of the corporation during the intervals between Board meetings.
- 2) The Audit Committee is established to enhance the Board's oversight capability over Atlas Mining's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.
- 3) The Corporate Governance Committee is tasked to assist the Board in the performance of its corporate governance responsibilities including the functions and duties formerly assigned to the Nomination and Remuneration Committees.
- 4) The Board Risk Oversight Committee is responsible for the oversight of the enterprise risk management system to ensure its functionality and effectiveness.
- 5) The Related Party Transaction Committee is tasked with reviewing all material and related party transactions of Atlas Mining.

Management

The day-to-day operations and business of the Company is the responsibility of Management. The office of the Chairman of the Board and President are held by separate individuals with their respective roles and duties.





For more information on the composition and qualifications of the Board, description and list of members of each the Board Committees please see: <https://www.atlasmining.com.ph/corporate-governance/board-directors-committees>

Annual General Meeting of the Shareholders

Atlas Mining conducts the Annual General Meeting of its Shareholders (the AGM) for the Shareholders to elect the members of the Board, approve the audited financial statements and reports of management, raise concerns and vote on relevant issues. Shareholders are notified at least thirty (30) days before the scheduled AGM of the date, time and place of meeting pursuant to the Company's By-laws. Voting procedure on items to be presented for approval, agenda and validation of proxies are provided in the Definitive Information Statement given to the Shareholders before the AGM.

Corporate Actions

Corporate actions require the review and approval of the Board as well as its Committees, or the management unit to which the relevant authority has been delegated. This ensures effective control over the execution of the Board's operational, financial, and administrative plans.

Risk

The Risk Officer, who reports to the Board Risk Oversight Committee, is responsible for identifying and evaluating risks to ensure the sufficiency, effectiveness and continuous improvement of the Company's risk management and control systems.

Audit

The Audit Committee of the Board is tasked to oversee the external and internal auditors. The Internal Audit Group, headed by the Chief Audit Executive, reports directly to the Audit Committee and is responsible in providing independent control systems, governance, risk management and compliance to add value, improve operational efficiency, economy and management process.

Compliance

The Compliance Officer is responsible for the Company's compliance with the provisions of laws and good corporate governance requirements. A system for directing and monitoring compliance with legal, regulatory and contractual obligations is in place to ensure consistent and timely fulfillment of commitments for the relevant period.

Rights and Protection of Stakeholders

Atlas Mining adheres to fair business practices to establish long term relationships with its various stakeholders. Thus, transparency, openness and mutual cooperation are exercised for the mutual benefit when dealing with shareholders, clients, service contractors, community and the regulatory agencies.

Shareholders' Rights

Each common share entitles a Shareholder to a notice of the AGM and to one vote at the AGM. Shareholders have the right to elect, remove and replace directors and vote on corporate acts and may exercise their appraisal rights in accordance with the Revised Corporation Code (RCC). They have the right to receive dividends as the Board may declare from time to time.

Reports to Shareholders & Web Site

Atlas Mining provides its shareholders and investors with easy and regular access to information regarding the Company's financial conditions, material information and performance through timely disclosures via the on-line disclosure system of the Philippine Stock Exchange (PSE)

and filing with the Securities and Exchange Commission (SEC). The Company's structure, Board, Committees, officers, products, disclosures, reports and other material up-to-date information are posted at the Company's website, www.atlasmining.com.ph

Employee Relations

Atlas Mining recognizes that its employees serve as a vital pillar in its governance structure. It gives utmost importance to the consistent implementation of human resource development programs focused on skills improvement, values orientation and management trainings and seminars. Employee orientation is given where employees are apprised of their benefits and privileges. The Company policies on the duties and responsibilities of an employee are also discussed. It also conducts trainings and activities on safety, health and welfare of the employees.

Community Relations

Atlas Mining, through Carmen Copper, is committed to go beyond compliance with the DENR regulations on SDMP and other related statutory laws. Atlas Mining provides standard operating procedures and guidelines to ensure established systems and controls in the management





of SDMP projects are strictly enforced and complied with for the development of the host and neighboring communities.

