



CARMEN COPPER CORPORATION

A subsidiary of Atlas Consolidated Mining and Development Corporation

Delivering Sustained Value Through Responsible Stewardship

2018 SUSTAINABILITY REPORT



WHAT'S INSIDE?

2	About Carmen Copper
4	President's Message
6	Creating Sustained Value
8	In Support of the Sustainable Development Goals
10	The Road to Responsible Stewardship
14	Safeguarding Our Natural Environment
22	Building Self-Reliant Communities
32	Preserving the Heritage of Responsible Mining
44	Cultivating Our Corporate Culture
54	Governance
57	GRI Content Index
	Awards and Citations

ABOUT THIS REPORT

102-49, 102-54

Creating Sustained Value through Responsible Stewardship is the 2nd Sustainability Report of Carmen Copper Corporation (Carmen Copper), covering the period of January 1 to December 31, 2018. This Report is aligned with the United Nations Sustainable Development Goals (SDGs) and is a testament of the company's commitment to the United Nations Global Compact (UNGC) Principles.

Carmen Copper is a wholly-owned subsidiary of Atlas Consolidated Mining and Development Corporation (Atlas Mining). This Report contains the parent company's economic figures (page 2) and employee profile (pages 46 and 48) and also serves as the Sustainability Report of Atlas Mining.

This Report has been prepared in accordance with the GRI Standards: Core option. It has successfully completed the GRI Materiality Disclosures Service which confirms that disclosures 102-40 to 102-49 of the GRI 102: General Disclosures 2016, were correctly located in both the GRI Content Index (see pages 57-58) and in the pages of this Report.





VISION

We aim to be the leading copper producer in the Philippines, a preferred employer in the industry and a role model for responsible mining and good governance.

MISSION

We will enhance value for all our stakeholders by pursuing long-term prospects for stability, growth and diversification while harmonizing safe and efficient business practices with the social and environmental needs of our communities.

VALUES

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

ABOUT CARMEN COPPER

Incorporated in 2004, Carmen Copper is one of the largest operating copper mines in the country. It has the operating rights for the Toledo Copper Mine under a Mineral Production Sharing Agreement with the Philippine Government. It sources and extracts ore from the Carmen Pit and ships copper concentrate mainly to smelters in China, Japan and the Philippine Associated Smelting and Refining Corporation in Leyte Province.



1,676

hectares of
operational
area of which

276

hectares
are open pit
mining areas



293

shipments to
date (since 2008)

30

shipments
in 2018

ECONOMIC VALUE TABLE

In PHP Million	Atlas Mining			Carmen Copper		
	2016	2017	2018	2016	2017	2018
Economic value generated	12,242	12,063	14,389	12,168	12,039	14,302
Economic value distributed	14,030	14,276	16,535	13,345	13,949	16,283
Operating costs	11,141	11,103	12,794	10,926	10,915	12,577
Employee wages and benefits	403	412	400	371	385	370
Payments to providers of capital	1,845	2,185	2,346	1,447	2,082	2,345
Payments to government	409	471	826	369	462	822
Community investments	232	105	169	232	105	169
Economic value retained	(1,788)	(2,213)	(2,146)	(1,177)	(1,910)	(1,981)



AWARDS

Gawad Tugas for
Responsible Mining
Mines and
Geosciences
Bureau

Presidential Mineral Industry
and Environmental Award
Platinum Achievement for
Surface Mining Category
Philippine Mine Safety and
Environment Association
and the Mines and
Geosciences Bureau

Anvil Award for 2017
Sustainability Report
Public Relations
Society of the
Philippines

PRESIDENT'S MESSAGE



CARMEN COPPER CORPORATION

To Our Valued Stakeholders:

In 2018, we embarked on a more strategic approach to sustainable development, taking steps to integrate sustainability in various facets of our operations to effect systemic change in the way we do business. First, we strengthened our cost efficiency campaign focusing on manpower productivity ratios, strict procurement standards and stringent audit systems. Second, we reiterated our corporate mantra of commitment, competence and cooperation in every aspect of project management. Lastly, we deepened our engagement with our stakeholders to foster solidarity in our journey towards sustainable development.

Our Role | Responsible Stewardship

Since the inception of Atlas Consolidated Mining and Development Corporation in 1953, we have played a significant role in bringing Toledo to cityhood status through the company's socio-economic contributions. We recognize the three resources – environmental, community social capital and corporate – that play critical roles in achieving sustained growth and we work diligently to contribute on all fronts.

At Carmen Copper, we ensure that our operations do not bring about irreversible effects to the natural environment of Toledo. We earmark resources for social development, helping provide social safety nets such as access to education, health care and livelihood. We continue to mold our people to serve as responsible stewards, not only of Carmen Copper's resources, but more so, of Toledo City's heritage.

Shared Responsibility | Creating Sustained Value

This year, we revisited our community needs assessment process to have a more comprehensive understanding of what elements should be in place to improve social capital. Working in partnership with our host communities and the local government, we enhanced our information, education and

communication and community campaigns to raise awareness about projects in our Social Development and Management Program and the role the community plays to sustain these projects. We organized our communities into cooperatives to manage sustainable livelihood programs such as the Carmen Copper Integrated Farm. We educated the communities on their symbiotic relationship with the natural environment through hands-on projects like seedling production, community nursery projects and tree growing activities. Lastly, we built a fitting community legacy with the opening of the Carmen Copper Heritage Center, the first copper mining museum in Southeast Asia.

Committed to Responsible Mining

As we measure our impact, we are reminded that though we have taken strides in creating shared value, there is still so much to be done. To carry on, we celebrate our milestones and breakthroughs every step of the way.

This year, we were honored with the Presidential Mineral Industry and Environmental Award Platinum Achievement for Surface Mining Category by the Philippine Mine Safety and Environment Association and the Mines and Geosciences Bureau. We also proudly received the Gawad Tugas for Responsible Mining from the Department of Environment and Natural Resources.

Being recognized by the industry in this way encourages us to further enhance the positive impact of our operations. With this, we will certainly continue our journey of creating sustained value for our host and neighboring communities and we will do this through responsible stewardship.



Roy Q. Deveraturda
President and CEO

CREATING SUSTAINED VALUE





IN SUPPORT OF THE SUSTAINABLE DEVELOPMENT GOALS



1 NO POVERTY



PHP169mn
spent on various social development projects

Target 1.1: By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than US\$1.25 a day

4 QUALITY EDUCATION



553
technical-vocational and college scholars to date

Target 4.3: By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant effective learning outcomes

5 GENDER EQUALITY



24%
of newly-hired employees are women

Target 5.1: End all forms of discrimination against all women and girls everywhere

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Publication of the 2nd Sustainability Report aligned to the GRI Standards, UN SDGs and UNGC Principles

Target 12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

13 CLIMATE ACTION



Air emissions
below DENR limits

Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

2 ZERO HUNGER



2,400
farmers engaged in
the Carmen Copper
Integrated Farm

Target 2.1: By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round

6 CLEAN WATER AND SANITATION



51%
of water consumed
per year is recycled

Target 6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity

15 LIFE ON LAND



2.24M
seedlings planted
to date on 1,370
hectares of land

Target 15.2: By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally

3 GOOD HEALTH AND WELL-BEING



Carmen Copper Hospital

a PhilHealth TB-DOTS* accredited health facility, served 72 tuberculosis patients in 2018

Target 3.3: By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases

*Tuberculosis Directly Observed Treatment Short course

8 DECENT WORK AND ECONOMIC GROWTH



PHP193mn
spent on environmental
protection and
enhancement projects

Target 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

17 PARTNERSHIPS FOR THE GOALS



GRI-SM Partnership
for the first GRI
Sustainability Summit
in the country

Target 17.14: Enhance policy coherence for sustainable development

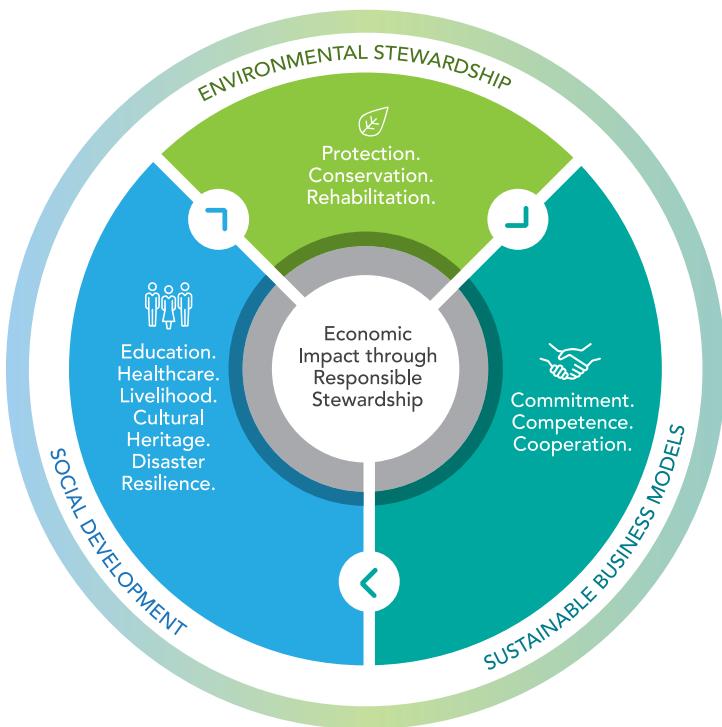
THE ROAD TO RESPONSIBLE STEWARDSHIP

Our Commitment to Sustainability

Carmen Copper is committed to responsible mining. We adhere to global standards of human rights aligned to the United Nations Global Compact Principles. As a company, we:

- Support and respect the protection of internationally proclaimed human rights;
- Support the elimination of all forms of forced and compulsory labor and the abolition of child labor;
- Support the precautionary approach to environmental challenges and encourage the use of environmentally friendly technologies; and
- Support all forms of anti-corruption, anti-extortion and anti-bribery.

