

POLICY on the RIGHTS OF SHAREHOLDERS

1. Purpose

The purpose of the Policy is to ensure the paramount commitment of the Board of Directors (the “Board”) of Atlas Consolidated Mining and Development Corporation (“AT” or the “Corporation”) in giving respect, fair dealing and due consideration to the rights of the Shareholders without regard to the latter’s numbers of shares; to ensure the protection of their interest, concerns, and free exercise of their rights for the sustainability of the Company’s business.

2. Basic Rights

This Policy shall be in supplement to the basic Shareholders’ rights found in the Company’s Code of Corporate Governance of 2017, to wit:

- Voting Right
- Pre-emptive Right
- Power of Inspection
- Right to Information
- Right to Dividends
- Appraisal Right

3. Voting/Nomination Right

- 3.1. The Shareholders may vote in person or by proxy in accordance with existing rules and regulations. They have the right to be provided the copies of proxy forms through the following: (1) printed copy enclosed in the Definitive Information Statement (IS); (2) digital copy inserted in the CD kit containing the soft files of the IS; and (3) downloadable form from the Company’s website. Said proxy forms shall be signed by the Shareholders and shall be submitted on or before the date prescribed.
- 3.2. Shareholders’ vote shall be counted by poll and shall be recorded by the Secretariat under the supervision of the Company’s Corporate Secretary and/or Stock and Transfer Agent. A Proxy Validation Committee may be organized specifically for such purpose and shall inspect and validate the proxy forms submitted by the Shareholders.
- 3.3. Electronic voting shall be adopted by the Company once reliable and secured technology for the same is made available. The adoption of the same shall require the approval of the majority of the members of the Board.
- 3.4. Shareholders have the right to nominate individually the members of the Board. Nominations for the position of a Director shall be done in accordance with the Company’s By-Laws, Policies and the *Guidelines for the Nomination and Election of Directors*.

4. *Power of Inspection*

- 4.1 In addition to the Shareholders' right to inspect the results of the voting or election, they may request prior to the intended Shareholders' meeting for an appointment of an Independent Party that will among others assist during the meeting, validate proxy forms and count votes.
- 4.2 For protection, transparency and fair treatment of the Company's Shareholders in cases of mergers, acquisitions or takeovers and other major transactions, Shareholders may engage independent parties to evaluate the transaction. The approval of the majority of the members of the Board and Shareholders shall be secured to adopt the independent party's findings in case there is variance or conflict of findings between the former and the management's findings.

5. *Right to Information*

- 5.1 In an effort to give a transparent and fair conduct of the Annual General Meeting of the Shareholders (AGM) and/or Special Shareholders' Meetings (SSM), Shareholders are entitled to accurate and timely information to enable them to make sound decision on all matters brought to their attention for consideration or approval. The IS must be distributed prior to and during the AGM which must among other include the financial condition of the Company. Agenda items must also be included in the notices with a corresponding rationale or explanation.
- 5.2 Shareholders must be informed of the individual profiles of new and returning directors, as well as a summary of the Board meeting attendance and performance record of its Directors.
- 5.3 Shareholders shall be informed of the Company's basis of the Board's and Key Officers' remuneration. Material or substantial changes in the Board's and Key Officers remuneration, if any, are recommended by the Corporate Governance Committee of the Board, and must be approved by the Board and affirmed or voted on by the Shareholders in a regular Shareholders' meeting.
- 5.4 Shareholders shall be informed of the process of electing regular and Independent Directors and the voting methods and vote-counting systems employed. The gist of the nominations guidelines must be also be relayed to the Shareholders during the AMG and SSM.
- 5.5 Shareholders shall be informed of all the minutes of AGM and SSM clearly and satisfactorily reflecting the agenda taken up during the meetings.
- 5.6 All Shareholders are encouraged and given the right to participate in the meetings. They have the right to ask questions or raise issues. They may consult or communicate with one another, with the Director, Key Officers or with the Corporate Secretary regarding their questions or issues.
- 5.7 Shareholders are encouraged to participate beyond the AGM by providing them a consistent and transparent report of the fair conduct of the Company's business and including the accurate and timely information which are made available to them to enable them to make a sound judgment or suggestions to the Company. Shareholders are encouraged to visit the Company's website to be abreast with matters relating to the Company or contact the Company's Investor Relations Officer to inquire or clarify any matters relating to the Company, or to report any violation of their rights.

6. *Right to Dividends*

6.1 Shareholders are entitled to the payment of dividends once declared in an equitable and timely manner. All Shareholders are treated equally, receiving an amount of dividends per share that is proportionate to their shareholdings. The period for payment of dividends is based on the disclosure and trading requirements of the Securities and Exchange Commission (SEC) and Philippine Securities Exchange (PSE).

6.2 All acts of the Board and Key Officers relating to the declaration of dividend must be duly disclosed and shall be submitted to the Shareholders for ratification in the interest of transparency.

7. *Miscellaneous*

This Policy has been adopted by the Board and any material amendment to the terms of this Policy must be approved by the Board. This Policy shall take effect upon approval by the latter and shall apply prospectively. The same shall be reviewed by the Board annually.