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SECURITIES AND EXCHANGE COMMISSION

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A T L A S C O N S O L I D A T E D M I N I N G A N D

D E V E L O P M E N T C O R P O R A T I O N

(Company's Full Name)

9 T H F L O O R Q U A D A L P H A C E N T R U M

1 2 5 P I O N E E R S T R E E T M A N D A L U Y O N G

(Business Address: No Street City / Town / Province)

CARMEN ROSE A. BASALLO-
ESTAMPADOR

Contact Person

(632) 584-9788

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

Updated Annual Corporate Governance
Report

FORM TYPE

Last Wednesday of April

Month

Day

Annual Meeting

N/A

Secondary LicenseType, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

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REPUBLIC OF THE PHILIPPINES)

CITY OF PASIG CITY

SECRETARY'S CERTIFICATE

I, **CARMEN-ROSE A. BASALLO-ESTAMPADOR**, Filipino, of legal age, with office address at the 9th Floor Quad Alpha Centrum, 125 Pioneer Street, Mandaluyong City, Philippines, after being duly sworn in accordance with law hereby state as follows:

1. I am the duly elected and incumbent Assistant Corporate Secretary of **Atlas Consolidated Mining and Development Corporation** (the "Corporation"), a corporation duly organized and existing in accordance with the laws of the Philippines, with principal office address at Quad Alpha Centrum, 125 Pioneer Street, Mandaluyong City, Philippines.
2. At the regular meeting of the Board of Directors of the Corporation held on 15 December 2014 during which a quorum was present and acted throughout, the following resolution was unanimously passed and adopted:

RESOLVED, that Atlas Consolidated Mining and Development Corporation ("Atlas Mining") be, as it hereby is, authorized to file an updated Annual Corporate Governance Report in compliance with SEC Memorandum Circular No. 5-2013, as clarified by SEC Memorandum Circular No. 12-2014, to consolidate its reports of events and developments pertaining to the Atlas Mining group in 2014.


3. The foregoing resolution has not been revoked or modified, and is contained in the corporate record that is in my possession.

IN WITNESS WHEREOF, I have set my hand this JAN 12 2015 in
PASIG CITY.


CARMEN-ROSE A. BASALLO-ESTAMPADOR
Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me in the City of PASIG CITY this by Carmen-Rose A. Basallo-Estampador whose identity I have confirmed through her Philippine Passport with number EC2470394 issued on 20 October 2014 in Manila.

Doc. No. 97:
Page No. 20:
Book No. III:
Series of 2015.


ATTY. RAMON L. CARPIO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2016
PTR NO. 0350443-1/0715 AT PASIG CITY
IBP-08370-0112/12/14 AT PASIG CITY
TIN 106-078-887
MCLE IV-COMPLIANCE # 000630.6/19/13
ROLL # 22,172

SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR

ANNUAL CORPORATE GOVERNANCE REPORT

1. Report is Filed for the Year: **2014**
2. Exact Name of Registrant as Specified in its Charter:
Atlas Consolidated Mining and Development Corporation
3. Address of Principal Office Postal Code
9th Floor Quad Alpha Centrum, 125 Pioneer Street, Mandaluyong City 1554
4. SEC Identification Number: **115 Pre-War** 5. (SEC Use Only)
Industry Classification Code
6. BIR Tax Identification Number: **000-154-572-000-V**
7. Issuer's Telephone number, including area code: **+ 63 2 584 9788**
8. Former name or former address, if changed from the last report: **Not Applicable**

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A. BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	11
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Actual number of Directors for the year	11
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(a) Composition of the Board

Complete the table with information on the Board of Directors:

Director's Name	Type [Executive (ED), Non- Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID)	Elected when (Annual /Special Meeting)	No. of years served as director
Alfredo C. Ramos	ED	Alakor Corporation	Alakor Corporation	1989	29 April 2014	Annual Meeting	25
Frederic C. DyBuncio	NED	SM Investments Corporation	SM Investments Corporation	12 August 2011	29 April 2014	Annual Meeting	3
Martin C. Buckingham	ED	Alakor Corporation	Alakor Corporation	4 December 1996	29 April 2014	Annual Meeting	18
Isidro A. Consunji	NED	SM Investments Corporation	SM Investments Corporation	20 April 2012	29 April 2014	Annual Meeting	2
Adrian Paulino S. Ramos	ED	Alakor Corporation	Alakor Corporation	18 July 2007	29 April 2014	Annual Meeting	7
Gerard Anton S. Ramos	NED	Alakor Corporation	Alakor Corporation	25 June 2010	29 April 2014	Annual Meeting	4
Jose T. Sio	NED	SM Investments Corporation	SM Investments Corporation	12 August 2011	29 April 2014	Annual Meeting	3
Fulgencio S. Factoran Jr.	ID	Alakor Corporation; SM Investments Corporation	No business relationship with the nominating entities	28 February 2012	29 April 2014	Annual Meeting	2
Richard J. Gordon	ID	Alakor Corporation	No business relationship with the nominating entity	5 April 2011	29 April 2014	Annual Meeting	3
Alfredo R. Rosal Jr.	ID	Alakor Corporation	No business relationship with the nominating entity	31 March 2003	29 April 2014	Annual Meeting	11
Laurito E. Serrano	ID	SM Investments Corporation	No business relationship with the nominating entity	22 August 2012	29 April 2014	Annual Meeting	2

(b) Provide a brief summary of the corporate governance policy that the board of directors has adopted. Please emphasize the policy/ies relative to the treatment of all shareholders, respect for the rights of minority

shareholders and of other stakeholders, disclosure duties, and board responsibilities.

The Board has adopted a general policy enabling the Company to comprehensively pursue initiatives aimed at strengthening governance structures and systems. The Company intends to develop and formalize policies that will (i) promote the preservation of the interests of stakeholders, (ii) ensure adherence to reportorial obligations, and (iii) institutionalize a performance appraisal system for directors.

(c) How often does the Board review and approve the vision and mission?

The Board reviews the Company's vision and mission whenever a change in the business plan requires such to be re-assessed and re-formulated.

(d) Directorship in Other Companies

(i) Directorship in the Company's Group¹

Identify, as and if applicable, the members of the company's Board of Directors who hold the office of director in other companies within its Group:

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Alfredo C. Ramos	Carmen Copper Corporation; Atlas Exploration, Inc.; Aquatlas, Inc.; Amosite Holdings, Inc.	Executive Director; Chairman
Frederic C. DyBuncio	Carmen Copper Corporation; Amosite Holdings, Inc.; Berong Nickel Corporation;	Non-Executive Director
Martin C. Buckingham	Atlas Exploration, Inc.; Aquatlas, Inc.	Non-Executive Director
Isidro A. Consunji	Carmen Copper Corporation; Berong Nickel Corporation	Non-Executive Director; Chairman of Berong Nickel Corporation
Adrian Paulino S. Ramos	Carmen Copper Corporation; Berong Nickel Corporation; Ulugan Resources Holdings, Inc.; Nickeline Resources Holdings, Inc.; Amosite Holdings, Inc.; Atlas Exploration, Inc.; Aquatlas, Inc.	Executive Director for Carmen Copper Corporation; Non-Executive Director for the rest
Gerard Anton S. Ramos	Carmen Copper Corporation; Atlas Exploration, Inc.; Aquatlas, Inc.; Amosite Holdings, Inc.	Non-Executive Director
Jose T. Sio	Carmen Copper Corporation; Amosite Holdings, Inc.	Non-Executive Director
Laurito E. Serrano	Carmen Copper Corporation	Non-Executive Director

(ii) Directorship in Other Listed Companies

Identify, as and if applicable, the members of the company's Board of Directors who are also directors of publicly-listed companies outside of its Group:

¹ The Group is composed of the parent, subsidiaries, associates and joint ventures of the company.

Director's Name	Name of Listed Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Alfredo C. Ramos	Anglo Philippine Holdings, Inc.; Vulcan Industrial Mining Corporation; United Paragon Mining Corporation	Executive Director and Chairman
	The Philodrill Corporation	Non-Executive Director; Chairman
	Shang Properties, Inc.	Non-Executive Director; Vice-Chairman
Frederic C. DyBuncio	Belle Corporation; APC Group, Inc.	Executive Director and Chairman of Belle Corporation
	Pacific Online Systems Corporation	Non-Executive Director
Isidro A. Consunji	Semirara Mining Corporation; DMCI Holdings, Inc.	Executive Director
Adrian Paulino S. Ramos	The Philodrill Corporation	Non-Executive Director
	United Paragon Mining Corporation; Vulcan Industrial Mining Corporation; Anglo Philippine Holdings Corporation	Executive Director
Gerard Anton S. Ramos	United Paragon Mining Corporation; Anglo Philippine Holdings Corporation	Executive Director
Jose T. Sio	Belle Corporation; China Banking Corporation	Non-Executive Director

(iii) Relationship within the Company and its Group

Provide details, as and if applicable, of any relation among the members of the Board of Directors, which links them to significant shareholders in the company and/or in its group:

Director's Name	Name of the Significant Shareholder	Description of the relationship
Alfredo C. Ramos	Alakor Corporation	Mr. Ramos is the Chairman, President, and controlling shareholder of Alakor Corporation.
Frederic C. DyBuncio	SM Investments Corporation	Mr. DyBuncio is a Senior Vice-President at SM Investments Corporation
Jose T. Sio	SM Investments Corporation	Mr. Sio is the Executive Vice President of SM Investments

- (iv) Has the company set a limit on the number of board seats in other companies (publicly listed, ordinary and companies with secondary license) that an individual director or CEO may hold simultaneously? In particular, is the limit of five board seats in other publicly listed companies imposed and observed? If yes, briefly describe other guidelines:

Section 2.2.1.7 of the Company's Corporate Governance Manual (the "CG Manual") states as follows:

The CEO and other executive directors shall, as far as practicable, submit themselves to a low indicative limit on membership in other corporate Boards. The same low limit shall apply to independent, non-executive directors who serve as full-time executives in other corporations. In any case, the capacity of directors to serve with diligence shall not be compromised.