THE CARMEN COPPER RESPONSIBLE STEWARDSHIP FRAMEWORK



PROCESS OF MATERIALITY ASSESSMENT 102-46

As we deepened our engagement with our stakeholders, we revisited the material topics that create the most significant impact.

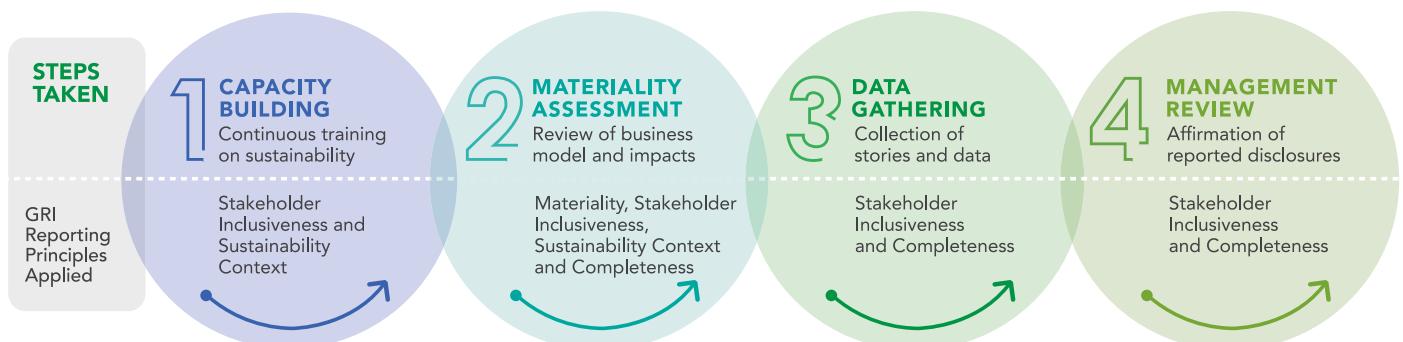
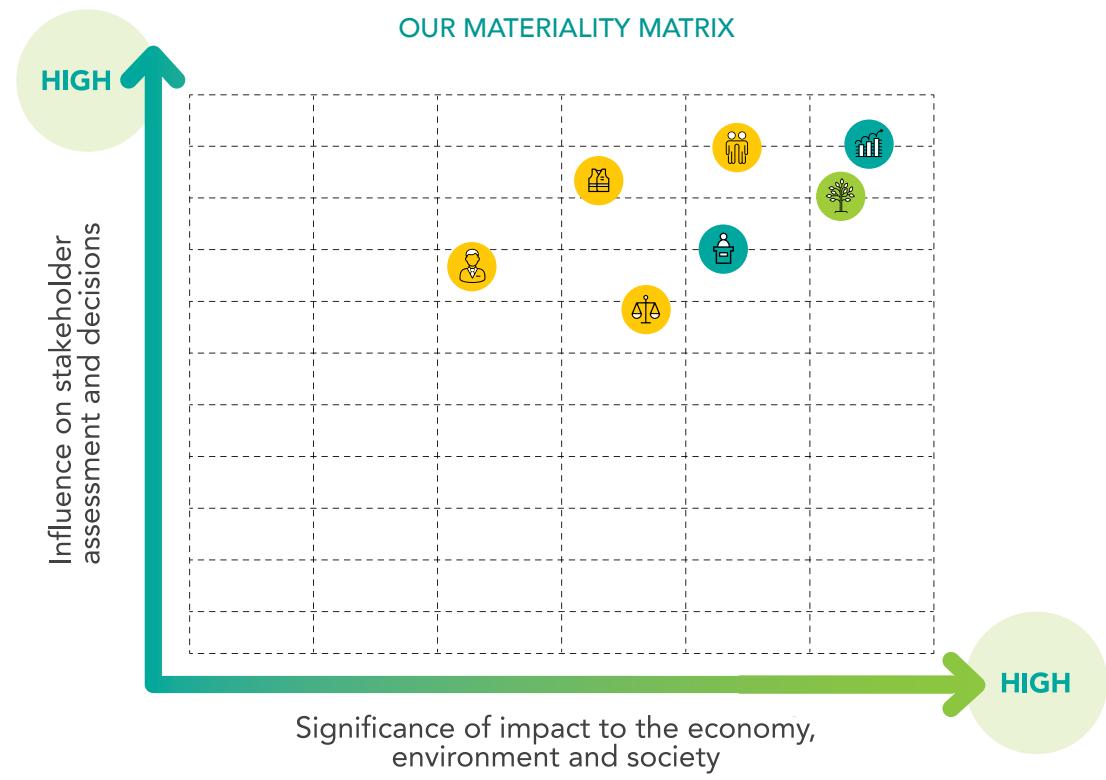


TABLE OF MATERIAL TOPICS AND TOPIC BOUNDARIES 102-46,102-47

Material Topic and Sub-topics	Topic Boundary	Relevance	
Environmental Sustainability			
	Energy, Emissions and Water	Within the organization	We practice due diligence and regular monitoring to ensure that our impact on the environment is mitigated and/or minimized and that we perform within set standards.
	Biodiversity, Effluents and Wastes	Within the organization and with our host communities	
	Environmental Compliance	Within the organization and with regulators and third party consultants	
Community Development			
	Indirect Economic Impacts	Within the organization and with our host communities	As a corporate entity in Toledo City, we acknowledge our responsibility to our host communities which we demonstrate by providing programs and investing in projects that address their needs.
	Local Communities	Within the organization and with our host communities	
Occupational Health and Safety			
	Occupational Health and Safety	Within the organization	We ensure the safety of our employees by adopting safety standards and protocols, providing health insurance and safety gear and promoting the well-being of our employees.
Employee Training, Development and Career Path			
	Employment	Within the organization	We recruit and develop our people in various roles where they can grow and their contributions will be recognized, ensuring alignment to their long-term professional development.
	Training and Education	Within the organization	
Human Rights and Equal Opportunities			
	Human Rights and Equal Opportunities	Within the organization	We promote and protect human rights and uphold the dignity of our employees, communities and other stakeholders.
Governance, Risk Management and Compliance			
	Governance, Risk Management and Compliance	Within the organization	We ensure our compliance to all applicable government regulations and conduct all our transactions to the highest standards of ethical business practices and risk management.
Economic Performance and Supply Chain Management			
	Economic Performance	Within the organization and business partners	We deliver shared value to both our internal and external stakeholders including business partners.
	Procurement Practices	Within the organization and business partners	