Supply Chain

Atlas Mining promotes the concept of responsible sourcing and encourages supply chain partners to develop and share best practices for green operations and logistics. It collaborates with partners who demonstrate compliance with industry best standards for worker safety, health, environmental protection and business ethics. Atlas Mining and its subsidiaries qualify new suppliers who can ensure that delivery and quality performance targets are achieved.

Environment

Atlas Mining envisions the prudent conduct of its mining business while providing an environmentally friendly, healthy and safe workplace for its employees and contractors by implementing actions that promote health care, prevention of injury, accidents, prevention of pollution and protection of the environment. Atlas Mining commits to the efficient management and use of

materials, products and energy through waste or emission reduction or elimination, reuse and recycling. It also reviews opportunities for improvement of its processes and operations by implementing objectives, targets and programs towards sustainable development.

Corporate Governance Policies

Code of Corporate Governance

The principles and practices of good corporate governance are institutionalized in Atlas Mining's CCG. The Company continuously pursues initiatives aimed at strengthening governance structures, processes and systems pursuant to the CCG and company policies.

Code of Business Conduct and Ethics

Atlas Mining lays down the fundamental standards of professional and ethical conduct, behavior and practices to guide the directors, officers and employees (the "Personnel") in their dealings, actions and decisions consistent with the principles of good governance. The Company's Code of Business Conduct and Ethics is aligned with its long held values of integrity, honesty,

CORPORATE GOVERNANCE

fairness, professionalism, innovation, team orientation, concern for the Company, environment, safety, health, welfare, social development and sustainability.

Anti-Bribery and Corruption Policy

Atlas Mining strictly prohibits any form of bribery and corruption. The Company's personnel are expected to conduct themselves in accordance with the Code of Business Conduct and Ethics, the CCG and this Policy. Facilitation payments are likewise strictly prohibited.

Labor and Human Rights

Atlas Mining respects and upholds the rights of its employees. Abusive or inhumane practices, forced labour, trafficking, slavery or involuntary servitude, discrimination, or sexual harassment are all prohibited under Company policies. The Company also neither uses child labor nor tolerates the practice of the same. Moreover, Carmen Copper has a Collective Bargaining Agreement (CBA) with its rank and file employees where benefits of the latter are above what the law prescribes.

Other Corporate Governance Policies

In addition to the CCG, the Company's other corporate governance policies are available on the Company's website and include among others the following:

Performance Evaluation Guidelines: Atlas Mining's Board and Management conduct an annual performance evaluation. Individually and as a group, they measure and evaluate their level of compliance with good corporate governance principles and practices. Evaluation criteria include among others their duties and responsibilities under the RCC, the Company's By-laws, the CCG and Committee Charters.

Whistle Blowing Policy: To enable an individual to disclose in confidence any concern about perceived wrongdoing or danger in the Company. The whistleblower is protected from reprisal or disciplinary action as a result of the disclosure made in good faith.

Conflict of Interest Policy: Any personnel involved in an actual or potential conflict of interest is mandated to disclose the same to the Company. A conflict of interest arises when the personal activities or relationships of an employee interferes or appears to interfere with the employee's commitment to achieve the Company's desired outcome in all business dealings.

Insider Trading Policy: Abusive trading practices and conduct of security trading are prohibited. Personnel are prohibited from trading in Atlas Mining's shares at least two trading days after disclosure of any material information.

Related Party Transactions: All material information and transactions of the company with related parties are required to be reviewed by the Related Party Transaction Committee and the Board. These are disclosed to the PSE and the SEC.

For a detailed list and copy of Atlas Mining's policies, please see: <https://www.atlasmining.com.ph/corporate-governance/policies>

Governance Goals

As Atlas Mining continues to improve and move forward, it envisions, plans and commits to set the bar high on the following:

- Accountability in the work place
- Transparency in management and business dealings
- Leadership to bring out the best in people and instill a moral and social responsibility into their activity and inspire others
- Ability to fulfill tasks and business needs in a timely and cost-effective manner
- Sustainability across operations and for all our stakeholders

BOARD OF DIRECTORS



Alfredo C. Ramos
Chairman



Frederic C. Dybuncio
Vice Chairman



Adrian Paulino S. Ramos
Director and President



Martin C. Buckingham
Director



Gerard Anton S. Ramos
Director



Isidro A. Consunji
Director



Jose T. Sio
Director



Laurito E. Serrano
Lead Independent Director



Emilio S. De Quiros, Jr.
Independent Director



Fulgencio S. Factoran, Jr.
Independent Director



Jose P. Leviste, Jr.
Independent Director



Atty. Roderico V. Puno
Corporate Secretary

GRI CONTENT INDEX

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.



