

## *Guidelines for Nomination and Election of Directors*

To further achieve the Board of Directors (the “Board”) diversity objectives it has crafted a formal and transparent Board Nomination and Election Guidelines which shall steer the latter in determining the qualifications and disqualifications of Directors, the acceptance of Director nominations from Shareholders, the shortlisting of Director candidates, and the assessment of the effectiveness of the process of nomination and election.

### *1. Functions of the Corporate Governance Committee*

- 1.1 The Corporate Governance Committee (“CG Com” or the “Committee”) shall determine the nomination and election process for the Corporation’s Directors.
- 1.2 It shall have the special duty of defining the general profile of Board members that the Corporation may need.
- 1.3 It shall ensure appropriate knowledge, competencies and expertise that complement the existing skills of the Board.

### *2. Qualifications of Directors*

In reviewing and evaluating the nominees for the Board, the following minimum qualifications and shall be considered:

- 2.1 Holder of at least one (1) share of stock of the Corporation;
- 2.2 At least a college graduate or have sufficient experience in managing the business to substitute for such formal education;
- 2.3 At least 21 years of age;
- 2.4 Proven to possess integrity and probity;
- 2.5 Assiduous and objective in the discharge of the functions of his office; and
- 2.6 Nominee must not be engaged in a business competitive with or antagonistic to that of the Corporation.

### *3. Permanent Disqualifications*

The following shall be permanently disqualified from election to the Corporation’s Board:

- 3.1 Any person convicted by final judgment or order by a court or administrative body of an offense involving moral turpitude, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent act or transgressions;
- 3.2 Any person finally found by the Securities and Exchange Commission (the “SEC”) or a court or other administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of, any provision of the Securities and Regulation Code (“SRC”), Corporation Code, or any other law administered by the SEC or Banko Sentral ng Pilipinas (“BSP”) or any of its rule, regulation or order;
- 3.3 Any person who, after being elected as an Independent Director becomes an officer, employee or consultant of the Corporation;

- 3.4 Any person judicially declared to be insolvent;
- 3.5 Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraph; and
- 3.6 Conviction by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Corporation Code, committed within five (5) years prior to the date of his election or appointment.

#### 4. *Temporary Disqualifications*

A Director subject of temporary disqualification shall, within sixty (60) business days from such disqualification, take the appropriate action to remedy the cause of the disqualification. If he fails or refuses to do so for any reason, the disqualification shall become permanent.

The following shall be temporarily disqualified from election to the Corporation's Board:

- 4.1 Any person who refuses to fully disclose the extent of his business interest as required under the Securities and Regulations Code (SRC) and its Implementing Rules and Regulations (IRR). This disqualification shall be in effect as long as his refusal persists;
- 4.2 Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board during his incumbency, or any twelve (12) month period during said incumbency. This disqualification applies for purposes of the succeeding election;
- 4.3 Dismissal/termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;
- 4.4 Being under preventive suspension by the Corporation;
- 4.5 If the Independent Director ("ID") becomes an officer or employee of the same corporation he shall be automatically disqualified from being an ID;
- 4.6 Conviction that has not yet become final referred to in the grounds for the disqualification of directors.

#### 5. *Nominations, Screening Periods and Shortlisting of Candidates*

- 5.1 The Committee shall assess the candidates based on qualifications and disqualifications provided herein and under the Corporation's Code of Corporate Governance. It may consider the following guidelines in the determination of the number of directorships that a member of the Board may hold:
  - The nature of the business of the corporations where he is a director;
  - Age of the director;
  - Number of directorships/ active memberships in other corporations or
  - Organizations; and
  - Possible conflict of interest.
- 5.2 The Committee shall pre-screen and shortlist all candidates nominated based on herein mentioned criteria and guidelines. The nominees for the election as members of the Board shall be submitted to the Board at least three (3) months prior to the election or up to such time as the Committee and/or Board may determine.
- 5.3 Nominations from minority Shareholders are accepted in the same manner as any other nominees.

## 6. *Procedures and Requirements*

- 6.1 The Committee shall start to accept nominations from the first month of the year in which such nominee director is to serve and every year thereafter. The table for nominations shall be closed two (2) months before the scheduled day of election, unless the Committee and/or the Board unanimously agrees to extend the deadline for meritorious reasons but in no case shall nominations be accepted at the floor during the Shareholders' meeting in which such nominee is to be elected.
- 6.2 Each nomination must be accompanied by a Nomination Letter addressed to the Committee. The letter must have the nominating person's or group's name, stock certificate number and signatures. Template of which is attached as Annex "A".
- 6.3 The nominee's Personal Data Sheet (PDS), which contains among others, the nominee's personal circumstances, educational credentials and date of birth, must be attached to the Nomination Letter.
- 6.4 The Nomination letter shall also be supported by a signed and notarized Conforme of the nominee, his Affidavit of Eligibility as Director or Independent Director and notarized Conflict of Interest Statement. Template of which is attached as Annex "B".
- 6.5 After the of all nominees, the Committee shall thereafter submit a Final List of Candidates to the Corporate Secretary no later than sixty (60) days before the scheduled day of election, or such later date as may be unanimously agreed upon by the Committee and communicated to the Corporate Secretary, so such list may be included in the Corporation's Preliminary and Definitive Information Statements.

