

Risk Management Policy Statement

Enterprise-wide Risk Management as an approach to the protection of assets, earnings, liabilities, reputation, personnel against predictable and unpredictable losses to achieve the maximum efficiency at minimum cost has long been an integral part of your management function.

However, the Board of Directors through the members of the Audit and Risk Management Committee (ARMC) have expressed their interest in formalizing discussions regarding those significant risks that the business operation may face. Atlas and CCC undoubtedly exposed to several risks particularly in areas of:

- 1) Financial/Market (Securities/Investments, Interest Rates/Loans, Capital/Equity, Currency/Cash, Inventories, etc.)
- 2) Operational (Physical Damage, Personnel, Safety, Health, Environment, Community Relations, Mining Technology, etc.)
- 3) Regulatory and Legal (Regulations, Statutory Liability, Contracts, etc.)

In support of that discussion, a Risk Management Program needs to be formally established. Each department is recommended to continuously identify, measure, control and manage risks that may affect Atlas and CCC's business operation. Quality Control and Risk Management Department with guidance from Internal Audit, is tasked to compile, consolidate and control those risks to elevate to Executive Management and ARMC. Regular monitoring and reporting of risk assessment status shall be on a monthly basis.



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