Materiality Disclosures
Atlas Mining

Jun 2020
Service

| GRI Standard | Disclosure | Page number(s), direct answer and/or URLs | Reason for Omission |
|---|-------------------------------|---|--------------------------------|
| GRI 101: Foundation 2016 | | | |
| General Disclosures | | | |
| GRI 102: General Disclosures 2016 | Organizational Profile | | |
| | 102-1 | Name of the organization | Inside front cover |
| | 102-2 | Activities, brands, products, and services | 2 |
| | 102-3 | Location of headquarters | back cover |
| | 102-4 | Location of operations | 2 |
| | 102-5 | Ownership and legal form | 2 |
| | 102-6 | Markets served | 2 |
| | 102-7 | Scale of the organization | 3, 14-15 |
| | 102-8 | Information on employees and other workers | 14, 26-29 |
| | 102-9 | Supply chain | 14-15, 51 |
| | 102-10 | Significant changes to the organization and its supply chain. | none to report |
| | 102-11 | Precautionary Principle or approach | 52 |
| | 102-12 | External initiatives | inside front cover, 13, 16, 18 |
| | 102-13 | Membership of associations | 56 |
| | Strategy | | |
| | 102-14 | Statement from senior decision-maker | 4-9 |
| | Ethics and integrity | | |
| | 102-16 | Values, principles, standards, and norms of behavior | 1, 51-52 |
| | Governance | | |
| | 102-18 | Governance structure | 48-49 |
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| | 102-40 | List of stakeholder groups | 21 |
| | 102-41 | Collective bargaining agreements | 14 |
| | 102-42 | Identifying and selecting stakeholders | 21 |
| | 102-43 | Approach to stakeholder engagement | 21 |
| | 102-44 | Key topics and concerns raised | 21 |
| | Reporting practice | | |
| | 102-45 | Entities included in the consolidated financial statements | Atlas Mining and Carmen Copper |
| | 102-46 | Defining report content and topic boundaries | 20 |
| | 102-47 | List of material topics | 20 |
| | 102-48 | Restatements of information | 36 |
| | 102-49 | Changes in reporting | Inside front cover |
| | 102-50 | Reporting period | Inside front cover |
| | 102-51 | Date of most recent report | 2018 (published in 2019) |
| | 102-52 | Reporting cycle | Annual |
| | 102-53 | Contact point for questions regarding the report | Inside back cover |
| | 102-54 | Claims of reporting in accordance with the GRI Standards | Inside front cover |
| | 102-55 | GRI Content Index | 54-55 |
| | 102-56 | External assurance | no external assurance |
| Material Topics | | | |
| Economic Performance | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its boundary | 19 |
| | 103-2 | The management approach and its components | 18-21 |
| | 103-3 | Evaluation of the management approach | 18-21 |
| GRI 201: Economic Performance 2016 | 201-1 | Direct economic value generated and distributed | 2 |
| Indirect Economic Impacts | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its boundary | 19 |
| | 103-2 | The management approach and its components | 18-21 |
| | 103-3 | Evaluation of the management approach | 18-21 |
| GRI 203: Indirect Economic Impacts 2016 | 203-2 | Significant indirect economic impacts | 13, 16, 38-45 |