(e) Shareholding in the Company

Complete the following table on the members of the company's Board of Directors who directly and indirectly own shares in the company:

As of 31 December 2014

Name of Director	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Alfredo C. Ramos	10,000,100	454,223,461 – through Alakor Corporation	22.37%
Frederic C. DyBuncio	1,001	None	0.0000%
Martin C. Buckingham	22,253,301	None	1.0723%
Isidro A. Consunji	1	95,991,304 – through DFC Holdings, Inc.	4.6253%
Adrian Paulino S. Ramos	5,833,010	None	0.2811%
Gerard Anton S. Ramos	7,384,560	None	0.36%
Jose T. Sio	1,001	None	0.0000%
Fulgencio S. Factoran Jr.	110,000	None	0.0000%
Richard J. Gordon	1	None	0.0000%
Alfredo R. Rosal Jr.	1	None	0.0000%
Laurito E. Serrano	2,000	None	0.0001%
TOTAL	45,584,976	550,214,765	28.7087%

2) Chairman and CEO

- (a) Do different persons assume the role of Chairman of the Board of Directors and CEO? If no, describe the checks and balances laid down to ensure that the Board gets the benefit of independent views.

Yes ☐

No ☒

Through the structured functioning of collegial corporate bodies such as (i) the Executive Committee that includes as members executive directors other than the Chairman and President, and (ii) the Management Committee that regularly reports to the Vice-Chairman, the Board is able to validate representations made by management regarding the state of the Company's affairs.

Identify the Chair and CEO: Not Applicable

Chairman of the Board	
CEO/President	

(b) Roles, Accountabilities and Deliverables

Define and clarify the roles, accountabilities and deliverables of the Chairman and CEO.

Section 2.2.1.3.1 of the CG Manual states as follows:

The duties and responsibilities of the Chairman shall include, inter alia, the following:

- Ensuring that the meetings of the Board are held in accordance with the by-laws;

- *Supervising the preparation of the agenda of the meeting in coordination with the Corporate Secretary, taking into consideration the suggestions of the CEO, Management and the directors; and*
- *Maintaining qualitative and timely lines of communication and information between the Board and Management.*

The Company has not formally designated a Chief Executive Officer. But the President is principally accountable for:

- Guiding the formulation of the Company's vision and mission
- Spearheading the development and execution of the Company's overall business strategy
- Directing the work of other executive officers
- Overseeing the Company's operations according to the strategic plan set by the management and the Board
- Ensuring the effectivity and the efficiency of the organizational structure

- 3) Explain how the Board plans for the succession of the CEO/Managing Director/President and the top key management positions?

The Human Resource Department has been tasked by the Board and management to formulate and establish the succession plan for all principal executive officers.

- 4) Other Executive, Non-Executive and Independent Directors

Does the company have a policy of ensuring diversity of experience and background of directors in the board? Please explain.

While the Company has yet to adopt a formal policy, the Nomination Committee considers how the collective business and/or professional qualifications and experiences of all nominees for election as directors will ensure a wide pool of perspectives and strategies.

Does it ensure that at least one non-executive director has an experience in the sector or industry the company belongs to? Please explain.

The vetting procedure adopted by the Nomination Committee with respect to the selection of nominees for election as directors ensures that there is an adequate number of Board members who have experience in the mining industry.

Define and clarify the roles, accountabilities and deliverables of the Executive, Non-Executive and Independent Directors:

Sections 2.2.1.4, 2.2.1.5, and 2.2.1.6 of the CG Manual state as follows:

2.2.1. Board of Directors

xxx

2.2.1.4 General Responsibility

It is the Board's responsibility to foster the long-term success of the Corporation and to sustain its competitiveness and profitability in a manner consistent with corporate objectives and the best interests of the Corporation's stockholders.

The Board shall formulate the Corporation's vision, mission, strategic objectives, policies and procedures which shall guide the activities of the Board and Management.

2.2.1.5 Specific Duties and Functions

To insure a high standard of best practice for the Corporation and its stakeholders, the Board, within the bounds of reason and fair play, shall:

- *Implement a process for the selection of directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies. Appoint competent, professional, honest and highly-motivated management officers. Adopt an effective succession planning program for Management..*
- *Determine the Corporation's purpose, its vision and mission and strategies to carry out its objectives.*
- *Adopt measures to enable the Corporation to comply with all relevant laws, regulations and codes of best business practices.*
- *Establish and maintain an investor relations program that will keep the stockholders informed of important developments in the Corporation. Adopt a system of objective internal checks and balances, the effectiveness of which shall be regularly reviewed.*
- *Identify key risk areas and key performance indicators and monitor these factors with due diligence to enable the Corporation to anticipate and prepare for possible threats to its operational and financial viability.*
- *Identify the sectors in the community in which the Corporation operates or which are directly affected by the Corporation's operations, and formulate a clear policy on promoting accurate, timely and effective communication with such sectors.*
- *Properly discharge Board functions by meeting regularly. Independent views during Board meetings shall be given due consideration and all such meetings shall be duly minuted.*
- *Exercise Board authority and responsibility within the powers of the institution as prescribed in the Articles of Incorporation, By-Laws and in existing laws, rules and regulation.*
- *Provide sound strategic policies and guidelines to the Corporation on major capital expenditures. Establish programs that can sustain its long-term viability and strength. Periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets and Management's overall performance.*
- *Formulate and implement policies and procedures that would ensure the integrity and transparency of related party transactions between and among the Corporation's subsidiaries, major stockholders, officers and directors.*
- *Constitute an Audit Committee and such other committees deemed necessary to assist the Board in the performance of its duties and responsibilities.*
- *Establish and maintain an alternative dispute resolution system in the Corporation that can amicably settle conflicts or differences between the Corporation and its stockholders.*
- *Appoint a Compliance Officer who shall have the rank of at least Vice-President.*

2.2.1.6. Duties and Responsibilities of a Director

A director, subject to the provisions of law and orders of competent authority, must:

- *Conduct fair business transactions with the Corporation and ensure that personal interest does not conflict with the interests of the Corporation*
- *Devote time and attention necessary to properly discharge his duties and responsibilities*

- *Act judiciously*
- *Exercise independent and impartial judgment*
- *Have a reasonable working knowledge of the statutory and regulatory requirements affecting the Corporation, including the contents of its Articles of Incorporation and By-Laws, the requirements of the Commission and, where applicable, the requirements of other regulatory agencies.*
- *Observe confidentiality*
- *Ensure the continuing soundness, effectiveness and adequacy of the Corporation's control environment*

Provide the company's definition of "independence" and describe the company's compliance to the definition.

The Company adopts and complies with the definition of "independence" under Section 38 of the Securities Regulation Code.

Does the company have a term limit of five consecutive years for independent directors? If after two years, the company wishes to bring back an independent director who had served for five years, does it limit the term for no more than four additional years? Please explain.

The Company complies with the term limit imposed under SEC Memorandum Circular No. 9, Series of 2011.

5) Changes in the Board of Directors (Executive, Non-Executive and Independent Directors)

(a) Resignation/Death/Removal

Indicate any changes in the composition of the Board of Directors that happened during the period:

None.

(b) Selection/Appointment, Re-election, Disqualification, Removal, Reinstatement and Suspension

Describe the procedures for the selection/appointment, re-election, disqualification, removal, reinstatement and suspension of the members of the Board of Directors. Provide details of the processes adopted (including the frequency of election) and the criteria employed in each procedure:

The directors of the Company are elected by the stockholders during their annual general meeting to hold office until removed or replaced by duly-elected and qualified candidates following their resignation/the expiration of their one-year term/their deaths.

The eligibilities of nominees for election as directors are evaluated by the Nomination Committee in accordance with the standards established in the CG Manual and the Revised Code of Corporate Governance.

On the qualification of the Company's directors, the CG Manual provides as follows:

2.2.1.2. Qualification of Directors

2.2.1.2.1. Minimum Qualifications

- *Holder of at least one (1) share of stock of the Corporation;*
- *He shall be at least a college graduate or has sufficient experience in business management to substitute for such formal education;*

- *He shall be at least twenty one (21) years old;*
- *He should possess integrity and probity; and*
- *He should be assiduous and objective in the discharge of the functions of his office.*

2.2.1.2.2. Disqualifications

The following shall be permanently disqualified from election to the Corporation's Board of Directors:

- *Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that (a) involves the purchase or sale of securities, as defined in the Securities Regulation Code; (b) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or (c) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;*
- *Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the Securities and Exchange Commission (SEC) or any court or administrative body of competent jurisdiction from: (a) acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; (b) acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company; (c) engaging in or continuing any conduct or practice in any of the capacities mentioned in the preceding clauses (a) and (b), or willfully violating the laws that govern securities and banking activities.*

The disqualification shall also apply if such person is currently the subject of an order of the SEC or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Corporation Code, Securities Regulation Code or any other law administered by the SEC or the Bangko Sentral ng Pilipinas (BSP), or under any rule or regulation issued by the SEC or the BSP, or has otherwise been restrained to engage in any activity involving securities and banking; or such person is currently the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization.