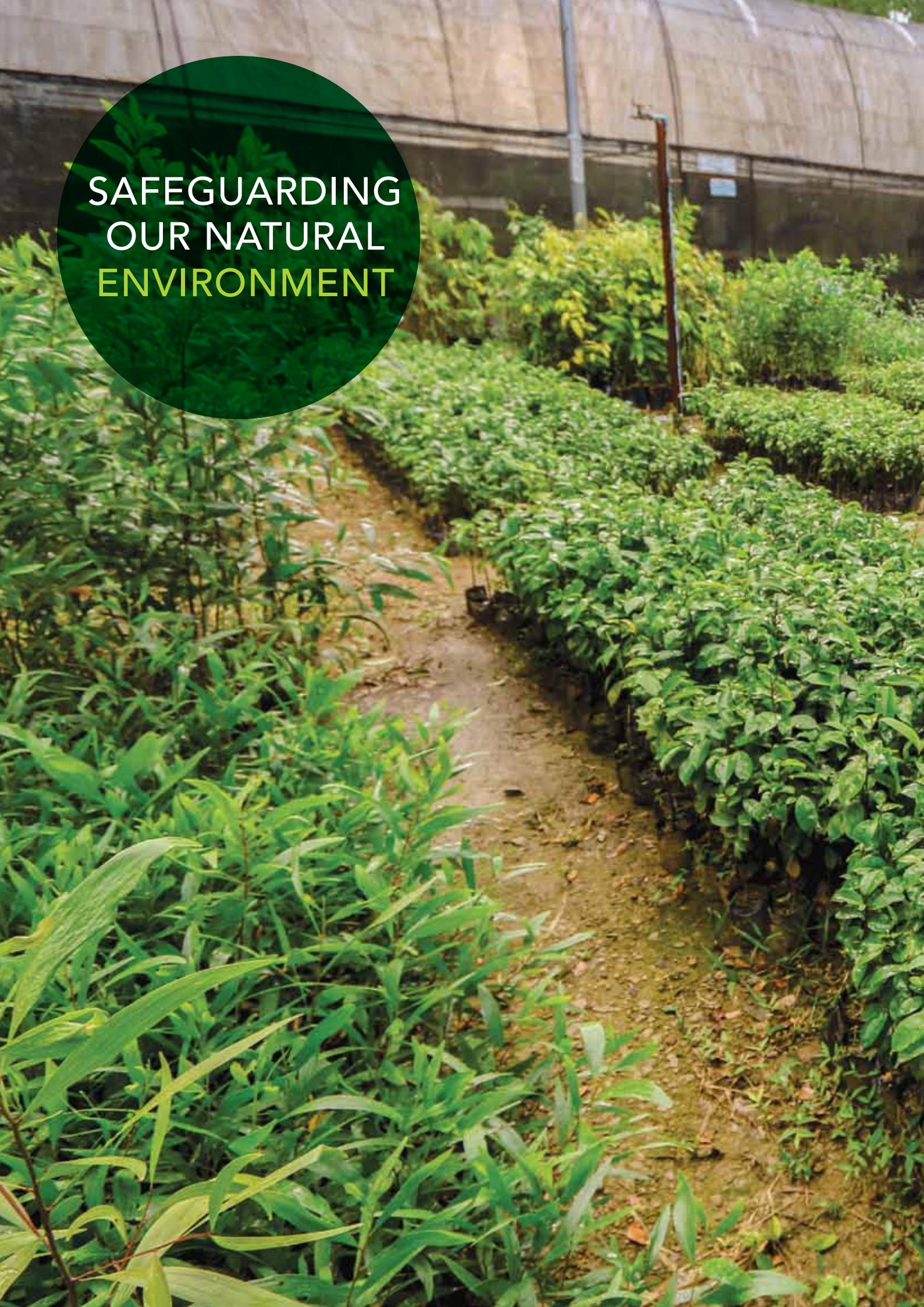


MATERIALITY KEY THEMES 102-47

	Environmental Sustainability	How the Company manages its environmental impact, mitigates risk, conserves and protects natural habitats and minimizes its emissions
	Community Development	How the Company provides access to social services and opportunities in education, health care, livelihood, public infrastructure and promotes cultural preservation
	Occupational Health and Safety	How the Company sets safety standards and protocols, provides health insurance and safety gear and promotes the well-being of its employees
	Employee Training Development and Career Path	How the Company recruits, develops and retains local talent in various roles; recognizes the contribution of its employees and provides long-term professional development
	Human Rights and Equal Opportunities	How the Company promotes and protects human rights and upholds the dignity of its employees, communities and other stakeholders
	Governance, Risk Management and Compliance	How the Company ensures compliance to all applicable government regulations; upholds all its transactions to the highest standards of ethical business practices; and mitigates risks
	Economic Performance and Supply Chain Management	How the Company delivers shared value to its principals, its stakeholders and business partners

ENGAGING OUR STAKEHOLDERS TOWARDS SHARED RESPONSIBILITY 102-40,102-42,102-43,102-44

Our Stakeholders	Description and How We Engage	Concerns	Our Commitment
Employees 	<p>We put high regard in the contribution of our employees.</p> <p>We engage them through regular town hall meetings, performance appraisals, training programs, labor management relations council meetings and other focus group meetings.</p>	<p>Governance, Risk Management and Compliance</p> <p>Community Development</p>	We commit to the development of our employees, creating a path for long-term career growth and incentives for excellent performance.
Communities 	<p>We partner with our communities as co-stewards of our mission to create shared and sustained value for all.</p> <p>We engage them through dialogue, informal interactions, community needs analysis and information, education and communication campaigns.</p>	<p>Community Development</p> <p>Economic Performance and Supply Chain Management</p>	We commit to create value for our communities by helping provide access to quality education, healthcare and livelihood while safeguarding a healthy environment for them to live in.
Government and Regulatory Bodies 	<p>We work in partnership with the government and regulatory bodies to uphold the highest standards of responsible mining.</p> <p>We engage them through regular and accurate reporting, compliance and program partnerships.</p>	<p>Governance, Risk Management and Compliance</p> <p>Environmental Sustainability</p>	We commit to comply with all government regulations and build a strong partnership with the government in pursuit of sustained economic growth.
Business Partners 	<p>In all our dealings, we maintain ethical business practices with transparency and fairness, building long-term relationships.</p> <p>We engage them through regular meetings and procurement management protocols.</p>	<p>Environmental Sustainability</p> <p>Occupational Health and Safety</p>	We commit to ethical business practices of transparency, accountability and fair dealings. Beyond transactional deals, we aim to build long-term relationships.
Investors/Principal 	<p>We are committed to deliver sustainable returns for our providers of capital.</p> <p>We engage them through our principal, Atlas Mining, through Annual and Sustainability Reports, Stockholder's Meetings and Investor Relations Meetings.</p>	<p>Governance, Risk Management and Compliance</p> <p>Economic Performance and Supply Chain Management</p>	We commit to sustainable business practices that are the foundation of long-term returns for our investors.
Socio-Civic and Non-Profit Organizations 	<p>We work with other NGOs and socio-civic organizations to enhance our social and environmental programs.</p> <p>We engage them through association memberships, conferences and industry workshops.</p>	<p>Community Development</p> <p>Environmental Sustainability</p>	We work together with other like-minded partners who share a common goal to uplift our communities.
Media 	<p>We maintain positive media relations through accurate and timely reporting.</p> <p>We engage them through media briefs and coverage.</p>	<p>Governance, Risk Management and Compliance</p> <p>Environmental Sustainability</p>	We partner with the media in providing objective news updates and disclosures. We support open dialogues and press conference briefings especially for critical issues.

A photograph of a lush green garden. In the foreground, there are several large plants with long, narrow leaves. A dirt path leads through the garden, lined with various green plants and shrubs. In the background, a large, modern greenhouse with a curved glass roof is visible. The overall scene is one of a well-maintained and healthy outdoor space.

**SAFEGUARDING
OUR NATURAL
ENVIRONMENT**



Responsible Mining is our First Principle

We play a crucial role in maintaining the delicate balance of promoting economic growth and prioritizing care for the environment. To help mitigate risks, we worked on and received ISO 14001:2015 certification which provides us a standardized method for resource, waste and materials management and environmental monitoring, development and closure planning and rehabilitation and remediation measures.

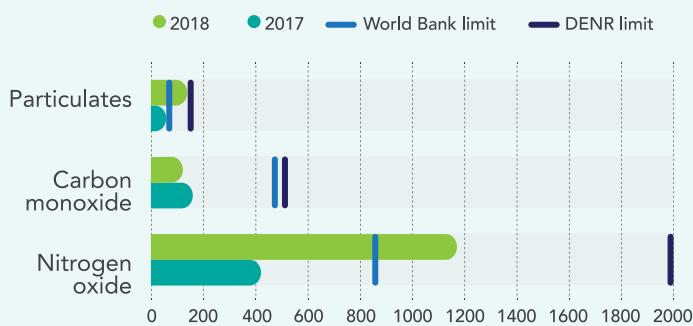


Air Emissions

Every quarter, the Multi-Partite Monitoring Team conducts ambient air sampling. Results of our regular emission tests show that our air emissions are below national set limits. We continue to work to manage these emissions through controls such as replacing old equipment and acquiring new measurement tools.



*Air Emissions by Type, in mg/m³

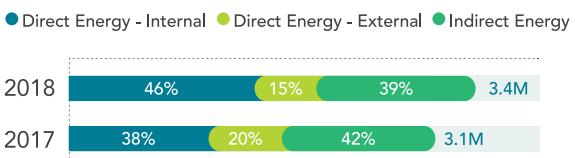


*No emission test was conducted for sulfur oxide in 2018 since the equipment was not ready for testing

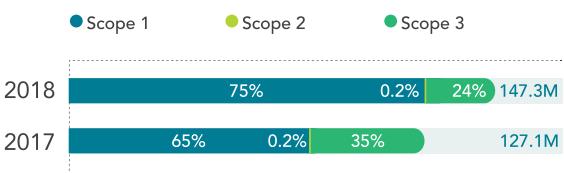
Energy Management

We consistently monitor our energy utilization from fuel consumed by company-owned (direct energy - internal), third-party vehicles (direct energy - external) to electricity use (indirect energy) and the carbon emissions resulting from these sources. Our total energy consumption and greenhouse gas (GHG) emissions increased by 11 and 16 percent respectively from the previous year. We need to focus more on opportunities for conservation and energy efficiency in our operations such as more efficient production methods and reduction of our draw from the local grid to reduce our GHG emissions and save on mining costs moving forward.

**Energy Consumption, in GJ



***GHG Emissions, in tonnes CO₂



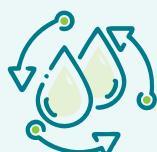
**Energy and emissions data for 2017 were recalculated to include fuel consumed by company-owned and third-party vehicles and for better comparison with 2018

***Scope 2 emissions was computed using the 2015-2017 National Grid Emission Factors provided by the Department of Energy 102-48



Water Management

We minimize our water withdrawal from fresh water sources through our conservation and recycling efforts. We also preserve the quality of our water sources, meeting the standards for contamination-free water sources in 2018.