| GRI Standard | Disclosure | Page number(s), direct answer and/or URLs | Reason for Omission |
|--|------------|---|---------------------|
| Procurement Practices | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | 19 |
| | 103-2 | The management approach and its components | 18-21 |
| | 103-3 | Evaluation of the management approach | 18-21 |
| GRI 204: Procurement Practices 2016 | 204-1 | Proportion of spending on local suppliers | 14-15 |
| Energy | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | 19 |
| | 103-2 | The management approach and its components | 18-21, 36 |
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| | 103-3 | Evaluation of the management approach | 18-21, 35 |
| GRI 305: Emissions 2016 | 305-1 | Direct (Scope 1) GHG emissions | 36 |
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| | 103-3 | Evaluation of the management approach | 18-21, 37 |
| GRI 306: Effluents and Waste 2016 | 306-2 | Waste by type and disposal method | 37 |
| Environmental Compliance | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | 19 |
| | 103-2 | The management approach and its components | 18-21, 33-37 |
| | 103-3 | Evaluation of the management approach | 18-21, 33-37 |
| GRI 307: Environmental Compliance 2016 | 307-1 | Non-compliance with environmental laws and regulations | none to report |
| Employment | | | |
| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | 19 |
| | 103-2 | The management approach and its components | 18-21, 26-29 |
| | 103-3 | Evaluation of the management approach | 18-21, 26-29 |
| GRI 401: Employment 2016 | 401-1 | New Employee hires and employee turnover | 26 |
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| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | 19 |
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| GRI 403: Occupational Health and Safety 2016 | 403-2 | Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | 30 |
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| GRI 404: Training and Education 2016 | 404-1 | Average hours of training per year per employee | 28 |
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| GRI 103: Management Approach 2016 | 103-1 | Explanation of the material topic and its Boundary | 19 |
| | 103-2 | The management approach and its components | 18-21, 39-45 |
| | 103-3 | Evaluation of the management approach | 18-21, 39-45 |
| GRI 413: Local Communities 2016 | 413-1 | Operations with local community engagement, impact assessments, and development programs | 13, 16, 39-45 |

AWARDS AND CITATIONS

PRESIDENTIAL MINERAL INDUSTRY AND ENVIRONMENTAL AWARD (PMIEA)

Titanium Achievement (2017)

Platinum Achievement (2018, 2019)

GAWAD TUGAS

Gawad Tugas for Forest Protection and Management (2017)

Gawad Tugas for Responsible Mining (2015, 2018)

BEST MINING FOREST AWARD

Champion (2010)

1st runner up (2011, 2013, 2015)

2nd runner up (2012, 2014, 2016)

TWO GOLDEN ARROWS AWARDEE

Asean Corporate Governance Scorecard (2018)

OTHER AWARDS AND CITATIONS

Best National Greening Program Implementer in Region 7 (2013)

Most Improved Safety Performance Award (2019)

Outstanding Grievance Machinery for Industrial Peace (2017, 2019)

Silver Anvil Award for 2017 and 2018 Sustainability Report

Recognition for Support to Education

Recognition for Support to Education and Disaster Response (2018)

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

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

Platinum Award

Red Cross Blood Services (2017)

MEMBERSHIP IN ASSOCIATIONS





Shareholder Information

Key Events For Shareholders

- The By-laws provide for the Annual General Meeting of the Shareholders (the AGM) to be held every last Wednesday of April every year.
- Quarterly Results are scheduled to be released respectively in the months of May, August and November.
- Annual results are scheduled to be released not later than April 1 of every year.

Shareholder Services And Assistance

For concerns regarding dividends, account status, lost or damaged stock certificate and notice of change of name and address, please write or call:

STOCK TRANSFER SERVICE, INC.
34th Floor, Unit D, Rufino Pacific Tower
6784 Ayala Avenue, Makati City
1226, Philippines

Telephone +632 8403.3433
Fax +632 8403.2414

Investor Relations

We welcome inquiries from investors, analysts, and the financial community. For information about the developments of Atlas Mining, please contact:

Alexei Jerome G. Jovellana
Executive Vice President
Email: ir@atlasphilippines.com.ph

Fernando A. Rimando
Vice President, Chief Financial Officer
Email: ir@atlasphilippines.com.ph

Corporate Governance / Sustainability

For inquiries on corporate governance and sustainability, you may contact:

Atty. Maria Eleonor A. Santiago
Head, Legal Affairs and Corporate Governance
Email: governance&sustainability@atlasmining.com.ph



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