- *Any person convicted by final judgment or order by a court or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts.*
- *Any person who has been adjudged by final judgment or order of the SEC, court or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of any provision of the Corporation Code, Securities Regulation Code or any other law administered by the SEC or the BSP, or an of its rule, regulation or order.*
- *Any person who, after being elected as an independent director, becomes an officer, employee or consultant of the Corporation.*
- *Any person who has been judicially declared as insolvent.*
- *Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated in the above paragraphs.*

- Any person convicted by final judgment of an offense punishable by imprisonment of more than six (6) years, or a violation of the Corporation Code committed within five (5) years prior to the date of his election or appointment.

Any of the following shall be a ground for the temporary disqualification of a director:

- *Refusal to fully disclose the extent of his business interest as required under the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists.*
- *Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board of Directors during his incumbency or within any twelve (12) month period during said incumbency. This disqualification applies for purposes of the succeeding election.*
- *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.*
- *Being under preventive suspension by the Corporation.*
- *For an independent director, becoming an officer or employee of the Corporation.*
- *Conviction for an offense that would be a cause for permanent disqualification, if such conviction has not become final.*

A director subject to 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.

Voting Result of the last Annual General Meeting

*The reckoning of the number of votes cast is based on the cumulative voting principle.

Name of Director	Votes Received
ALFREDO C. RAMOS	1,323,665,606
FREDERIC C. DYBUNCIO	1,323,583,606
MARTIN C. BUCKINGHAM	1,325,021,206
ISIDRO A. CONSUNJI	1,325,021,206
ADRIAN PAULINO S. RAMOS	1,324,559,006
GERARD ANTON S. RAMOS	1,324,045,806
JOSE T. SIO	1,324,477,006
FULGENCIO S. FACTORAN Jr.	1,346,450,656
RICHARD J. GORDON	1,346,450,656
ALFREDO R. ROSAL Jr.	1,346,450,656
LAURITO E. SERRANO	1,345,013,056

6) Orientation and Education Program

- (a) Disclose details of the company's orientation program for new directors, if any.

All of the Company's directors are required to attend a seminar on corporate governance at the beginning of their terms.

- (b) State any in-house training and external courses attended by Directors and Senior Management² for the past three (3) years:

All the members of the Company's Board and Senior Management attended a corporate governance seminar on various dates in 2014.

- (c) Continuing education programs for directors: programs and seminars and roundtables attended during the year.

None organized by the Company in 2014.

B. CODE OF BUSINESS CONDUCT & ETHICS

- 1) Discuss briefly the company's policies on the following business conduct or ethics affecting directors, senior management and employees:

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	<p><i>The policies that the Company enforces on matters of business conduct and ethics are based on general principles of professionalism, integrity, and legal compliance, and are aimed primarily at maintaining the stability of the Company's organizational structure and preserving the Company's resources. Some of these policies are contained in a Code of Conduct that defines the norms of behavior and performance for all the members of the organization. Others have yet to be formalized through documentation, but are implemented through actions of the Company that are geared towards achieving the objectives described above.</i></p>		
(b) Conduct of Business and Fair Dealings			
(c) Receipt of gifts from third parties			
(d) Compliance with Laws & Regulations			
(e) Respect for Trade Secrets/Use of Non-public Information			
(f) Use of Company Funds, Assets and Information			
(g) Employment & Labor Laws & Policies			
(h) Disciplinary action			
(i) Whistle Blower			
(j) Conflict Resolution			

- 2) Has the code of ethics or conduct been disseminated to all directors, senior management and employees?
The Company is still in the process of documenting its formal Code of Ethics. Such a state of affairs, however, does not imply that the ethical standards that are supposed to define conduct within the organization are not established.
- 3) Discuss how the company implements and monitors compliance with the code of ethics or conduct.
All managerial employees are responsible for ensuring compliance with the Code of Conduct. It is their duty to monitor adherence and to report deviations to the human resource department.
- 4) Related Party Transactions

(a) Policies and Procedures

Describe the company's policies and procedures for the review, approval or ratification, monitoring and recording of related party transactions between and among the company and its parent, joint ventures, subsidiaries, associates, affiliates, substantial stockholders, officers and directors, including their spouses, children and dependent siblings and parents and of interlocking director relationships of members of the

² Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

Board.

Related Party Transactions	Policies and Procedures
(1) Parent Company	<p><i>All material transactions to be entered into by the Company are reviewed by collegial corporate bodies (i.e., Management Committee, Executive Committee, Audit and Risk Management Committee, the Board) to ensure that they will be executed according to terms that are not in any manner prejudicial to the Company's interests.</i></p>
(2) Joint Ventures	
(3) Subsidiaries	
(4) Entities Under Common Control	
(5) Substantial Stockholders	
(6) Officers including spouse/children/siblings/parents	
(7) Directors including spouse/children/siblings/parents	
(8) Interlocking director relationship of Board of Directors	

(b) Conflict of Interest

(i) Directors/Officers and 5% or more Shareholders

Identify any actual or probable conflict of interest to which directors/officers/5% or more shareholders may be involved.

All of the transactions of the Company and its subsidiaries with parties related to the persons enumerated above are governed by terms that were negotiated at arms length.

(ii) Mechanism

Describe the mechanism laid down to detect, determine and resolve any possible conflict of interest between the company and/or its group and their directors, officers and significant shareholders.

The Company's audit protocols (both internal and external) are designed to spot indicia of irregularities arising from conflicts of interest involving directors/officers/significant shareholders.

The details of related-party transactions are reviewed by the Audit and Risk Management Committee with a view to monitoring potential conflict-of-interest issues and determining proper remedial action.

5) Family, Commercial and Contractual Relations

- (a) Indicate, if applicable, any relation of a family,³ commercial, contractual or business nature that exists between the holders of significant equity (5% or more), to the extent that they are known to the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description of the Relationship
Alakor Corporation ("Alakor") and Anglo Philippine Holdings Corporation ("Anglo")	Affiliates	Alakor has controlling interest in Anglo

- (b) Indicate, if applicable, any relation of a commercial, contractual or business nature that exists between the

³ Family relationship up to the fourth civil degree either by consanguinity or affinity.

holders of significant equity (5% or more) and the company:

Holders of significant equity have no relationship with the Company other than that which arises from their ownership of equity interest in the Company.

- (c) Indicate any shareholder agreements that may impact on the control, ownership and strategic direction of the company:

There is none.

6) Alternative Dispute Resolution

Describe the alternative dispute resolution system adopted by the company for the last three (3) years in amicably settling conflicts or differences between the corporation and its stockholders, and the corporation and third parties, including regulatory authorities.

	Alternative Dispute Resolution (ADR) System
Corporation & Stockholders	None
Corporation & Third Parties	<i>The Company's contracts with third parties generally provide for a mechanism for ADR. The typical ADR protocol that is agreed to by the Company is arbitration.</i>
Corporation & Regulatory Authorities	None

C. BOARD MEETINGS & ATTENDANCE

- 1) Are Board of Directors' meetings scheduled before or at the beginning of the year?

A regular meeting of the Company's Board of Directors is convened once every quarter. Notices for regular meetings are usually sent one month before the meeting date.

- 2) Attendance of Directors

Board of Directors' Meetings from 01 January 2014 to 31 December 2014

NAME OF DIRECTOR	03/14/14	04/29/14	08/13/14	12/25/14
1. Alfredo C. Ramos	P	P	P	P
2. Adrian Paulino S. Ramos	P	P	P	P
3. Martin C. Buckingham	P	P	P	P
4. Frederic C. DyBuncio	P	P	P	P
5. Gerard Anton S. Ramos	P	P	P	P
6. Alfredo R. Rosal, Jr.	P	P	P	P
7. Jose T. Sio	P	P	P	P
8. Isidro A. Consunji	P	P	P	P
9. Richard J. Gordon	P	P	P	P
10. Fulgencio S. Factoran, Jr.	P	P	P	P
11. Laurito E. Serrano	P	P	P	P

Legend: A – Absent; P – Present

- 3) Do non-executive directors have a separate meeting during the year without the presence of any executive? If yes, how many times?

The Audit and Risk Management Committee that is constituted by non-executive directors convenes regular monthly meetings.

- 4) Is the minimum quorum requirement for Board decisions set at two-thirds of board members? Please explain.

Under the Company's By-Laws, the quorum for any meeting of the Board is constituted by only a majority of the members.

- 5) Access to Information

- (a) How many days in advance are board papers⁴ for board of directors meetings provided to the board?

One (1) day

- (b) Do board members have independent access to Management and the Corporate Secretary?

Members of the Board are able to communicate with management and the Corporate Secretary.