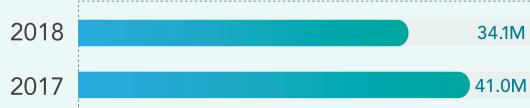


51%
of water consumed
per year is recycled



1.7M
cubic meters
of water supplied
to communities

Water Consumption, in m³



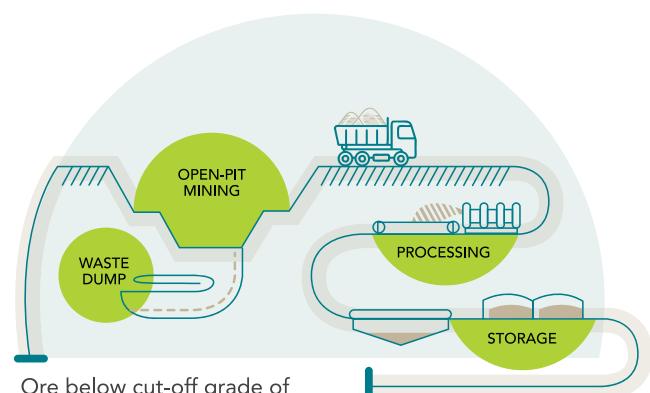
Waste Management

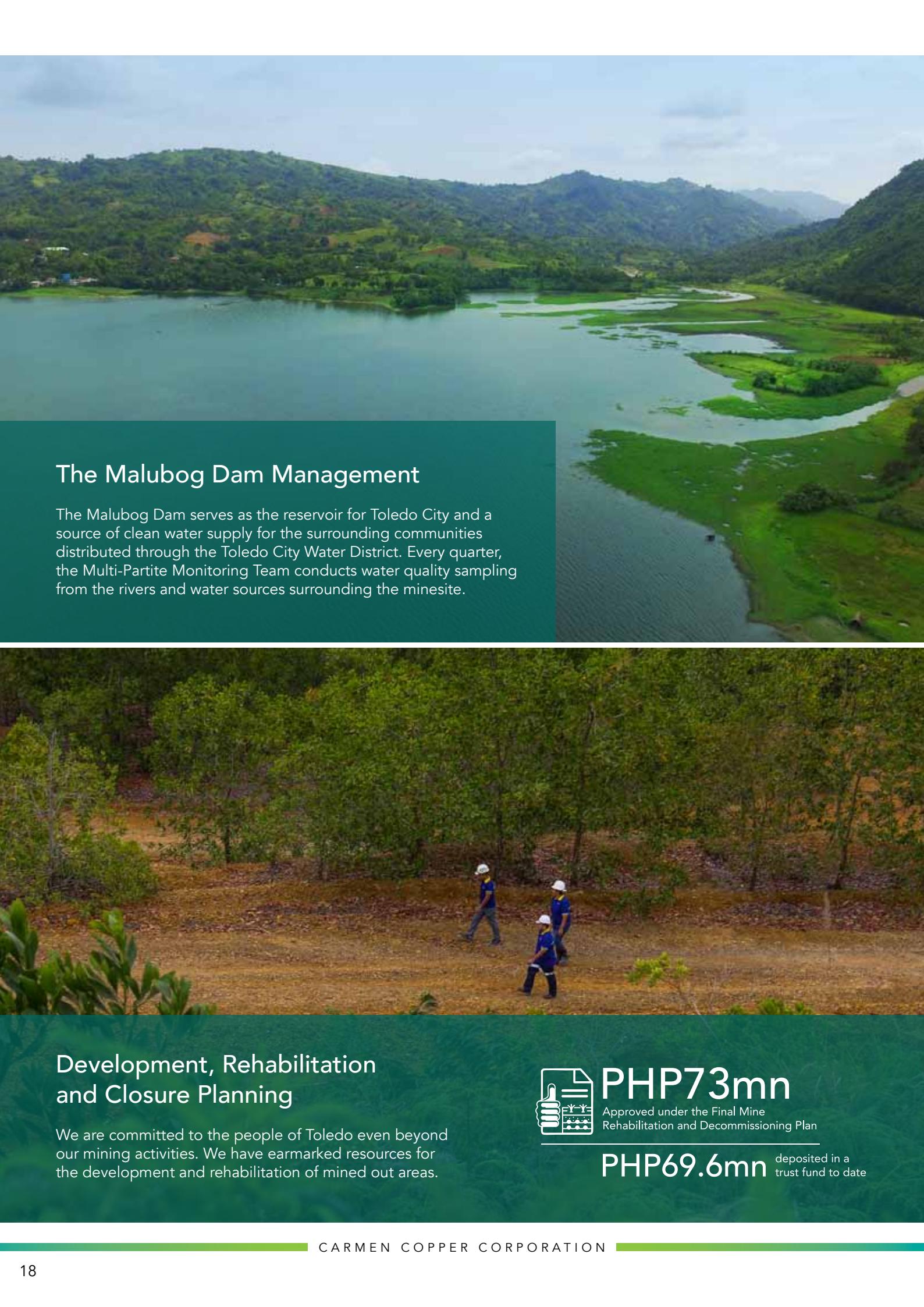
We diligently manage the disposal of our effluents under Carmen Copper's Waste Management Plans following regulatory standards. We also strive to manage our non-hazardous waste responsibly. Our most significant non-hazardous waste streams include recyclables and non-biodegradable waste. Our biodegradable waste is handled directly by the waste generator or unit concerned.



302,549 kgs

recyclable and
non-biodegradable
wastes collected





The Malubog Dam Management

The Malubog Dam serves as the reservoir for Toledo City and a source of clean water supply for the surrounding communities distributed through the Toledo City Water District. Every quarter, the Multi-Partite Monitoring Team conducts water quality sampling from the rivers and water sources surrounding the minesite.

Development, Rehabilitation and Closure Planning

We are committed to the people of Toledo even beyond our mining activities. We have earmarked resources for the development and rehabilitation of mined out areas.



PHP73mn

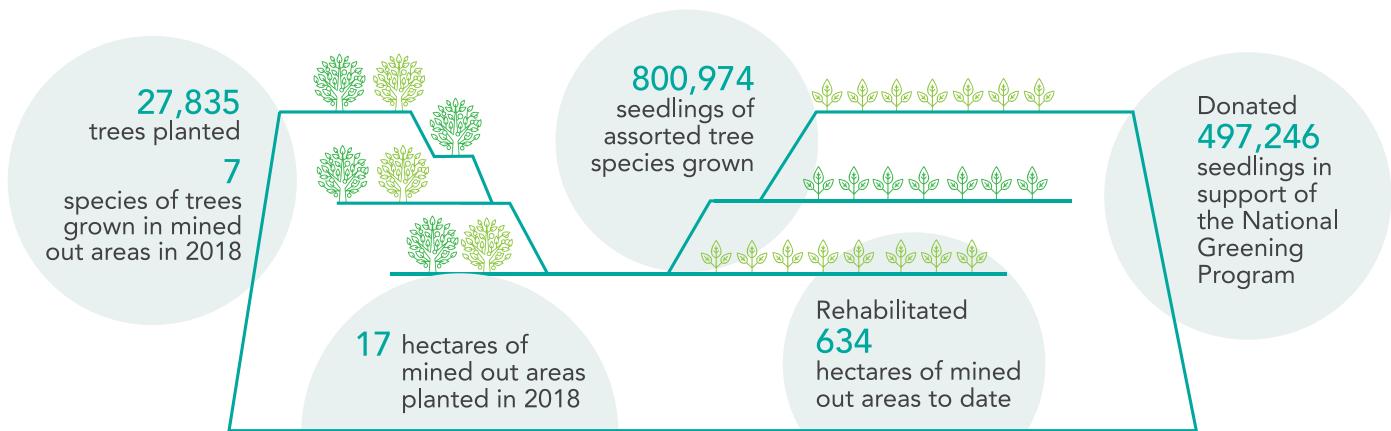
Approved under the Final Mine Rehabilitation and Decommissioning Plan

PHP69.6mn

deposited in a trust fund to date

Protection and Conservation is Our Mission

We are responsible stewards of our environment.
We recondition the soil to serve as a rich foundation to cultivate different plant species.



The Carmen Copper Ecological Park*

Originally referred to as the Carmen Copper Arboretum, the Carmen Copper Ecological Park has evolved into the first environmental recreational facility in Toledo City which showcases the various native tree species of Toledo. Additional facilities are in the pipeline for families to enjoy and have a taste of forest bathing which promotes overall well-being. We also hope that through this park, we can encourage the younger generation to unplug from the digital world and rediscover the joy of a relationship with nature.



*The Carmen Copper Ecological Park is not part of mined out areas



Quick Look at our Biodiversity



Environmental Sustainability is Our Shared Responsibility

We work with our communities to raise awareness that environmental sustainability is everybody's responsibility.

Community Nursery Program

We partner with the members of our people's organizations in producing seedlings in support of the government's National Greening Program. Through this program, our partners help us grow trees and gain income to support their families in the process.



456,491
seedlings produced
to date since 2012



8
barangays: Biga, Bunga,
Bulongan, Pandong Bato,
Bagakay, Cantabaco, Loay
and Don Andres Soriano



We provide assistance
in maintaining the
nursery and monitoring
sapling growth





Community Tree Growing

During Arbor Day, we mobilize volunteers from our host communities to join us in a tree planting activity in mined out areas. Since starting this annual tradition in 2006, we have planted 15,790 trees and mobilized 1,558 volunteers from barangays, schools and institutions.



15,790

trees planted
since 2006



1,558

people mobilized
from barangays,
schools and other
institutions

Linis Estero Program

In partnership with the Mines and Geosciences Bureau, we engage our communities in cleaning the water ways in our host barangays to avoid clogging and mitigate flooding. Since the program's launch in 2015, we have cleaned out 4.7 tons of waste and mobilized 679 volunteers.



4.7

tons of waste
collected



679

volunteers



BUILDING SELF-RELIANT COMMUNITIES





Our Journey Towards Sustainable Development

Carmen Copper Communities is our Social Development and Management Program brand, launched this year. In place of our corporate logo, we embarked on a community campaign that embodies our principle that responsible stewardship is a shared commitment. Carmen Copper Communities embraces every member of our host communities, communicating that a strong web of social capital is woven together by each and every Toledano.



