

PHILIPPINE MINING DEVELOPMENT CORPORATION (PMDC)
Validated 2019 Performance Scorecard

	Component				Target	Submission		GCG Validation		Supporting Documents	Remarks
	Objective/Measure	Formula	Weight	Rating System	2019	Actual	Rating	Actual	Rating		
FINANCE	SO 1	Enhanced Company Profitability									
	SM 1	EBITDA	Earnings Less Operating Expenses (excluding interest, tax, depreciation and amortization)	20%	Actual over Target	₱2.8 Million	₱92.93 Million	20.00%	₱92.77 Million	20.00%	<ul style="list-style-type: none"> 2019 COA Audited Financial Statement <p>Breakdown of EBITDA is as follows:</p> <p>Net Income (Loss) after Tax ₱ 62,374,343</p> <p>Add:</p> <p>Int. Exp. 1,157,960</p> <p>Income Tax 24,439,067</p> <p>Depreciation 4,517,361.00</p> <p>Amortization 279,063.00</p> <hr/> <p>EBITDA ₱ 92,767,794</p>
	Sub-total			20%				20.00%		20.00%	
	SO 2	Enhanced Partner-Operator Capacity									
STAKEHOLDERS	SM 2	Percentage of Planned/ Required Mining Activities Completed per Project	$\sum \text{Actual number of completed mining activities per project} \div \sum \text{Planned/ required mining activities completed per project}$	10%	Actual over Target	100%	100% (28/28)	10.00%	100% (28/28)	10.00%	<ul style="list-style-type: none"> PMDC Chart of Activities for CY 2019 with supporting documents per activities completed <p>PMDC accomplished 28 out of 28 activities based on PMDC Chart of Activities for CY 2019.</p>

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STAKEHOLDERS	SM 3	Percentage of Ore Shipment by Operators Accepted by Buyers	$\sum \text{Ore shipment accepted by buyers} \div \sum \text{Ore shipment}$	0%	Actual over Target	100%	N/A	0.00%	Excluded	0.00%	<ul style="list-style-type: none"> Certification of Approval to the 2019 Annual Environmental Protection and Enhancement Program (EPEP) under Care and Maintenance Program issued by MGB Region XIII 	Measure excluded. No mining operations and mining production in Dinagat Parcels 1 and 2B in 2019 due to the <i>Annual Environmental Protection and Enhancement Program (EPEP) under Care and Maintenance Program</i> which limited operations to the implementation of environmental protection activities.
	SO 3	Sustained Progressive Mining Communities										
	SM 4	Percentage of Actual CSR Beneficiaries	$\sum \text{Actual number of CSR of beneficiaries} \div \text{Target CSR beneficiaries}$	10%	Actual over Target	100% (5,000 identified beneficiaries)	8,457	10.00%	7,467	10.00%	<ul style="list-style-type: none"> Certifications List of Beneficiaries Sheets CSR Attendance Sheets 	The validated accomplishment excludes beneficiaries without signatures, facilitators, and attendees of consultative meeting and assembly meeting. Likewise, the reported beneficiaries of the Mt. Diwata Elementary School were excluded since the accomplishment is already credit in 2015.
	SM 5	Percentage of Satisfied Customers	No. of Satisfied Respondents over Total Number of Respondents	5%	Actual over Target If less than 80%= 0%	90% (Using the Standard Methodology and Questionnaire developed by GCG)	90%	5.00%	91.04%	5.00%	<ul style="list-style-type: none"> 2019 Customer Satisfaction Survey Final Report prepared by Mr. Sunshine Paulin Five (5) sample accomplished questionnaires 	305 out of 335 respondents rated PMDC with at least satisfactory rating.
	Sub-total			25.00%				25.00%		25.00%		

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INTERNAL PROCESS	SO 4	Develop the Diwalwal Mining Area and other Mining Tenements									
	SM 6	Percentage of 2019 Planned Activities Completed Relative to Board-Approved Diwalwal Action Plan	\sum Activities Implemented ÷ Planned Activities as per Board-Approved Action Plan	10%	Actual Over Target	100% (15 Activities)	15 Activities	10%	10 out of 14 activities (1 activity excluded)	7.14%	<ul style="list-style-type: none"> Board-Approved Diwalwal Action Plan List of Completed activities with corresponding supporting documents <p>Upon validation, PMDC accomplished 10 out of 15 activities based on the Board-approved Diwalwal Action Plan. The five (5) activities were not considered due to the following:</p> <p>Unaccomplished Activities:</p> <ol style="list-style-type: none"> Filing of ECC Application Review of EIS by the EIARC Issuance of ECC and Releasing of ECC Relocation of small small-scale miners & CIP plants from Mt. Diwata (incomplete) <p>Credited in 2018: (excluded)</p> <ol style="list-style-type: none"> Water Permit Renewal - In 2018, PMDC clarified that there will be no water renewal application, instead, payment of billings with penalties with the National Water Resources Board. During the 2018 validation, PMDC presented proof of payments, hence, the activity was considered completed and credited as 2018 accomplishment.

