

PHILIPPINE MINING DEVELOPMENT CORPORATION (PMDC)

	Component				Baseline		Targets		
	Objective/Measure	Formula	Wt.	Rating System	2016	2017	2018	2019	
FINANCE	SO 1	Enhanced Company Profitability							
	SM 1	EBITDA	Earnings Less Operating Expenses (excluding interest, tax, depreciation and amortization)	20%	Actual over Target	₱16.1M	₱16.1M	₱12M	₱2.84M
		Sub-total		20%					
	SO 2	Enhanced Partner-Operator Capacity							
STAKEHOLDERS	SM 2	Percentage of planned/required mining activities completed per project	\sum Actual number of completed mining activities per project + \sum Planned/ required mining activities completed per project	10%	100% = 10% 70% - 99% = 5% Below 70% = 0%	100% (19/19)	100%	100%	100%
	SM 3	Percentage of Ore Shipment by Operators Accepted by Buyers	\sum Ore shipment accepted by buyers \div \sum Ore shipment	5%	Actual over Target	100%	100%	100%	100%

STAKEHOLDERS	Component				Baseline		Targets		
	Objective/Measure		Formula	Wt.	Rating System	2016	2017	2018	2019
	SO 3	Sustained Progressive Mining Communities							
	SM 4	Percentage of actual CSR beneficiaries	$\sum \text{Actual number of CSR beneficiaries} \div \sum \text{Target CSR beneficiaries}$	10%	Actual over Target	Established socio-economic profile and baseline data of DMRA and Dinagat host communities prepared by third party consultants	100%	100%	100%
	SM 5	Percentage of satisfied customers	$\text{No. of respondents with a rating of at least satisfactory} \div \text{Total number of respondents}$	5%	(Actual/Target) If less than 80%= 0%	80.90%	81%	90%*	90%*
	Sub-total			30%					
	SO 4	Develop the Diwalwal Mining Area and other Mining Tenements							
	SM 6	Percentage of 2019 Planned Activities completed relative to the Board-Approved Diwalwal Action Plan	$\sum \text{Activities Implemented} \div \text{Planned Activities as per Board-Approved Action Plan}$	10%	Actual over Target	N/A	N/A	100%	100%
	INTERNAL PROCESS								

* Using the Standard Methodology and Questionnaire developed by GCG.

INTERNAL PROCESS	Component				Baseline		Targets		
	Objective/Measure		Formula	Wt.	Rating System	2016	2017	2018	2019
	SM 7	Number of Mining Tenements Offered to Mining Operators	Absolute Number	5%	Actual over Target	N/A	N/A	1	2
	SM 8	Number of drilling activities conducted in high potential areas within DMRA	Absolute number	10%	Actual over Target	N/A	N/A	N/A	3 holes
	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 standards of responsible mining	Σ Actual number of PMDC mining projects fully compliant with all regulatory and statutory requirements and standards of responsible mining \div Σ PMDC mining projects	5%	Actual over Target	N/A	No Documents submitted	100% (2 operating, 2 exploration)	100% (2 production, 3 exploration)
	SM 10	Establishment of facilities to protect the environment in the DMRA	Actual accomplishment	10%	Actual over Target	N/A	N/A	N/A	Establishment of Facilities: <ul style="list-style-type: none">• Latrine;• Cyanide-Water Recycling;• Interim Dam Excavation and Spillway
	Sub-total			40%					

LEARNING AND GROWTH	Component				Baseline		Targets	
	Objective/Measure	Formula	Wt.	Rating System	2016	2017	2018	2019
	SO 6	Improve manpower competence and management effectiveness						
	SM 11	Percentage of Employees with required competencies met	Number of Employees with required competencies ÷ Total Number of Employees	5%	All or Nothing	N/A	N/A	Establish Baseline Increase from Baseline
	SO 7	Institutionalize the Quality Management System						
	SM 12	Compliance to Quality Standards	Milestone	5%	All or Nothing	Surveillance Audit Passed	Maintained ISO Certification	ISO 9001:2015 Certification Surveillance Audit Passed
		Sub-total	10%					
		TOTAL	100%					