Education

Scholarship Program

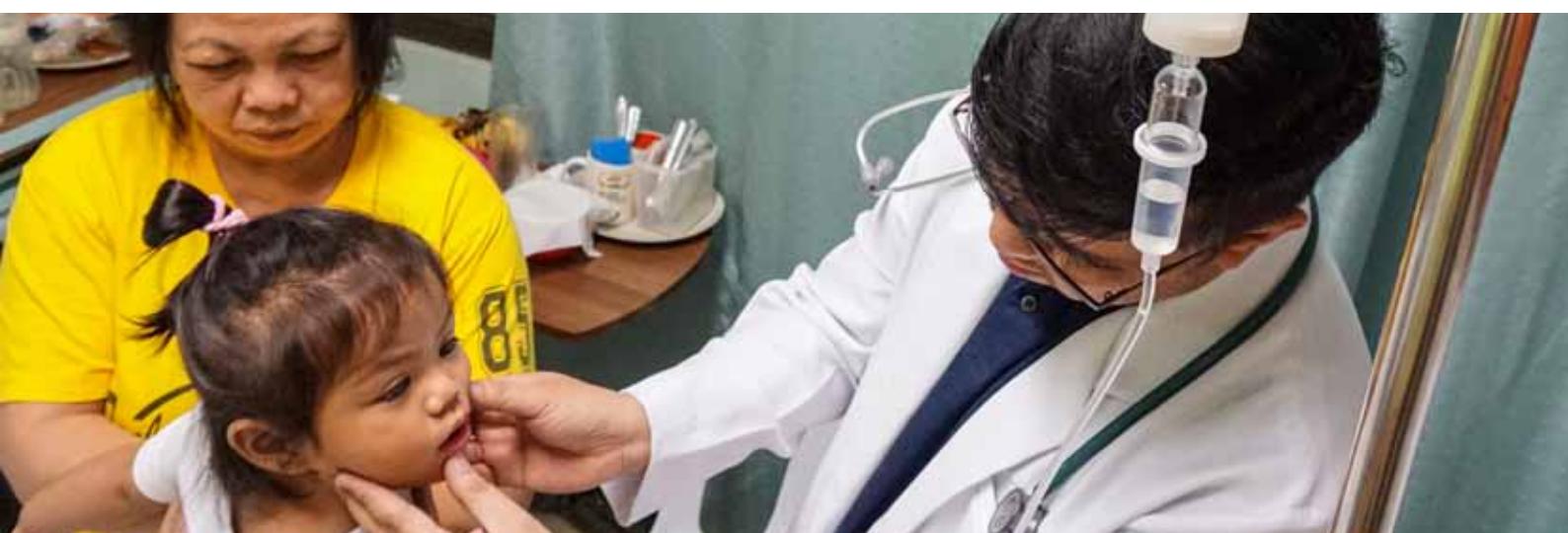


School Building Program



CARMEN COPPER COMMUNITIES

Education. Healthcare. Livelihood.
Cultural Heritage. Disaster Response.



Healthcare

Community Health
Center Program



Medical Equipment





Livelihood

Community Orchard



Integrated Farm



Cultural Heritage

Carmen Copper Heritage Center



Disaster Response

Relief Operations



Emergency Response



Education | The Tool to Change Our World



At Carmen Copper, we believe that education creates a generational shared value for our communities.



219
high school scholars

86
college scholars including

9
scholar graduates



467
technical-vocational scholars



8
scholar graduates passed the licensure exam



66
classrooms built and repaired

11
school buildings built and repaired

6
covered courts built



2,818
students served by computer room at
Don Andres Soriano National High School



15,336
pupil recipients of love bags



14
recipients of Carmen Copper Leadership Excellence Award



61
participants in essay writing contest



155
participants in journalism workshop

*Data to date

Scholarship Program

To strengthen our commitment to help mold the youth of Toledo, we increased our investment in scholarship grants.

high school and college scholars



305 | 103
2018 | 2017

technical-vocational scholars



147
2017

School Building Program

In support of every child's right to a good education, we upgraded our school building program to include furniture such as student arm chairs, teacher's tables, blackboards, electric fans and washrooms.

classrooms built and repaired



34 | 32
2018 | 2017

school buildings built and repaired



5 | 6
2018 | 2017

Realizing Potential



Defying Poverty

When Angelica Engcoy's mother died in 2004, her home began to crumble. She and her siblings were sent to relatives because her father, then a construction worker with meager income, could no longer support his five children. With no money to afford a college degree, she was told she would be better off working as a maid or nanny than become a jobless high school graduate.

But Angelica believed she was destined for something more. She availed of the Carmen Copper Scholarship Program and she worked hard to get to where she is today.

During college, she was reunited with her siblings and father who had started earning enough to support the family. Things are finally falling into place.

On to a Promising Future

Joryl Mananay never experienced the love of a father. His father abandoned him before he was born. To raise him, his mother worked as house help in the metropolis leaving the young Joryl in the care of his grandparents.

This tough life has shaped the hardworking and eager Joryl who was determined to graduate college, get a decent job and take care of his family. He found his opportunity with the Carmen Copper Scholarship Program which took care of his college expenses all the way to his board exam fees.

When he passed the Mining Engineering Licensure Examination, he knew his dream of a better life was within reach.

The Love that Spreads Happiness

To motivate children to go to school, we gifted over 15,000 pupils in elementary schools in Toledo City with bags and school supplies.

The Love Bag Project spread happiness among students in 26 public elementary schools including those in the hinterlands of Toledo. It was launched in August 2018 at Himatugan Elementary School in Barangay General Climaco, more than an hour's ride from the mine site and another two hour trek over large boulders and river waters. The team had to cross rivers more than 11 times to reach the school on top of a steep hill in Sitio Himatugan.

The journey was arduous but fulfilling. The team's visit to this far-flung school made the children so happy since most of them had only ever received recycled paper pads, pens and notebooks every year for their elementary school needs.

Healthcare | Comfort in Times of Need



We promote health and wellness in our communities. The Carmen Copper Hospital maintains its level 1 status and continues to serve employees' families and dependents who are mostly from Toledo City.



6,455
patients served in
medical missions to date

357
patients
in 2018



18
ambulances
donated with
17,879
patients served
to date



441,569
children served under the
school-based feeding program to date



20,156
patients served through
Doktor to the Barangay
Program to date



2,033
children served in

26
elementary
schools

1
day
care

1
foundation
in 2018

Community Health Center Program

We expanded our Community Health Center Program to include facilities and basic equipment whenever we refurbish or build health facilities such as birthing centers, barangay centers and other clinics.



Barangay Cantabaco Birthing Center

To provide quality health services to the community, Carmen Copper built a two-storey Health and Birthing Center in Barangay Cantabaco, Toledo City. The goal was to better address the growing health care demand of mothers and their babies for maternity and child care.

The first floor is a dedicated birthing facility with a delivery room, a clean-up and sterilization room, a ward, a consultation and treatment room, a scrub area, a comfort room and a waiting area. The second floor serves as the health center with two consultation rooms, a store room, a comfort room and a waiting area.

Ensuring a healthy community is part of Carmen Copper Communities' commitment under its Community Health Center Program. With their health assured, people can then focus more on family and being self-sufficient.



Livelihood | Blessing from the Work of our Hands



We promote the value of hard work by organizing local farmers into an integrated farm project. Launched in 2017, our objective was to create a sustainable farm serving as a prepared environment for fostering community relations and a shared economy for all.



2,400

number of farmers engaged
in the cooperative



18

vegetable
types planted



300,000

kilos harvested
worth PHP2mn



5,800

kilos of banana
(lakatan)