## 7. *Third Party Search Firm*

- 7.1 The Corporation or any Shareholder may seek the aid of a professional search firm or other external source to find potential nominees for Director provided that the potential nominees comply with the guidelines, standards, criteria and qualifications laid down in the Corporation's *Polices and Corporate Governance Code*.
- 7.2 Such potential nominee from the professional search firm or external source must have the quality of the Director who is aligned with the strategic direction of the Corporation.

## 8. *Election*

All Directors are elected at the Annual General Meeting of the Shareholders (AGM), by personal vote or by proxy. A Proxy Validation Committee validates all proxies prior to the AGM.

## 9. *Annual Review and Proposed Changes*

The Committee shall review annually the adequacy of this Policy and recommend any proposed changes or modifications for approval by the Board in order to further improve its process in the nomination, election, and replacement of a director.

## 10. *Amendment*

This Policy shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by a resolution of the Board.

**Annex A**

Date \_\_\_\_\_

**THE CHAIRMAN**

Corporate Governance Committee  
Atlas Consolidated Mining and Development Corporation

**Re: DIRECTOR NOMINATION LETTER**

Gentlemen:

I/We, the undersigned, being voting stockholders of Atlas Consolidated Mining and Development Corporation (AT), nominate \_\_\_\_\_ for election as Director/Independent Director to the Board of Directors of AT.

Attached hereto as Annex "A" is his biodata, showing among others, his educational credentials and work experience, the periods in which they were attained, and his affiliations and as Annex "B" is his Certification of Eligibility as Director /Independent Director and the Conflict of Interest Statement

Thank you very much.

Very truly yours,

Nominator:

\_\_\_\_\_  
Signature above Printed Name

Stock Certificate Number: \_\_\_\_\_

Date: \_\_\_\_\_

**CONFORME TO NOMINATION AS DIRECTOR/INDEPENDENT DIRECTOR**

I, \_\_\_\_\_, of legal age, Filipino, married/single and a resident of \_\_\_\_\_, have read the Nomination Letter and accepted the nomination for AT Director/Independent Director. I also certify that my biodata as submitted in the Nomination Letter is true and correct.

In Witness Whereof, I have set my hand this \_\_\_\_ day of \_\_\_\_\_ in \_\_\_\_\_.

Nominee  
\_\_\_\_\_

SUBSCRIBED AND SWORN to before me in the \_\_\_\_\_ this \_\_\_\_ day of \_\_\_\_\_ by \_\_\_\_\_ whose identity I have confirmed through his government issued ID \_\_\_\_\_ with number \_\_\_\_\_ issued on \_\_\_\_\_ by \_\_\_\_\_.

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Book No. \_\_\_\_\_:

Series of \_\_\_\_\_.

## Annex B

### AFFIDAVIT OF ELIGIBILITY AND CONFLICT OF INTEREST STATEMENT

I, \_\_\_\_\_, Filipino, of legal age and a resident of \_\_\_\_\_ after having been duly sworn to in accordance with law do hereby declare that:

1. I have accepted my nomination for Director/Independent Director (ID) of Atlas Consolidated Mining and Development Corporation (AT).
2. I am affiliated and connected with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company	Position	Years of Service

3. I possess all the qualifications and none of the disqualifications to serve as Director/Independent Director as provided for in the Company Nomination and Election Policy, Corporate Governance Charter, SEC Rules and Regulations and pertinent laws and other issuances.

4. I am related to the following director/corporate officer/substantial shareholder of AT and its subsidiaries and affiliates:

Name of Director/Corporate Officer/Substantial Shareholder	Company	Nature of Relationship

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

6. I disclose that I am the subject of the following criminal / administrative investigation or proceeding (if applicable);

Offense Charged/Investigated	Court or Agency with Jurisdiction	Status

7. I have the required written permission or consent from the (head of the agency/department) to be an independent director in AT. (For those in government service/affiliated with government agency or GOCC).

8. I shall faithfully and diligently comply with my duties and responsibilities as Director /Independent Director under the Code of Corporate Governance, SEC Rules and Regulations and pertinent laws and other issuances.

9. I shall inform the Corporate Secretary of AT of any changes in the abovementioned information within five days from its occurrence.

In Witness Whereof, I have set my hand this \_\_\_\_day of \_\_\_\_\_ in \_\_\_\_\_.

\_\_\_\_\_  
**Affiant**

Subscribed and Sworn to before me in the \_\_\_\_\_ this \_\_\_\_ day of \_\_\_\_\_ by \_\_\_\_\_ whose identity I have confirmed through his government issued ID \_\_\_\_\_ with number \_\_\_\_\_ issued on \_\_\_\_\_ by \_\_\_\_\_.

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