- (c) State the policy of the role of the company secretary. Does such role include assisting the Chairman in preparing the board agenda, facilitating training of directors, keeping directors updated regarding any relevant statutory and regulatory changes, etc?

Pursuant to the CG Manual, the Corporate Secretary (including the Assistant Corporate Secretary) must:

- *Be responsible for the safekeeping and preservation of the integrity of the minutes of the meetings of the Board and its committees, as well as the other official records of the Corporation*
- *Be loyal to the mission, vision, and objectives of the Corporation*
- *Work fairly and objectively with the Board, Management, and stockholders*
- *Have appropriate administrative and interpersonal skills*
- *Be aware of the laws, rules and regulations that he or she must comply with in the performance of his or her duties and responsibilities*
- *Have a working knowledge of the operations of the Corporation*
- *Inform the members of the Board, in accordance with the Corporation's By-Laws, of the agenda of their meetings*
- *Ensure that the members of the Board have adequate and accurate information that will enable them to make well-informed decisions on matters that will be presented to them for approval during board meetings*
- *Attend all board meetings, except when justifiable causes preclude him or her from doing so*
- *Ensure that all Board protocols are observed by the directors*

- (d) Is the company secretary trained in legal, accountancy or company secretarial practices? Please explain should the answer be in the negative.

The Company's Corporate Secretary and Assistant Corporate Secretary are both lawyers and have adequate experience in corporate secretarial practices.

- (e) Committee Procedures

Disclose whether there is a procedure that Directors can avail of to enable them to get information necessary to be able to prepare in advance for the meetings of different committees:

Yes ☐

No ☒

While no formal procedure has been set, any director of the Company can easily obtain from management any

⁴ Board papers consist of complete and adequate information about the matters to be taken in the board meeting. Information includes the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.

information that they require to prepare for committee discussions/deliberations in advance of meetings.

6) External Advice

Indicate whether or not a procedure exists whereby directors can receive external advice and, if so, provide details:

There is no formal procedure, but there is no constraint upon the ability of any director to seek and receive advice from external consultants regarding the Company's operations.

7) Change/s in existing policies

Indicate, if applicable, any change/s introduced by the Board of Directors (during its most recent term) on existing policies that may have an effect on the business of the company and the reason/s for the change:

None.

D. REMUNERATION MATTERS

1) Remuneration Process

Disclose the process used for determining the remuneration of the CEO and the four (4) most highly compensated management officers:

Process	CEO	Top 4 Highest Paid Management Officers
(1) Fixed remuneration	These are determined by the Company's Remuneration Committee using industry standards and principles of fair compensation as principal parameters.	
(2) Variable remuneration		
(3) Per diem allowance		
(4) Bonus		
(5) Stock Options and other financial instruments		
(6) Others (specify)		

2) Remuneration Policy and Structure for Executive and Non-Executive Directors

Disclose the company's policy on remuneration and the structure of its compensation package. Explain how the compensation of Executive and Non-Executive Directors is calculated.

The Company has not adopted a formal system for the determination of the compensation packages of its directors. Currently, (i) non-executive directors receive an honorarium of PhP10,000.00 for every meeting that they attend, and (ii) independent directors are paid PhP50,000.00 every month during their term.

Do stockholders have the opportunity to approve the decision on total remuneration (fees, allowances, benefits-in-kind and other emoluments) of board of directors? Provide details for the last three (3) years.

The Company's stockholders approved the terms of the Comprehensive Stock Option Plan covering directors, officers, and other qualified employees during their annual general meeting in 2007.

Stockholders who are represented on the Company's Board of Directors are able to participate in the process of formulating and implementing the remuneration scheme through their nominees.

3) Aggregate Remuneration

Complete the following table on the aggregate remuneration accrued during the most recent year (2014):

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
(a) Fixed Remuneration	Approximately PhP18,000,000.00	Not applicable	PhP2,050,000.00
(b) Variable Remuneration			Not applicable
(c) Per diem Allowance		Approximately PhP300,000.00	
(d) Bonuses			
(e) Stock Options and/or other financial instruments	Stock option rights under the Comprehensive Stock Option Plan have fully vested.	Not Applicable	Not Applicable

Other Benefits	Executive Directors	Non-Executive Director (other than independent directors)	Independent Directors
1) Advances	None		
2) Credit granted			
3) Pension Plan/s Contributions			
(d) Pension Plans, Obligations incurred			
(e) Life Insurance Premium			
(f) Hospitalization Plan			
(g) Car Plan	Approximately PhP1.6 million	None	None
(h) Others (Specify)	None		

4) Stock Rights, Options and Warrants

(a) Board of Directors

Complete the following table, on the members of the company's Board of Directors who own or are entitled to stock rights, options or warrants over the company's shares:

Director's Name	Number of Shares of Stock Underlying Stock Options	% of Issued and Outstanding Capital Stock as of 31 December 2012
Alfredo C. Ramos	4,385,970	0.2114
Frederic C. DyBuncio	649,123	0.0313
Martin C. Buckingham	3,508,770	0.1691
Adrian Paulino S. Ramos	2,631,570	0.1269

(b) Amendments of Incentive Programs

Indicate any amendments and discontinuation of any incentive programs introduced, including the criteria used in the creation of the program. Disclose whether these are subject to approval during the Annual Stockholders' Meeting:

Not applicable.

5) Remuneration of Management

Identify the five (5) members of management who are not at the same time executive directors and indicate the total remuneration received during the financial year (2014):

Name of Officer/Position	Total Remuneration
Fernando A. Rimando	<i>Approximately PhP17,500,000.00</i>
Rene G. De Ocampo	
Carmen-Rose A. Basallo-Estampador	
Feliciano B. Alvarez	
Leila Marie P. Cabanes	

E. BOARD COMMITTEES

1) Number of Members, Functions and Responsibilities

Provide details on the number of members of each committee, its functions, key responsibilities and the power/authority delegated to it by the Board:

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
Executive	3	3	0	The Executive Committee was constituted with the authority to exercise the powers of the Board during periods when the full membership is not convened. It meets at least once a month to evaluate and/or formulate corporate actions upon the direct reports presented by the line managers of Company and of the operating subsidiaries.			
Audit & Risk Management	0	2	2	The Audit and Risk Management Committee (i) oversees the establishment and implementation of policies and systems that ensure the Company's compliance with existing laws, rules and regulations, financial reporting obligations, audit and internal control procedures, and risk management protocols; (ii) examines and evaluates the extent of the Company's exposure to existing operational, financial, strategic, and compliance risks to determine the plans and policies that must be established to eliminate or mitigate the effects of realized risks; and (iii) directs the formulation and implementation of systems and programs for the effective identification, analysis, monitoring, reporting, and management of all types of risk to which the Company and its subsidiaries are exposed.			
Nomination	1	1	2	The Nominations Committee ensures that the Company is led by competent and dedicated individuals through an assessment of candidates who are nominated to become members of the Board, or to fill executive or management positions. The qualifications of candidates are vetted based on the parameters set under the CG Manual and on the requirements of the positions to be held.			
Remuneration	0	1		The Remuneration Committee establishes the policy for determining the optimal merit-based remuneration package for the officers, directors, and key personnel of the Company and its operating			

			2	subsidiaries. Such policy is developed based on staffing strategy and performance-evaluation systems, and on principles of fair compensation.
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2) Committee Members

(a) Executive Committee

Executive Committee Meetings from 01 January 2014 to 31 December 2014

NAME OF DIRECTOR	02/12/14	06/05/14	10/14/14
1. Alfredo C. Ramos	P	P	P
2. Adrian Paulino S. Ramos	P	P	P
3. Martin C. Buckingham	P	P	P
4. Frederic C. DyBuncio	P	P	P
5. Jose T. Sio	P	P	A
6. Isidro A. Consunji	P	P	P

Legend: A – Absent; P – Present

(b) Audit and Risk Management Committee

(2014)

Office	Name	Date of Most Recent Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Laurito E. Serrano	29 April 2014 (as member and Chairman)	8	8	100	Since 22 August 2012
Deputy Chairman (ID)	Alfredo R. Rosal Jr.	29 April 2014	8	8	100	Since 22 August 2012
Member (NED)	Frederic C. DyBuncio	29 April 2014	8	8	100	Since 22 August 2012
Member (NED)	Gerard Anton S. Ramos	29 April 2014	8	8	90	Since 22 August 2012

Disclose the profile or qualifications of the Audit and Risk Management Committee members.

- Mr. Serrano is currently in the private advisory practice, having served as a senior adviser in a number of companies. He is a former partner at SGV & Co. where he was part of the Corporate Finance Consulting Group. His professional experience which spans over 25 years covers, among others, audit services, project development, public debt/equity offerings, business acquisitions, investment promotion, transaction structuring, and other similar financial advisory services. He is a certified public accountant with an MBA from the Harvard Business School.
- Atty. Rosal is the Managing Partner of Rosal and Valera Law Offices. As a legal professional, he rendered services as general counsel to various local and foreign investment companies. He also served as President of the Natural Resources Development Corporation and Bukidnon Forest, Inc. He obtained his Bachelor of Laws from San Beda College of Law, and his MBA from the University of the Philippines. Rosal and Valera Law Offices does not act as legal counsel of the Company.
- Mr. DyBuncio is concurrently a Senior Vice President of SM Investments Corporation, President

and Chief Executive Officer of APC Group, Inc. and Belle Corporation, Chairman and Chief Executive Officer of Philippine Geothermal Production Company and Director of Carmen Copper Corporation, Indophil Resources NL and Pacific Online Systems Corporation. Prior to holding these posts, he was a career banker who spent over 20 years with JPMorgan Chase and its predecessor institutions. During his stint in the banking industry, he was assigned to various managerial/executive positions where he gained substantial professional experience in the areas of credit, relationship management and origination, investment banking, capital markets, and general management. He obtained his bachelor's degree in Business Management from the Ateneo de Manila University, and his MBA from the Asian Institute of Management.