1,500

kilos of
guyabano



4,400

kilos of
string beans



3,200

kilos of
cucumber



2,100

kilos of
eggplant



8,200

kilos of cardava



1,950

kilos of
hot pepper



6,150

kilos of
Baguio beans



3,800

kilos of
ampalaya



5,400

kilos of
ginger



2,000

kilos of
sweet corn



1,100

kilos of
okra



800

kilos of
peanuts



4,500

kilos of
sweet potato



10,200

kilos of
assorted
vegetables



49

swine sold



48,000

kilos of waste
turned to fertilizer



474

livestock



125,010

eggs harvested

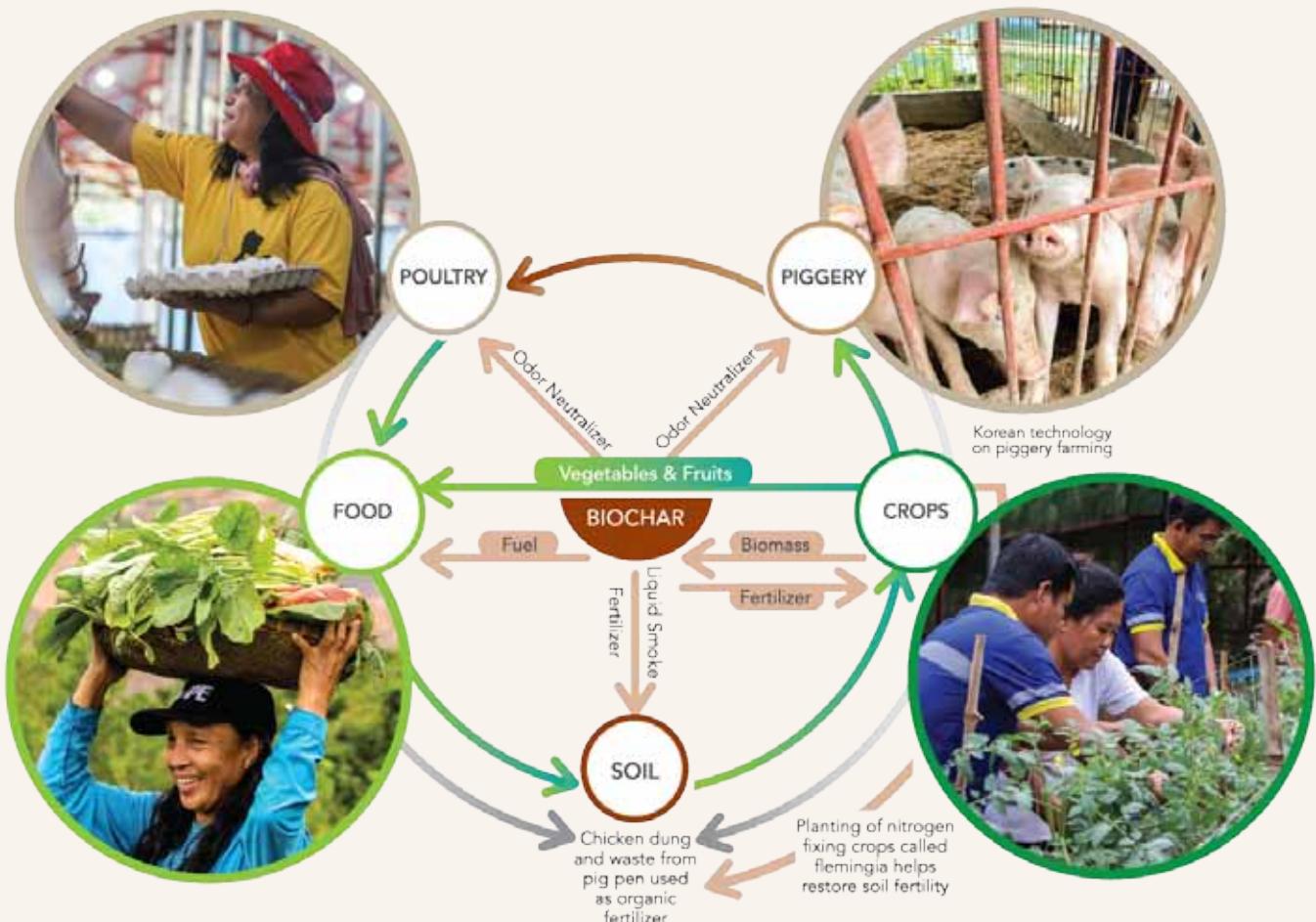
*Data to date

Community Orchard

We allocated 2 hectares for the Pandong Bato Farmers Association in Barangay Media Once. This land is dedicated to fruit bearing trees such as banana and guyabano as well as vegetables like cucumber, string beans, ampalaya, eggplant, sweet corn, okra, peanuts, sweet potato and ginger. Since 2008, our farmers have harvested more than 300,000 kilos of fruits and vegetables. They sell their produce at Carmen Copper during our monthly *Tabo sa Mina* event and at public markets in Barangay Don Andres Soriano and in Toledo, Talisay and Cebu. This has earned the association more than PHP2 million to date.



Copper Mines Agro Venture Organization (CMAVO) Integrated Farm Sustainability Concept





PRESERVING
THE HERITAGE
OF RESPONSIBLE
MINING



Carmen Copper Heritage Center

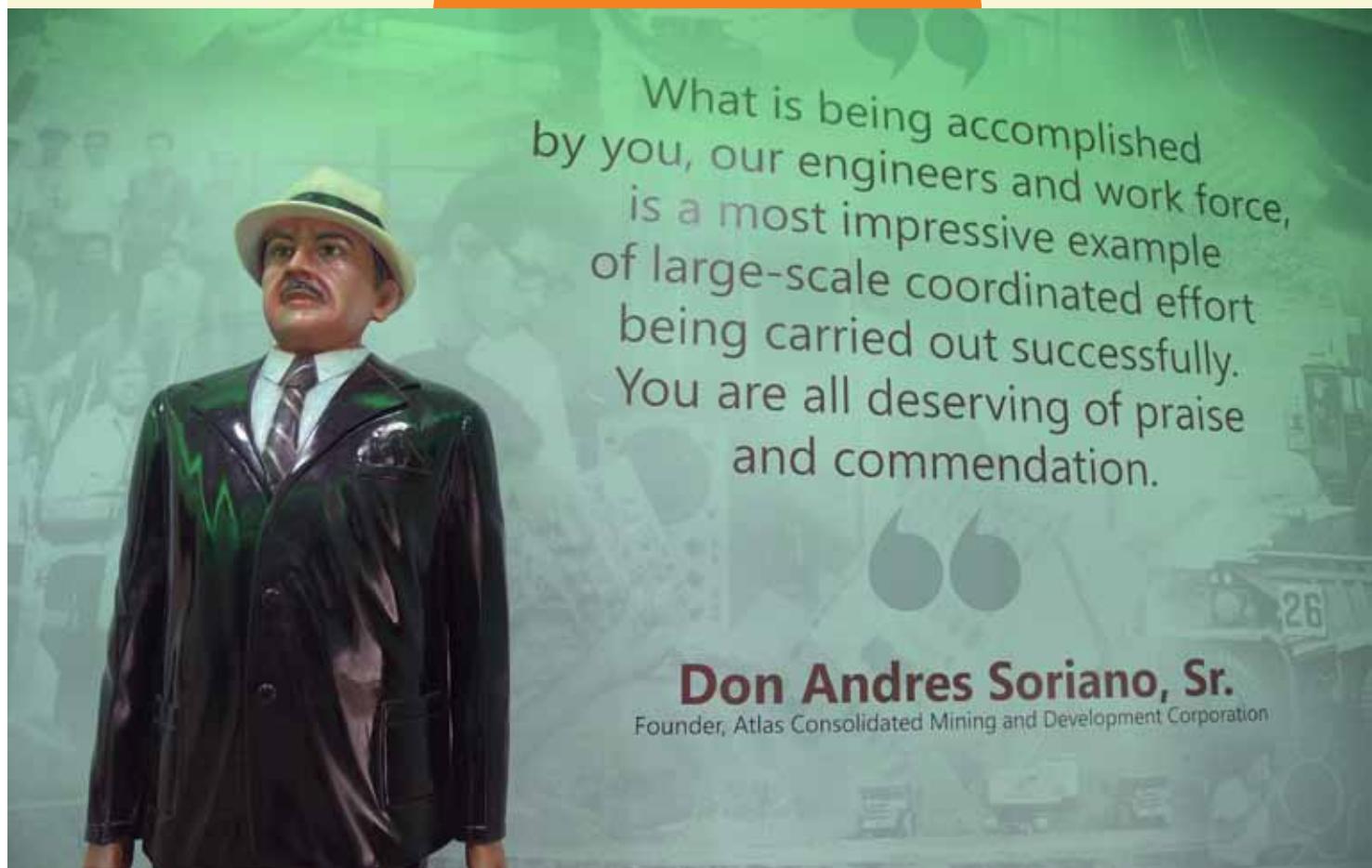
Inaugurated on September 19, 2018, the Carmen Copper Heritage Center is the first copper mining museum in Southeast Asia. It serves as a treasure chest of memories, milestones and legacies of the people of Toledo who built Carmen Copper into what it is today. In honor of their commitment to the mining industry and the City of Toledo, the Carmen Copper Heritage Center showcases the colorful journey of the men and women of Toledo.



CARMEN COPPER
HERITAGE CENTER



01
HISTORICAL
GALLERY

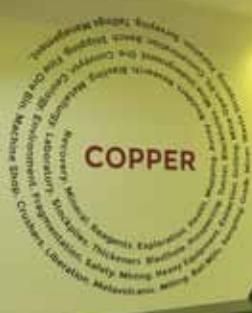






The Historical Gallery traces the colorful journey of Atlas Mining from its beginning as a small mine in 1953 to what it is today. An array of memorabilia donated by employees and an exhibition of various objects from the early years brings back memories of the good old days.





The Art Gallery exhibits the impact of Don Andres Soriano's and Atlas Mining's legacy in the hearts of the people of Toledo. Today, Carmen Copper, like its forerunners, is committed to its role as a responsible steward of nature and to preserving the hopes and dreams of the communities it serves.



02 ART GALLERY

03 OUTDOOR GALLERY



The Outdoor Gallery showcases some of the heavy and massive equipment used in copper extraction. It features the Haulpack, a multi-million peso 100-tonner metallic monster that transports thousands of tons of copper ore each day. Also displayed is probably the world's smallest bulldozer made at the mine by the Machinery Division some three decades ago as well as a scale model of the head frame or A-lift with a passenger cage that can accommodate 200 miners going to the mine underground all at once.