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INTERNAL PROCESS	SM 7	Number of Mining Tenements Offered to Mining Operators	Absolute Number	5%	Actual over Target	2	2	5%	9	5%	●Invitation to Apply for Eligibility and To Bid	Based on the validation, the following assets were offered:			
												Property		Location/ Area	
												1. Cagayan de Oro City Opol Gold		Tuburan, Tingalan, Taglimao, Cagayan de Oro and Opol, Misamis Oriental/ 992 has	
												2. Guihulngan Limestone		Guihulngan City and La Libertad, Negros Oriental/ 3100 has	
												3. Toledo Limestone		Toledo City and Naga City, Cebu/ 549 has	
												4. Basay Limestone		Basay, Negros Oriental/ 789.5 has	
												5. San Ildefonso Marbelized Limestone		San Ildefonso. Bulacan/ 26.57 has	
												6. San Ildefonso Silica		San Ildefonso. Bulacan/ 332.4 has	
												7. Homonhon Chromite		Homonhon, Guiuanb, Eastern Samar/286 has	
												8. Maasin Limestone Property		Massin City, Macrohon. Tomas Opus and Malitbog, Leyte/ 7,983 has	
												9. Liloy Limestone Property		Liloy, Zamboanga del Norte/ 3,078 has	

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INTERNAL PROCESS	SM 8	Number of Drilling Activities Conducted in High Potential Areas Within DMRA	Absolute Number	10%	Actual over Target	3 holes	0	0%	0%	0	<ul style="list-style-type: none"> Justification for non-implementation of the drilling activities 	PMDC explains that the "[p]roject with estimated budget of about ₱20.8 Million for the year 2019 was shelved as there are [i]nvestors who are interested in the area with potential gold mineralization. Thus, presentations had been undertaken instead with prospective investors to fund the project through a Joint Operating Agreement (JOA)." No further documentation was submitted.
	SO 5	Adopt and Implement Responsible Mining Standards										
	SM 9	Percentage of PMDC Mining Projects that are 100% Compliant with all Regulatory and Statutory Requirements and the Standards of Responsible Mining	\sum Actual number of PMDC mining projects fully compliant with all regulatory and statutory requirements and standards of responsible mining $\div \sum$ PMDC mining projects	5%	Actual over Target	100% (2 production, 3 exploration)	100%	5.00%	100% (2 Production and 3 Exploration)	5.00%	<ul style="list-style-type: none"> Checklist for regulatory and statutory requirements List of Mining Permits/ WPs/ Reportorial Requirements 	Upon evaluation of the submissions from operators, stamped received by the different DENR Bureaus, against the checklist of regulatory and statutory requirements, it was gathered that PMDC's submissions were in order.
	SM 10	Establishment of facilities to protect the environment in the DMRA	Actual Accomplishment	10%	Actual over Target	Establishment of Facilities: <ul style="list-style-type: none"> Latrine Cyanide-Water Recycling Interim Dam Excavation and Spillway 	Establishment of Facilities: <ul style="list-style-type: none"> Latrine Cyanide-Water Recycling Interim Dam Excavation and Spillway 	10.00%	Establishment of Facilities: <ul style="list-style-type: none"> Latrine Cyanide-Water Recycling Interim Dam Excavation and Spillway 	10.00%	<ul style="list-style-type: none"> Certificates of Acceptance to its contractor, GJTF Builders and Contractors, Inc. 	Based on the submission, PMDC, through its contractor, was able to establish three (3) facilities namely: (i) Latrine (4) units; (ii) Cyanide-Water Recycling System; and (iii) Interim Dam Excavation and Spillway.
	Sub-total			40%				30.00%		27.14%		

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LEARNING & GROWTH	SO 6	Improve Manpower Competence and Management Effectiveness									
	SM 11	Percentage of Employees with Required Competencies Met	No. of Employees with Required Competencies Met Total Employees	5%	All or nothing	Increase from Baseline	Increase of 16.49% 27.78% (15 out of 54 employees)	5.00%	Increase of 16.49% 27.78% (15 out of 54 employees)	5.00%	<ul style="list-style-type: none"> Summary of Position and Person Profiling Competencies Assessment Rating Sheets <p>PMDC reported that 15 out of 54 (27.78%) employees met all the competencies required for their positions in 2019.</p> <p>Actual 2019 competency is 16.49% higher than the 2018 competency of 11.29%</p>
	SO 7	Institutionalize the Quality Management System									
	SM12	Compliance to Quality Standards	Milestone	5%	All or nothing	Surveillance Audit Passed	Surveillance Audit Passed	5.00%	Surveillance Audit Passed	5.00%	<ul style="list-style-type: none"> Audit Report dated 26 August 2019 issued by TUV Rheinland <p>PMDC passed the surveillance audit conducted by the TUV Rheinland on 23 August 2019.</p>
	Sub-total			10%				10.00%		10.00%	
	TOTAL			95%					82.14%		

PMDC Validated Score: $\frac{82.14}{95.00} = 86.43\%$