- Mr. Ramos is concurrently the Vice President of Alakor Corporation, Vice President and Director of United Paragon Mining Corporation, Executive Vice President of Vulcan Materials Corporation, and Nominee of Alakor Securities Corporation. He obtained his bachelor's degree in Business Management from the Ateneo de Manila University.

Describe the Audit Committee's responsibility relative to the external auditor.

Section 5.4 of the charter of the Company's Audit and Risk Management Committee states as follows:

5. Duties and Responsibilities

xxx

5.4 With respect to its duty to oversee external audit review

- Assess the independence and professional qualifications of nominees for election as external auditor of Atlas and its significant subsidiary/s*
- Review and approve the parameters of the audit work to be performed by the external auditor and the fees to be paid for such engagement*
- Review and approve the terms of any non-audit service to be performed by the external auditor for Atlas or its significant subsidiary/s*
- Review all reports on the results of the conduct of external audit examination*
- Evaluate the performance of the external auditor*
- Assess and address issues that give rise to disagreements between Management and the external auditor*

(c) Nomination Committee

(2012)

Office	Name	Date of Most Recent Appointment	No. of Meetings Held (since 29 April 2014)	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Alfredo C. Ramos	29 April 2014	0	-	-	Since 2006
Member (ID)	Alfredo R. Rosal Jr.	29 April 2014	0	-	-	Since 2006
Member (NED)	Frederic C. DyBuncio	29 April 2014	0	-	-	Since 22 August 2012

(d) Remuneration Committee

Office	Name	Date of	No. of	No. of	%	Length of
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		Appointment	Meetings Held (during incumbency)	Meetings Attended		Service in the Committee
Chairman	<i>Jose T. Sio</i>	29 April 2014	2	2	100	22 August 2012
Member (ID)	<i>Fulgencio S. Factoran Jr.</i>	29 April 2014	2	2	100	22 August 2012
Member (ID)	<i>Richard J. Gordon</i>	29 April 2014	2	2	100	22 August 2012

3) Changes in Committee Members

Indicate any changes in committee membership that occurred during the year and the reason for the changes:

None.

4) Work Done and Issues Addressed

Describe the work done by each committee and the significant issues addressed during the year.

Name of Committee	Work Done ⁵	Significant Issues* Addressed
Executive	<i>All committees fulfilled their mandates by performing all actions required of them in relation to the conduct of the Company's day-to-day business operations and the accomplishment of the Company's organizational and financial goals for the fiscal year.</i>	<i>No issue that has a potential of having a material adverse economic or reputational impact upon the Company was brought to the attention of any of the Committees for remedial action.</i>
Audit and Risk Management		
Nomination		
Remuneration		

**It is our interpretation that the term "issues" is being used in this context to pertain to problems.*

5) Committee Program

Provide a list of programs that each committee plans to undertake to address relevant issues in the improvement or enforcement of effective governance for the coming year.

Name of Committee	Planned Programs	Issues to be Addressed
Executive	<i>Programs aimed at enhancing corporate governance in general</i>	<i>Institutionalization of initiatives on the improvement of corporate governance systems</i>
Audit and Risk Management	<i>Programs aimed at (i) strengthening internal control systems, and (ii) formalizing risk management protocols</i>	<i>Establishment of clearer procedures for assessing the effectivity of internal control systems; Lack of formality in the adoption of policies and protocols</i>
Nomination	<i>None yet</i>	<i>No particular issue has been identified yet</i>
Remuneration	<i>None yet</i>	<i>No particular issue has been identified yet</i>

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

⁵ Details are contained in the minutes of the various committee meetings.

- (a) Overall risk management philosophy of the company;

The Company adopts a risk management approach that allows for the execution of adequate mitigation measures without imposing constraints upon the ability of the enterprise to optimize business opportunities.

- (b) A statement that the directors have reviewed the effectiveness of the risk management system and commenting on the adequacy thereof;

The Audit and Risk Management Committee of the Company's Board of Directors regularly reviews the efficacy of existing risk assessment protocols and the adequacy of the risk mitigation strategies being implemented.

- (c) Period covered by the review;

2014

- (d) How often the risk management system is reviewed and the directors' criteria for assessing its effectiveness;

The Company's Audit and Risk Management Committee convenes regular monthly meetings during which risk issues are presented and discussed.

- (e) Where no review was conducted during the year, an explanation why not.

Not applicable.

2) Risk Policy

- (a) Company

Give a general description of the company's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk:

The Company has appointed an interim risk management officer⁶ to formalize its risk management program (for itself and its subsidiaries) that will allow for the formulation and documentation of policies to be adopted and implemented for the purpose of mitigating, in the most comprehensive manner achievable, the various forms of economic and operational risks to which the business enterprise is exposed. The risk management officer has already initiated a system of regular risk identification and assessment in all the units of the Company's operating subsidiary, Carmen Copper.

- (b) Group

Give a general description of the Group's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk:

The Company has yet to formalize a global risk management program (for itself and its subsidiaries) enabling the formulation and documentation of policies that will be adopted and implemented for the purpose of mitigating, in the most comprehensive manner achievable, the various forms of economic and operational risks to which the business enterprise is exposed.

Currently, the Company adopts an *ad hoc* strategy to commodity price risk management that is subject to the regular evaluation of the Audit and Risk Management Committee. The Company typically employs the use of price hedging instruments.

⁶ The position is concurrently held by the Company's internal auditor.

(c) Minority Shareholders

Indicate the principal risk of the exercise of controlling shareholders' voting power.

No shareholder (or group of shareholders) of the Company owns a controlling equity interest.

3) Control System Set Up

(a) Company and Group

Briefly describe the control systems set up to assess, manage and control the main issue/s faced by the company:

The managers of all the organizational units of the Company (and its subsidiaries) are required to present, as part of their monthly reports, (i) the results of their regular assessments of risks attending such aspects of the operations to which their functions pertain, and (ii) the mitigation measures that they have adopted to address such risks. Material and high-probability risks that are identified are immediately reported to senior management (particularly the Management Committee) for immediate action.

(b) Committee

Identify the committee or any other body of corporate governance in charge of laying down and supervising these control mechanisms, and give details of its functions:

The Management Committee (that includes all the members of the Enterprise Risk Management Committee), the Executive Committee, and the Audit and Risk Management Committee are all tasked with (i) overseeing the regular implementation of existing risk management protocols, and (ii) reviewing and approving recommended remedial/mitigating measures.

G. INTERNAL AUDIT AND CONTROL

1) Internal Control System

Disclose the following information pertaining to the internal control system of the company:

(a) Explain how the internal control system is defined for the company;

The internal control system of the Company encompasses all policies and protocols designed (i) to monitor and measure the use of the Company's resources for the avoidance of fraud and inefficiencies, (ii) to maintain the reliability of financial reports, and (iii) to ensure the Company's compliance with laws and regulations.

(b) A statement that the directors have reviewed the effectiveness of the internal control system and whether they consider them effective and adequate;

The Audit and Risk Management Committee of the Company's Board of Directors regularly reviews the efficacy and adequacy of the internal control system.

(c) Period covered by the review;

2014

(d) How often internal controls are reviewed and the directors' criteria for assessing the effectiveness of the internal control system; and

The Company's Audit and Risk Management Committee convenes regular monthly meetings during which reports on the functioning of the internal control system are presented by the Chief Audit Executive.

(e) Where no review was conducted during the year, an explanation why not.

Not applicable

2) Internal Audit

(a) Role, Scope and Internal Audit Function

Give a general description of the role, scope of internal audit work and other details of the internal audit function.

Role	Scope	Indicate whether In-house or Outsource Internal Audit Function	Name of Chief Internal Auditor/Auditing Firm	Reporting process
<p><i>The charter of the Company's internal audit function states as follows:</i></p> <ul style="list-style-type: none"> <i>The Role of the Internal Audit Group is to assist the management of Atlas Consolidated Mining and Development Corporation (ACMDC) and its subsidiary Carmen Copper Corporation (CCC) by providing independent advice on operations and performance and by assessing the effectiveness of internal control. The function aims to add value, improve operational efficiency, economy and effectiveness of management process, risk management and internal control systems.</i> <i>In order to fulfill its roles and objectives, the IA Group's scope of work within ACMDC and CCC shall include the following:</i> <ul style="list-style-type: none"> <i>Conduct of regular internal audit review in accordance with the audit plan approved by the ARMC.</i> <i>Examination and evaluation of the adequacy and effectiveness of the internal control systems.</i> <i>Review of the application and effectiveness of risk management procedures and risk assessment methodologies in various programs and activities.</i> 		In-house	Feliciano B. Alvarez	The Chief Audit Executive reports directly to the Audit and Risk Management Committee.