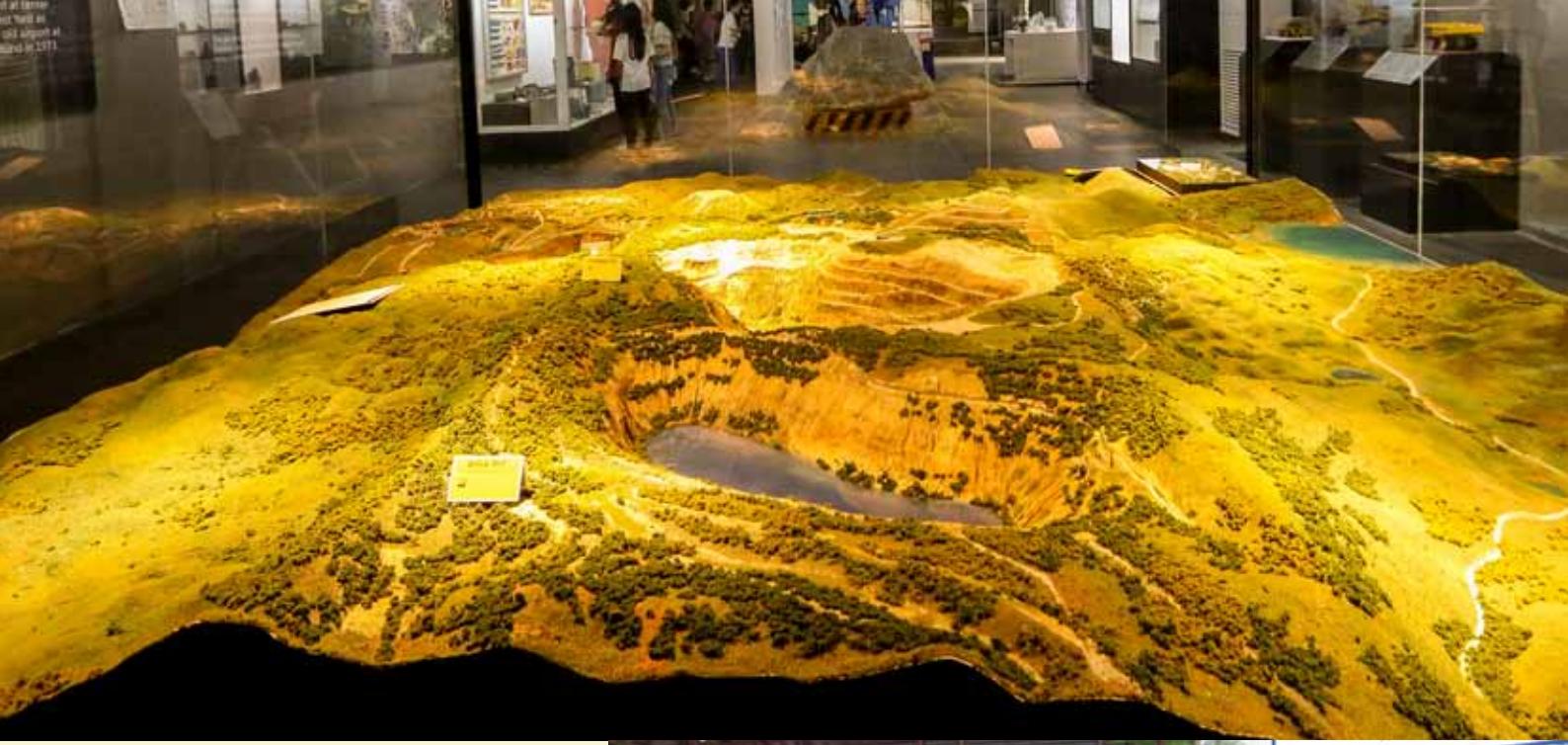


04 COPPER SCIENCE GALLERY



Found in the Copper Science Gallery is a diorama that depicts in detail the mine camp as it looks today. Guests are given a walk-through of the process of extracting ore from the earth and how the mineral is processed for use as a raw material in the production of copper products.





Specific operational facilities can be highlighted with a simple flick of a switch and clever use of lights. Guests can also have a glimpse of the tunnels that once hummed with life 400 meters down.





05 DOÑA CARMEN'S SOUVENIR SHOP AND THE MINER'S CAFÉ

Named after the late wife of Don Andres Soriano, Doña Carmen's Souvenir Shop features products that are inspired by Filipino cultural heritage especially of the Visayas and attuned with today's lifestyle trends while the Miner's Café is a great stop for refreshments after an enriching tour at the Museum.



NSIBILITY IS MINE



CULTIVATING OUR CORPORATE CULTURE





Commitment, Competence and Cooperation

At Carmen Copper, we build long-term relationships with our people. We take each individual's unique talents and create synergies as a team. Our work is our blessing and we are grateful for this gift. Everything that we do, we do well.

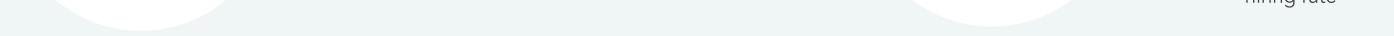
Total employees



2,371
2018

2,468
2017

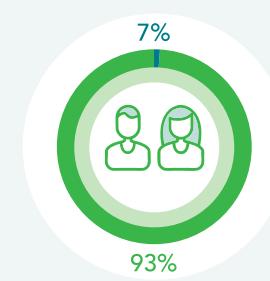
New Hires



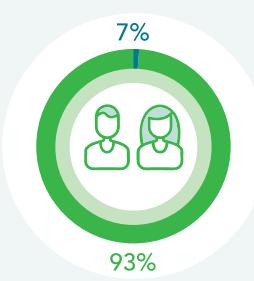
94
2017

3%
hiring rate

Breakdown by gender



	2018	2017
2,194	2,288	
177	180	



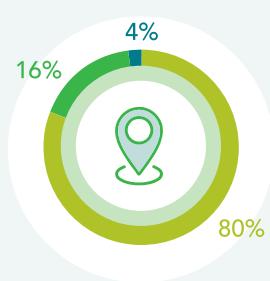
Breakdown by age group



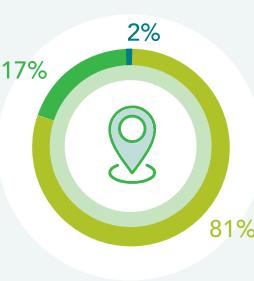
	2018	2017
234	244	
1,491	1,563	
646	661	



Breakdown by residency



	2018	2017
1,905	1,992	
382	412	
84	64	



No. of employees covered in collective bargaining 102-41



1,458
2018

1,408
2017

57%

Employee Turnover



5%
turnover rate

*2017 figures were recalculated to include employee count of Atlas Mining 102-48

"Be the best in whatever you do. Perform your role and duties and the tasks entrusted to you and do it excellently. We can choose to comply but we can also innovate. We can be like the others but we can also be extraordinarily different. What can a little more push do? The possibilities are endless."

Roy O. Deveraturda
President and CEO





Competence

Excellence is our Signature at Work

We value our people and ensure that their talents are continuously upgraded through training and on-the-job application. Our objective is to provide a long-term career plan for each of our employees. We do not limit mastery of skills to just one generation but we encourage multiple generations to grow in competence and confidence.



Average training hours per employee, in number of hours



	2018	2017
7	16	

Average training hours per employee by gender, in number of hours



	2018	2017
Female	11	19
Male	7	16

*2017 figures were recalculated to include employee count of Atlas Mining 102-48



Florentino Marco S. Miranda
General Superintendent, Milling Operations

Marco, 28, joined Carmen Copper as a project shift metallurgist in 2013 and was promoted to the rank of general superintendent in just 5 years.

Despite being a board topnotcher, Marco admits that it wasn't easy for him to reach this far in his career. However, his passion for excellence and drive for results inspired him to strive harder to reach his targets.

With his leadership and initiative, Marco has made impactful changes in the milling operations. Under his watch, milling process efficiency has increased significantly leading to better copper and gold recovery.

Today, Marco and his team continues to find innovative ways to reduce cost and increase efficiency towards a more sustainable mineral processing.



Dennis M. Mandia
Executive Vice President and COO

Dennis began his mining career in 1983 as an intern at Atlas Mining. He remembers his assignment as eye-opening when he was exposed to the strict management style of his superiors as applied to the highly technical process of mineral excavation.

Dennis took that demanding and results-oriented style with him to his assignments in other mines where he was given greater responsibilities and increasing leadership oversight with each new role. Over time, he developed a strong work ethic grounded in a self-imposed discipline that his work required.

In 2016, Dennis came full circle with his return to Carmen Copper to take charge of the mining operations. He was very hands-on from the start, making sure everyone understood his no-nonsense approach to achieving set targets and zero tolerance for excuses in getting work done. Dennis now influences a new generation of mining professionals and is working together with them to ensure the success of Carmen Copper Corporation.





Commitment

Safety is our Daily Habit

Our systems uphold the highest standards of occupational health and safety as demonstrated by our TUV Rheinland certification on the British Standard for Occupational Health and Safety Assessment Series (BS OHSAS 18001:2007).

Safe man-hours recorded



Total Incidents



Severity rate



Incidence rate



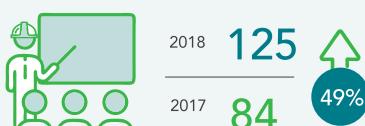
Days lost due to accidents



Near misses



Safety trainings and orientations conducted



Safety trainings and orientations participants engaged



Average dBA noise level
(DENR standard limit = 90dBA)



Minero Emergency Response Team in Action

Under the Chamber of Mines' Pusong Minero Campaign, Carmen Copper responds to calamities and disasters by sending aid in various forms. In the aftermath of a massive landslide that hit the City of Naga on September 20, 2018, the company sent its Minero Emergency Response (MER) Team to assist in search, rescue and retrieval operations.

Aside from search and rescue efforts, Carmen Copper's MER Team handed out goods and distributed drinking water to evacuees. They also provided relief assistance to the affected families. The mission lasted 17 days before authorities ordered the end of all search and retrieval efforts.

The City of Naga then issued a Resolution expressing profound gratitude and appreciation to Carmen Copper for dispatching a team of responders during a time of great need.



Charlito P. Selma
Championing Safety

As a safety inspector, Charlito's role is all about being consistent and detail-oriented. He evaluates work areas and machine handling procedures, verifies proper employee training on machine use, performs spot checks for compliance to health and safety policies and reports violations for immediate rectification.

"At times, people are so occupied with their work that they fail to see potential dangers. It is my job to inspect every corner of the Carmen Concentrator everyday and ensure that employees are following safety procedures," Selma said.

For him, preventing an accident and seeing his fellow workers leave their stations unscathed is the ultimate reward of his job.