<ul style="list-style-type: none"> ▪ <i>Review of the management and financial information systems, including the electronic information system.</i> ▪ <i>Review of the accuracy and reliability of accounting records, financial reports and transactional documents.</i> ▪ <i>Assessment of the effectiveness of specific internal control procedures in various programs and activities.</i> ▪ <i>Evaluation of compliance with legal and regulatory requirements and approved internal policies and procedures.</i> ▪ <i>Identification of opportunities for cost savings and formulation of strategies for improving cost efficiencies.</i> 			
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- (b) Do the appointment and/or removal of the Internal Auditor or the accounting /auditing firm or corporation to which the internal audit function is outsourced require the approval of the audit committee?

Yes.

- (c)

Discuss the internal auditor's reporting relationship with the audit committee. Does the internal auditor have direct and unfettered access to the board of directors and the audit committee and to all records, properties and personnel?

The Chief Audit Executive that supervises and leads the internal audit group reports directly to the Audit and Risk Management Committee. He has unfettered access to (i) all the members of the Board/Board Committees, and (ii) all of the Company's records, properties, and personnel.

- (d) Resignation, Re-assignment and Reasons

Disclose any resignation/s or re-assignment of the internal audit staff (including those employed by the third-party auditing firm) and the reason/s for them.

Nothing to disclose

- (e) Progress against Plans, Issues, Findings and Examination Trends

State the internal audit's progress against plans, significant issues, significant findings and examination trends.

The internal audit function was formalized during the third quarter of 2012. Immediately after the appointment of the Chief Audit Executive, (i) the internal audit charter was adopted, (ii) the internal audit unit was reorganized, and (iii) the annual internal audit plan is regularly formulated and approved by the Audit and Risk Management Committee (ARMC).

The internal audit group's activities have progressed consistently according to plan. At the regular monthly meetings of the ARMC, the Chief Audit Executive reports on (i) the audit issues identified, (ii) the results of verification interviews with the pertinent officers/personnel, and (iii) the recommended measures for the resolution of the issues.

Written reports on the results of internal audit activities and the relevant deliberations of the ARMC are distributed monthly by the Chief Audit Executive to members of senior management and of the ARMC.

2013 marked the first full-year implementation of the internal audit plan that was developed by the internal audit group with the ARMC. The audit review of essential business processes and structures was conducted with regularity according to the approved program and in coordination with the key members of management. As a result, actions on audit findings were defined more clearly and more formally.

(f) Audit Control Policies and Procedures

Disclose all internal audit controls, policies and procedures that have been established by the company and the result of an assessment as to whether the established controls, policies and procedures have been implemented under the column "Implementation."

The internal audit plan that has been approved by the Audit and Risk Management Committee and is being implemented fully and consistently by the internal audit group states as follows:

The methodology used for developing the Annual Audit Plan focuses upon the quantification of the risks associated with achieving Company objectives. Auditable areas have been selected and prioritized on a rational and objective basis following a systematic assessment such as:

- *Company control procedures;*
- *Company priorities and core operations;*
- *Legislative and regulatory impact;*
- *Financial impact; and*
- *Safety impact*

The above factors are used to determine a risk rating of high, medium or low to reflect the inherent risk or vulnerability. We ensure our coverage is proportionate and appropriately aligned; therefore, only medium and high priority risk reviews are included in the Annual Audit Plan. All low priority review areas are reassessed on an annual basis.

Our internal audit planning will be linked to the Company's ongoing business planning and risk management process.

The ARMC will be kept informed of progress against the Annual Audit Plan and agree any significant changes during the year.

(g) Mechanisms and Safeguards

State the mechanism established by the company to safeguard the independence of the auditors, financial analysts, investment banks and rating agencies (example, restrictions on trading in the company's shares and imposition of internal approval procedures for these transactions, limitation on the non-audit services that an external auditor may provide to the company):

The Company is still establishing the policy and system to address this.

(h) State the officers (preferably the Chairman and the CEO) who will have to attest to the company's full compliance with the SEC Code of Corporate Governance. Such confirmation must state that all directors, officers and employees of the company have been given proper instruction on their respective duties as mandated by the Code and that internal mechanisms are in place to ensure that compliance.

The Company's Chairman, President, and Compliance Officer are required to execute such attestation. All directors, officers, and employees of the Company are aware of their duties as prescribed by the Code of Corporate Governance.

H. ROLE OF STAKEHOLDERS

1) Disclose the company's policy and activities relative to the following:

	Policy	Activities
Customers' welfare	There is no formal policy on this. The Company has institutional customers.	-
Supplier/contractor selection practice	Regular suppliers are required to go through an accreditation process as part of internal control procedures. Contractors for material service engagements and suppliers of major equipment are vetted through competitive bidding.	
Environmentally friendly value-chain	There is no formal policy on this.	
Community interaction	The Company has a comprehensive community relations program that ensures (i) regular communication with its host communities; and (ii) the effective implementation of CSR initiatives.	
Anti-corruption programs and procedures	There is no formal policy on this.	
Safeguarding creditors' rights	There is no formal policy on this.	

2) Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?

The Company has already released its sustainability report for 2013. It is posted on the Company's website.

3) Performance-enhancing mechanisms for employee participation.

(a) What are the company's policy for its employees' safety, health, and welfare?

The Company is vigilant in promoting the health and safety of its employees. It provides all its employees with a comprehensive health care cover as part of the standard benefits package. It also strictly implements safety regulations to avoid/minimize accidents in work areas.

(b) Show data relating to health, safety and welfare of its employees.

The report below is contained in the Company's 2013 Annual Report:

Carmen Copper remained compliant with government's safety regulatory standards and permit requirements in 2013 particularly permits needed for equipment installations for the expansion of the Carmen Concentrator.

The health, safety, and well-being of employees is a primary concern of Carmen Copper with the objective of zero harm especially the elimination of workplace fatalities.

Safety risks are addressed through strict enforcement of safety procedures, including measures on slope

stability, continuous crack and ground displacements monitoring, and regular maintenance of all equipment and vehicles. Safety protocols are reinforced among all employees, workers, equipment operators, and contractors. Road and safety driving rule are also strictly implemented. Sufficient training and information dissemination are undertaken to promote a safe working environment.

xxx

In 2013, risk assessment processes were continually reviewed and safety protocols improved. In pursuit of operating based on international safety and environmental management standards and practices, Carmen Copper is already finalizing the documentation and preparations for the accreditation review for ISO 14001:2004 (Environmental Management System) and OSHAS 18001:2007 (Occupational Health and Safety).

(c) State the company's training and development program for its employees. Show the data.

The Company's human resource department is currently developing a training program for employees.

(d) State the company's reward/compensation policy that accounts for the performance of the company beyond short-term financial measures

The Company has a Comprehensive Stock Option Plan that covers officers and managerial employees.

- 4) What are the company's procedures for handling complaints by employees concerning illegal (including corruption) and unethical behaviour? Explain how employees are protected from retaliation.

The Company is still in the process of developing and establishing a "whistle blower" policy. The Audit and Risk Management Committee is mandated under its charter to oversee the formulation and implementation of such policy.

I. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

(a) Holding 5% shareholding or more

As of 31 December 2014

Shareholder	Number of Shares	Percent	Beneficial Owner
SM Investments Corporation (SMIC)	604,975,205	29.02%	SMIC is a publicly-held corporation
Alakor Corporation	454,223,461	21.89%	Alfredo C. Ramos
Anglo Philippine Holdings Corporation (APHC)	171,570,500	8.27%	APHC is a publicly-held corporation

As of 31 December 2014

Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
ALFREDO C. RAMOS	10,000,100	454,223,461 – through Alakor Corporation	22.37%
MARTIN C. BUCKINGHAM	22,253,301	-	1.0723%
ADRIAN PAULINO S. RAMOS	5,833,010	-	0.2811%
FERNANDO A. RIMANDO	-	-	-
RENE G. DE OCAMPO	-	-	-
CARMEN-ROSE A. BASALLO-ESTAMPADOR	7,000	-	-
TOTAL	38,093,411	454,223,461	23.7234%

2) Does the Annual Report/SEC Form 17-A disclose the following:

Key risks	Yes
Corporate objectives	Yes
Financial performance indicators	Yes
Non-financial performance indicators	Yes
Dividend policy	Yes
Details of whistle-blowing policy	No
Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	Yes
Training and/or continuing education programme attended by each director/commissioner	No
Number of board of directors/commissioners meetings held during the year	Yes
Attendance details of each director/commissioner in respect of meetings held	Yes
Details of remuneration of the CEO and each member of the board of directors/commissioners	Yes

Should the Annual Report not disclose any of the above, please indicate the reason for the non-disclosure.

3) External Auditor's fee

The table below shows the aggregate amounts paid by the Group to SGV and Co. in 2014 (i) for audit work pertaining to the annual financial statements of the Group, (ii) for services pertaining to the conduct of review with respect to Carmen Copper Corporation's tax compliance, and (iii) for other related services involving the examination of the Company's or Carmen Copper Corporation's books of account:

Particulars		2014
Audit		4,125,000
Interim Review		878,965
TOTAL	PhP	5,003,965

4) Medium of Communication

List down the mode/s of communication that the company is using for disseminating information.