Cooperation

Teamwork is our Way of Life

We streamlined our production value chain to increase individual and team productivity. To foster seamless team coordination, we outlined clear standards, process roles and delivery protocols. To develop team camaraderie, we launched fun group activities to reiterate the value of cooperation such as fun runs, basketball tournaments and Pinoy traditional games. As a company, we also hold regular town hall meetings led by our President to encourage open communication, transparency and accountability to one another.





Seamless Project Management through Teamwork

The Carmen Copper Heritage Center is a prime example of what can be achieved when teams collaborate toward a common goal. The process of setting up the center required a unique intersection of talents and departments that do not usually have a chance to work together. With defined work responsibilities, set deadlines, persons in charge and frequent coordination meetings, the Heritage Center is one of our case studies of project management best practices in action.





GOVERNANCE



Upholding Global Standards of Governance

At the heart of our governance systems and processes is the promotion of a culture of shared accountability to achieve stated goals as guided by a high level of ethical standards. We will continue to dialogue with our stakeholders in support of our goal to enhance shareholder value.

GOVERNANCE STRUCTURE

The Atlas Mining and the Carmen Copper Board of Directors is composed of 11 members. Pursuant to the Code of Corporate Governance, the Board has established five (5) committees, namely the Executive Committee, the Audit Committee, the Corporate Governance Committee, the Board Risk Oversight Committee and the Related Party Transaction Committee.

Atlas Mining and Carmen Copper Board of Directors

Alfredo C. Ramos	Chairman
Frederic C. DyBuncio	Vice Chairman
Adrian Paulino S. Ramos	Director and President (Atlas Mining)
Martin C. Buckingham	Director and Executive Vice President
Gerard Anton S. Ramos	Director
Isidro A. Consunji	Director
Jose T. Sio	Director
Roy O. Deveraturda	Director and President (Carmen Copper)
Fulgencio S. Factoran, Jr.	Independent Director
Jay Y. Yuvallos	Director
Emilio S. De Quiros, Jr.	Independent Director (Atlas Mining)
Laurito E. Serrano	Independent Director

Policies

Precautionary Principle

We commit to the search for innovative and eco-friendly solutions within standards to help ensure longer product life, thus minimizing our need for fresh raw materials.

Vendor Selection

We practice a rigorous vendor accreditation and selection process. Whenever possible, we source most of our goods and services locally.

Code of Conduct

We prescribe to a uniform code of conduct in all our transactions and communicate the same to all our vendors, suppliers, contractors and business partners.

To view our policies, go to www.atlasmining.com.ph/corporate-governance/policies.

Restatement 102-48

To improve the quality of our internal sustainability reporting, we reviewed our alignment to global reporting standards and frameworks which resulted in the restatement of previously reported information. Responsible Stewardship, our 2017 Sustainability Report, was our first sustainability report which follows the GRI Standards and provides an alignment of our programs to the UN SDGs. Our previous sustainability reports covering the periods 2012, 2013, and 2014 were published containing GRI-referenced disclosures only. Hence, our 2018 Sustainability Report, Delivering Sustained Value Through Responsible Stewardship, is our second sustainability report aligned to GRI Standards and the UN SDGs.

GRI CONTENT INDEX

102-55

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



GRI Standard	Disclosure	Page number(s), direct answer and/or URLs	Reason for Omission
GRI 101: Foundation 2016			
General Disclosures			
GRI 102: General Disclosures 2016			
	Organizational Profile		
102-1	Name of the organization	Inside front cover	
102-2	Activities, brands, products, and services	2	
102-3	Location of headquarters	Inside back cover	
102-4	Location of operations	2	
102-5	Ownership and legal form	Inside front cover	
102-6	Markets served	2	
102-7	Scale of the organization	2, 6-7	
102-8	Information on employees and other workers	46	
102-9	Supply chain	6-7, 56	
102-10	Significant changes to the organization and its supply chain	None to report	
102-11	Precautionary Principle or approach	56	
102-12	External initiatives	Inside front cover, 8-10	
102-13	Membership of associations	Inside back cover	
	Strategy		
102-14	Statement from senior decision-maker	4-5	
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behavior	1, 56	
Governance			
102-18	Governance structure	56	
Stakeholder Engagement			
102-40	List of stakeholder groups	13	
102-41	Collective bargaining agreements	46	
102-42	Identifying and selecting stakeholders	13	
102-43	Approach to stakeholder engagement	13	
102-44	Key topics and concerns raised	13	
	Reporting Practice		
102-45	Entities included in the consolidated financial statements	Carmen Copper only	
102-46	Defining report content and topic Boundaries	11	
102-47	List of material topics	11	
102-48	Restatements of information	16, 46, 48, 56	
102-49	Changes in reporting	Inside front cover	
102-50	Reporting period	Inside front cover	
102-51	Date of most recent report	2017 (published in 2018)	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	Inside back cover	
102-54	Claims of reporting in accordance with the GRI Standards	Inside front cover	
102-55	GRI Content Index	57-58	
102-56	External assurance	Not applicable	
Material Topics			
Economic Performance			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11
	103-2	The management approach and its components	10-13
	103-3	Evaluation of the management approach	10-13
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	2
Indirect Economic Impacts			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	11
	103-2	The management approach and its components	10-13
	103-3	Evaluation of the management approach	10-13
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	8-9, 22-43
Procurement Practices			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	11
	103-2	The management approach and its components	10-13
	103-3	Evaluation of the management approach	10-13
GRI 203: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	6-7

GRI CONTENT INDEX

102-55

GRI Standard	Disclosure		Page number(s), direct answer and/or URLs	Reason for Omission
Energy				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	11	
	103-2	The management approach and its components	10-13, 15-16	
	103-3	Evaluation of the management approach	10-13, 15-16	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	16	
Water				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	11	
	103-2	The management approach and its components	10-13, 15, 17	
	103-3	Evaluation of the management approach	10-13, 15, 17	
GRI 303: Water 2016	303-1	Water withdrawal by source	17	
Biodiversity				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	11	
	103-2	The management approach and its components	10-13, 15, 19-21	
	103-3	Evaluation of the management approach	10-13, 15, 19-21	
	304-3	Habitats protected or restored	19-21	
Emissions				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	11	
	103-2	The management approach and its components	10-13, 15-16	
	103-3	Evaluation of the management approach	10-13, 15-16	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	16	
	305-2	Energy indirect (Scope 2) GHG emissions	16	
	305-3	Other indirect (Scope 3) GHG emissions	16	
	305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	16	
Effluents and Waste				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	11	
	103-2	The management approach and its components	10-13, 15, 17	
	103-3	Evaluation of the management approach	10-13, 15, 17	
GRI 306: Effluents and Waste 2016	306-2	Waste by type and disposal method	17	
Environmental Compliance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	11	
	103-2	The management approach and its components	10-13, 15	
	103-3	Evaluation of the management approach	10-13, 15	
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	None to report	
Employment				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11	
	103-2	The management approach and its components	10-13, 45	
	103-3	Evaluation of the management approach	10-13, 45	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	46	
Occupational Health and Safety				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11	
	103-2	The management approach and its components	10-13, 50-51	
	103-3	Evaluation of the management approach	10-13, 50-51	
GRI 403: Occupational Health and Safety 2016	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	50	
Training and Education				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	11	
	103-2	The management approach and its components	10-13, 45, 48	
	103-3	Evaluation of the management approach	10-13, 45, 48	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	48	
Local Communities				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	11	
	103-2	The management approach and its components	10-13, 23-25	
	103-3	Evaluation of the management approach	10-13, 23-25	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments and development programs	26-43	

AWARDS AND CITATIONS

PMIEA

Presidential Mineral Industry and Environmental Award
Platinum Achievement (2018)

Presidential Mineral Industry and Environmental Award
Titanium Achievement (2017)

GAWAD TUGAS

Gawad Tugas for Responsible Mining (2018, 2015)

Gawad Tugas for Forest Protection and Management (2017)

BEST MINING FOREST AWARD

Best Mining Forest
2nd runner up (2016, 2014, 2012)

Best Mining Forest
1st runner up (2015, 2013, 2011)

Best Mining Forest
Champion (2010)

OTHER AWARDS AND CITATIONS

Silver Anvil Award for 2017 Sustainability Report
Public Relations Society of the Philippines (2018)

Recognition for Support to Education
DepEd Division of Toledo City (2018)

Recognition for Support to Education and Disaster Response
DepEd Division of Surigao del Norte (2018)

Commendation for Contribution to the Peace and Order and Socio-Economic Programs in Visayas
Office of the Presidential Assistant for the Visayas (2018)

Special Recognition for Support to Persons Deprived of Liberty
Bureau of Jail Management and Penology (2018)

Outstanding Grievance Machinery for Industrial Peace
National Conciliation and Mediation Board (2017)

Platinum Award
Philippine Red Cross Blood Services (2017)

Best National Greening Program Implementor in Region 7
Department of Environment and Natural Resources, Region 7 (2013)

MEMBERSHIP IN ASSOCIATIONS

Chamber of Mines of the Philippines

Philippine Mine Safety and Environment Association

Philippine Extractive Industries Transparency Initiative

COMPANY HEADQUARTERS

Carmen Copper Corporation
Barangay Don Andres Soriano
Toledo City, Cebu 6038 Philippines
Contact: +6332.888.1200
www.atlasmining.com.ph/about-us/carmen-copper-corporation

Atlas Consolidated Mining and Development Corporation
503-P Pacific Tower, 5th Floor, Five E-Com Center
Palm Coast Ave. corner Pacific Drive
Mall of Asia Complex, Pasay City 1300 Philippines
Contact: +632.403.0813 local 25001
www.atlasmining.com.ph



A subsidiary of Atlas Consolidated Mining
and Development Corporation