- One-on-one meetings
- Website
- Events and Roadshows

5) Date of release of audited financial report: **15 April 2014**

6) Company Website

Does the company have a website disclosing up-to-date information about the following?

Business operations	Yes
Financial statements/reports (current and prior years)	Yes

Materials provided in briefings to analysts and media	Yes
Shareholding structure	Yes
Group corporate structure	Yes
Downloadable annual report	Yes
Notice of AGM and/or EGM	Yes
Company's constitution (company's by-laws, memorandum and articles of association)	Yes

Should any of the foregoing information be not disclosed, please indicate the reason thereto.

7) Disclosure of RPT

Below is Note 23 of the notes to the Company's audited consolidated financial statements for the year ended 31 December 2013:

23. Related Party Disclosures

Related party relationships exist when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationships also exist between and/or among entities which are under common control with the reporting enterprise, or between and/or among the reporting enterprise and their key management personnel, directors, or its stockholders.

In the normal course of business, transactions with related parties consist mainly of payments made by the parent company for various expenses and noninterest-bearing, short-term cash advances for working capital requirements. Intercompany transactions are eliminated in the consolidated financial statements.

The Group's related party transactions, which are under terms that are no less favorable than those arranged with third parties as at December 31, are as follows:

2013				
	Amount/ Volume	Outstanding Balance	Terms	Conditions
<i>Subsidiaries</i>				
<i>Receivables</i>				
CCC	P3,209	P23,137	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
AEI	–	101,916	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
AI	123	31,459	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
BNC	6,546	108,969	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
UNC	–	597	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
URHI	–	1,224	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
NRHI	–	3,006	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
<i>Payables:</i>				
AHI	–	2,598	On demand; noninterest-bearing	Unsecured, no guarantee

2012				
	Amount/ Volume	Outstanding Balance	Terms	Conditions
<i>Subsidiaries</i>				
<i>Receivables</i>				
CCC	₱2,466	₱19,928	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
AEI	1,037	102,244	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
AI	367	31,336	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
BNC	–	102,423	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
UNC	–	597	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
URHI	–	1,224	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
NRHI	–	3,006	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
<i>Payables: increase (decrease)</i>				
AHI	–	2,725	On demand; noninterest-bearing	Unsecured, no guarantee

- a. The consolidated statements of financial position include the following amounts resulting from the various transactions with related parties as at December 31, are as follows:

2013				
	Amount/ Volume	Outstanding Balance	Terms	Conditions
<i>Affiliates</i>				
<i>Receivables (see Note 5)</i>				
Alakor	₱–	₱27,722	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
TMC	1,668	3,818	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
	₱1,668	31,540		
<i>Payables</i>				
TMC	₱112,677	₱434,015	On demand; noninterest-bearing	Unsecured, no guarantee
Alakor	–	–	On demand; noninterest-bearing	Unsecured, no guarantee
	₱112,677	₱434,015		

2012				
	Amount/ Volume	Outstanding Balance	Terms	Conditions
Affiliates				
Receivables (see Note 5)				
Alakor	P–	P31,481	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
TMC	2,150	2,150	On demand; noninterest-bearing	Unsecured, no impairment, no guarantee
	P2,150	P33,631		
Payables				
TMC	P–	P321,338	On demand; noninterest-bearing	Unsecured, no guarantee
Alakor	3,016	3,016	On demand; noninterest-bearing	Unsecured, no guarantee
	P3,016	P324,354		

- b. Advances from TMC pertain to the parent company's share in the operating expenses of BNC that was advanced by TMC for the account of the parent company (see Note 16).
- c. In November 2008, the parent company contributed P22,068 for the payment of the purchase price of certain parcels of land that were conveyed by the SSS to Alakor. As the parent company was unable to participate in the transaction covering the conveyance of the properties, the amount contributed was treated as advances to Alakor which shall be repaid under terms to be subsequently determined and subject to the provisions of existing loan agreements executed by the parent company.
- d. In December 2010, the parent company issued a promissory note to Philodrill Corporation for the principal amount of US\$1,670 (the "Philodrill Note"). The loan shall accrue interest from January 22, 2010 at the rate of 10% per annum. The parent company incurred interest expense amounting to nil and P3,102 in 2013 and 2012, respectively. In June 2012, the parent company discharged fully the loan obligation under the Philodrill Note amounting to P73,213.
- e. In 2012, CCC settled in tranches its payable to the parent company amounting to P860,954. In July 2011, CCC agreed to provide security for the loan obligations of the parent company to BDO under the BDO Facility and the 2011 BDO Loan (see Note 17). CCC (i) executed an irrevocable suretyship in favor of BDO whereby it became solidarily liable with the parent company for the discharge of all obligations under the BDO Facility, and (ii) created in favor of BDO mortgage liens over its real properties and chattels to secure the performance of the parent company's obligations under the 2011 BDO Loan.
- f. Receivable from officers and employees as at December 31, 2013 and 2012 amounting to P31,568 and P30,539, respectively, pertain to the receivable extended by the Group to its officers and employees and unliquidated advances used in the Group's operations. These receivables from officers and employees are due and demandable (see Note 5).

g. Compensation of Key Management Personnel

The Group considers all senior officers as key management personnel.

	2013	2012	2011
Short-term benefits	₱144,164	₱106,644	₱38,059
Retirement benefits	7,382	7,869	7,917
	₱151,546	₱114,513	₱45,976

The significant increase in the short-term benefits of key management personnel in 2012 was due to the additional key management personnel, changes in the compensation structure and additional incentives given to key management personnel during the year.

J. RIGHTS OF STOCKHOLDERS

1) Right to participate effectively in and vote in Annual/Special Stockholders' Meetings

(a) Quorum

Give details on the quorum required to convene the Annual/Special Stockholders' Meeting as set forth in its By-laws.

Quorum Required	Majority of issued and outstanding capital stock
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(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

The system adopted and implemented by the Company is based on voting procedures and requirements provided under the Corporation Code.

(c) Stockholders' Rights

List any Stockholders' Rights concerning Annual/Special Stockholders' Meeting that differ from those laid down in the Corporation Code.

None

Cash Dividend Payment in 2014

Declaration Date	Record Date	Payment Date
29 April 2014	14 May 2014	9 June 2014

(d) Stockholders' Participation

1. State, if any, the measures adopted to promote stockholder participation in the Annual/Special Stockholders' Meeting, including the procedure on how stockholders and other parties interested may communicate directly with the Chairman of the Board, individual directors or board committees. Include in the discussion the steps the Board has taken to solicit and understand the views of the stockholders as well as procedures for putting forward proposals at stockholders' meetings.

The Company intends to develop a program for the enhancement of shareholders' participation in meetings.

2. State the company policy of asking shareholders to actively participate in corporate decisions regarding:
 - a. Amendments to the company's constitution
 - b. Authorization of additional shares
 - c. Transfer of all or substantially all assets, which in effect results in the sale of the company

The Company complies with the requirements under the Corporation Code with respect to the above.

3. Does the company observe a minimum of 21 business days for giving out of notices to the AGM where items to be resolved by shareholders are taken up? **Yes**

a. Date of sending out notices: **17 March 2014**

b. Date of the Annual/Special Stockholders' Meeting: **29 April 2014**

4. State, if any, questions and answers during the 2014 Annual Stockholders' Meeting

The open forum at the end of the meeting allowed for discussions on the Company's (i) income projection for 2014, (ii) dividend policy and dividend distribution in 2014, (iii) unrealized foreign exchange loss in 2013, and (iv) copper price projections. The officers and directors of the Company were able to comprehensively/satisfactorily address the queries from shareholders.

5. Result of 2014 Annual Stockholders' Meeting's Resolutions

Stockholders representing 65% of the Company's outstanding capital stock as of 7 March 2014 (record date) approved / ratified the following reports / proposals / acts:

- a. Audited Financial Statements for the fiscal year ended 31 December 2013
- b. Minutes of the Annual General Stockholders' Meeting held on 24 April 2013
- c. Acts and resolutions of the Board of Directors and Management during the period beginning 24 April 2013 and ending 29 April 2014

6. Date of publishing of the result of the votes taken during the most recent AGM for all resolutions:
On the date of the Annual Meeting (immediately after the meeting was adjourned)

(e) Modifications

State, if any, the modifications made in the Annual/Special Stockholders' Meeting regulations during the most recent year and the reason for such modification:

None

(f) Stockholders' Attendance

(i) Details of Attendance in the Annual General Stockholders' Meeting held on 29 April 2014

Type of Meeting	Names of Board members / Officers present	Date of Meeting	Voting Procedure (by poll, show of hands, etc.)	% of SH Attending in Person	% of SH in Proxy	Total % of SH attendance
Annual	<u>DIRECTORS</u> <ul style="list-style-type: none"> • Alfredo C. Ramos • Frederic C. DyBuncio • Martin C. Buckingham • Isidro A. Consunji • Adrian Paulino S. Ramos • Gerard Anton S. Ramos • Jose T. Sio • Fulgencio S. 	29 April 2014	The Chairman held proxies representing more than the number of shares required to approve all matters presented for action during the meeting.	2.21%	62.79% (in favor of the Chairman)	65%

	Factoran Jr. • Richard J. Gordon • Alfredo R. Rosal Jr. • Laurito E. Serrano <u>OFFICERS</u> • Fernando A. Rimando • Rene G. de Ocampo • Carmen-Rose A. Basallo-Estampador • Roderico V. Puno • Leila Marie P. Cabanes					
**Special	None for 2014	-	-	-	-	-

(ii) Does the company appoint an independent party (inspectors) to count and/or validate the votes at the ASM/SSMs?

No.

(iii) Do the company's common shares carry one vote for one share? If not, disclose and give reasons for any divergence to this standard. Where the company has more than one class of shares, describe the voting rights attached to each class of shares.

Yes.

(g) Proxy Voting Policies

State the policies followed by the company regarding proxy voting in the Annual/Special Stockholders' Meeting.

	Company's Policies
Execution, submission, acceptance of proxies	<i>The Company (i) follows the form prescribed under the rules and regulations implementing the Securities Regulation Code; and (ii) accepts proxy submissions until a date that is not less than five (5) calendar days prior to the date of the meeting</i>
Notarization	<i>Only certifications attesting to (i) the authority of the corporate shareholder to execute the proxy, and (ii) the appointment of the representative of the corporate shareholder are required to be notarized</i>
Several Proxies	<i>This is acceptable to the Company</i>
Validity of Proxy	<i>A proxy is valid only for the meeting to which it pertains and to any adjournment thereof</i>
Proxies executed abroad	<i>These are accepted by the Company as long as formal requirements as to authentication (whenever applicable) are complied with</i>
Invalidated Proxy	<i>Any proxy embodying a clear definition and delegation of authority is generally accepted</i>
Validation of Proxy	<i>At least two (2) days prior to the date of meeting</i>

Violation of Proxy	<i>The Company resolves issues of this nature based on the principle of preserving the shareholder's right to participate in the meeting.</i>
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(h) Sending of Notices

State the company's policies and procedure on the sending of notices of Annual/Special Stockholders' Meeting.

Notices are sent by regular mail at least thirty five (35) days prior to the date of the meeting.

(i) Definitive Information Statements and Management Report

The information provided below pertains to the 29 April 2014 Annual General Meeting of the Company's shareholders.

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	2,076,121,170
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners	3 April 2014
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	3 April 2013
State whether CD format or hard copies were distributed	CD Format
If in CD format, indicate whether requesting stockholders were provided hard copies	Yes

(j) Does the Notice of Annual/Special Stockholders' Meeting include the following:

Each resolution to be taken up deals with only one item.	Yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	Yes
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	Will be included as applicable
The amount payable for final dividends.	Will be included as applicable
Documents required for proxy vote.	Yes

The above are contained in the Information Statement pertaining to the meeting.

Should any of the foregoing information be not disclosed, please indicate the reason thereto.

2) Treatment of Minority Stockholders

(a) State the company's policies with respect to the treatment of minority stockholders.

The CG Manual states as follows:

6.1. INVESTORS' RIGHTS AND PROTECTION

6.1.1 Rights of Investors/Minority Interests

The Board shall be committed to respect and give due consideration to the following rights of the stockholders.

6.1.2 Voting Right

6.1.2.1 Shareholders shall have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code.

6.1.2.2 Cumulative voting shall, unless otherwise exercised by the Shareholder, be used in the election of directors.

xxx

6.1.4 Power of Inspection

All shareholders shall be allowed to inspect corporate books and records, including minutes of Board meetings and stock registries, in accordance with the Corporation Code and shall be furnished with annual reports, including financial statements, without cost or restrictions.

6.1.5 Right to Information

6.1.5.1 The Shareholders shall be provided, upon lawful and reasonable request, with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings in the company, dealings with the company, relationships among directors and key officers and the aggregate compensation of directors and officers.

6.1.5.2 The minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.

6.1.5.3 The minority shareholders shall have lawful and reasonable access to any and all information relating to matters for which the management is accountable for and to those relating to matters affecting shareholder's interest. The management shall include such information in the periodic reports and, if not included, then the minority shareholders shall be allowed to propose to include such matters in the agenda of stockholders' meeting, being within the definition of "legitimate purposes".

6.1.8 Promoting Shareholders Right

It shall be the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' right and allow possibilities to seek redress for violation of their rights. They shall encourage the exercise of shareholders' voting rights and adopt appropriate mechanisms for the solution of collective action problems. They shall be instrumental in removing excessive costs and other administrative or practical impediments to shareholders participating in meetings and/or voting in person. The directors shall pave the way for the electronic filing and distribution of shareholder information necessary to make informed decisions subject to legal constraints.

(b) Do minority stockholders have a right to nominate candidates for board of directors?

Yes.

K. INVESTORS RELATIONS PROGRAM

- 1) Discuss the company's external and internal communications policies and how frequently they are reviewed. Disclose who reviews and approves major company announcements. Identify the committee with this responsibility, if it has been assigned to a committee.

The Company has an external and internal communication policy in place that provides guidance to all departments/ employees on the procedure for disclosing information on an internal and external basis. Such policy is reviewed annually.

The Corporate Communications committee is composed of the EVP, CFO, AVP for Corporate Governance and the Investor Relations (IR) unit. The IR team prepares the drafts of the materials required for external disclosure. All major company announcements undergo the approval of the EVP, CFO and AVP for Corporate Governance.

- 2) Describe the company's investor relations program including its communications strategy to promote effective communication with its stockholders, other stakeholders and the public in general. Disclose the contact details (e.g. telephone, fax and email) of the officer responsible for investor relations.

	Details
(1) Objectives	Effectively communicate and accurately represent the business performance and strategic direction of the Company and maintain progressive relations with the Investor Community to ensure that the Company achieves a fair valuation and investment recommendation
(2) Principles	<ul style="list-style-type: none">• Clarity, accuracy, integrity, and efficacy of external communications• Timeliness of reports• Primacy of interests of stakeholders
(3) Modes of Communications	<ul style="list-style-type: none">• One-on-one meetings• Print Materials and Electronic versions• Email• Mobile• Website• Events and Roadshows
(4) Investors Relations Officer	Joanne M. Villanueva T 5849788 local 135 F 635 4495 Jmvillanueva@atlasphilippines.com

- 3) What are the company's rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets?

The Company has yet to establish formal policies and protocols for this.

L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Discuss any initiative undertaken or proposed to be undertaken by the company.

Initiative	Beneficiary
<i>Social Development Management Program</i>	<i>Multi-purpose cooperatives located in Toledo City, Cebu engaged in shoemaking, furniture-crafting, rubber-making, livestock-raising</i>
<i>Construction/establishment of a barangay sports</i>	<i>Barangay Don Andres Soriano, Toledo City, Cebu</i>

<i>complex and birthing center</i>	
<i>Renovation of the Cebu Provincial Public Safety Company</i>	<i>Philippine National Police and Barangay Officials of Toledo City, Cebu</i>
<i>Donation of emergency rescue vehicles, ambulances</i>	<i>Community of Toledo City, Cebu</i>
<i>Feeding Programs and comprehensive medical and dental missions</i>	<i>Community of Toledo City, Cebu</i>
<i>Reforestation and Tree planting activities</i>	<i>Operating environment in Toledo City, Cebu</i>
<i>Tree planting activities</i>	<i>Public schools, LGUs, religious organizations, and various civic and private organizations</i>

M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL

Disclose the process followed and criteria used in assessing the annual performance of the board and its committees, individual director, and the CEO/President.

The Company is still working on the development of its performance appraisal system.

N. INTERNAL BREACHES AND SANCTIONS

Discuss the internal policies on sanctions imposed for any violation or breach of the corporate governance manual involving directors, officers, management and employees.

Section 9 of the CG Manual states as follows:

9. PENALTIES FOR NON-COMPLIANCE WITH THE MANUAL

9.1 To strictly observe and implement the provisions of this Manual, the following penalties may be imposed, after notice and hearing, on the infractor in case of violation of any of the provision of this Manual:

- In case of first violation, the subject person shall be reprimanded;*
- Suspension from office shall be imposed in case of second violation. The duration of the suspension shall depend on the gravity of the violation;*
- For third violation, the maximum penalty of removal from office with forfeiture of emoluments shall be imposed.*

9.2 The commission of a third violation of this Manual by any member of the board of the company or its subsidiaries and affiliates may be a sufficient cause for removal from directorship.

9.3 The Compliance Officer shall be responsible for determining violation/s after due notice and hearing and shall recommend to the Chairman of the Board the imposable penalty for such violation which shall be subject to review and approval of the Board.

9.4 The foregoing penalties shall be without prejudice to such penalties and actions as may be provided by law, rules or regulations;

Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of _____ on _____, 20__.

SIGNATURES

ALFREDO C. RAMOS
Chairman of the Board/President

ADRIAN PAULINO S. RAMOS
Executive Vice-President

LAURITO E. SERRANO
Independent Director

ALFREDO R. ROSAL Jr.
Independent Director

CARMEN-ROSE A. BASALLO-ESTAMPADOR
Compliance Officer

SUBSCRIBED AND SWORN to before me this _____ day of _____, 20__ , affiant(s) exhibiting to me their _____, as follows:

NAME/NO.

DATE OF ISSUE

PLACE OF ISSUE

Doc No. _____

Page No. _____

Book No. _____

Series of 2013.