



21 March 2023

ATTY. ALBERTO B. SIPACO, JR.

Chairperson

PHILIPPINE MINING DEVELOPMENT CORPORATION (PMDC)

3001-B West Tower, Philippine Stock Exchange Center

Ortigas Center, Pasig City

**RE: TRANSMITTAL OF 2023 CHARTER STATEMENT AND
STRATEGY MAP AND PERFORMANCE SCORECARD**

Dear Chairperson Sipaco,

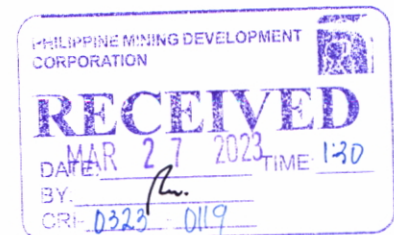
We respectfully furnish you the SIGNED 2023 PMDC Charter Statement and Strategy Map (**Annex A**) and Performance Scorecard (**Annex B**).

Your compliance with GCG M.C. No. 2012-07 and GCG M.C. No. 2023-01 will be highly appreciated.

Very truly yours,

Justice ALEX L. QUIROZ (ret.)
Chairperson

cc: PMDC Employees Association





VISION

By 2028, PMDC is a sustainable mining firm generating bigger revenues for the State, embracing first-rate norms and international standards in responsible mining, espousing policies that protect the environment, and helping transform communities into healthy, progressive and ecologically-sound settlements.

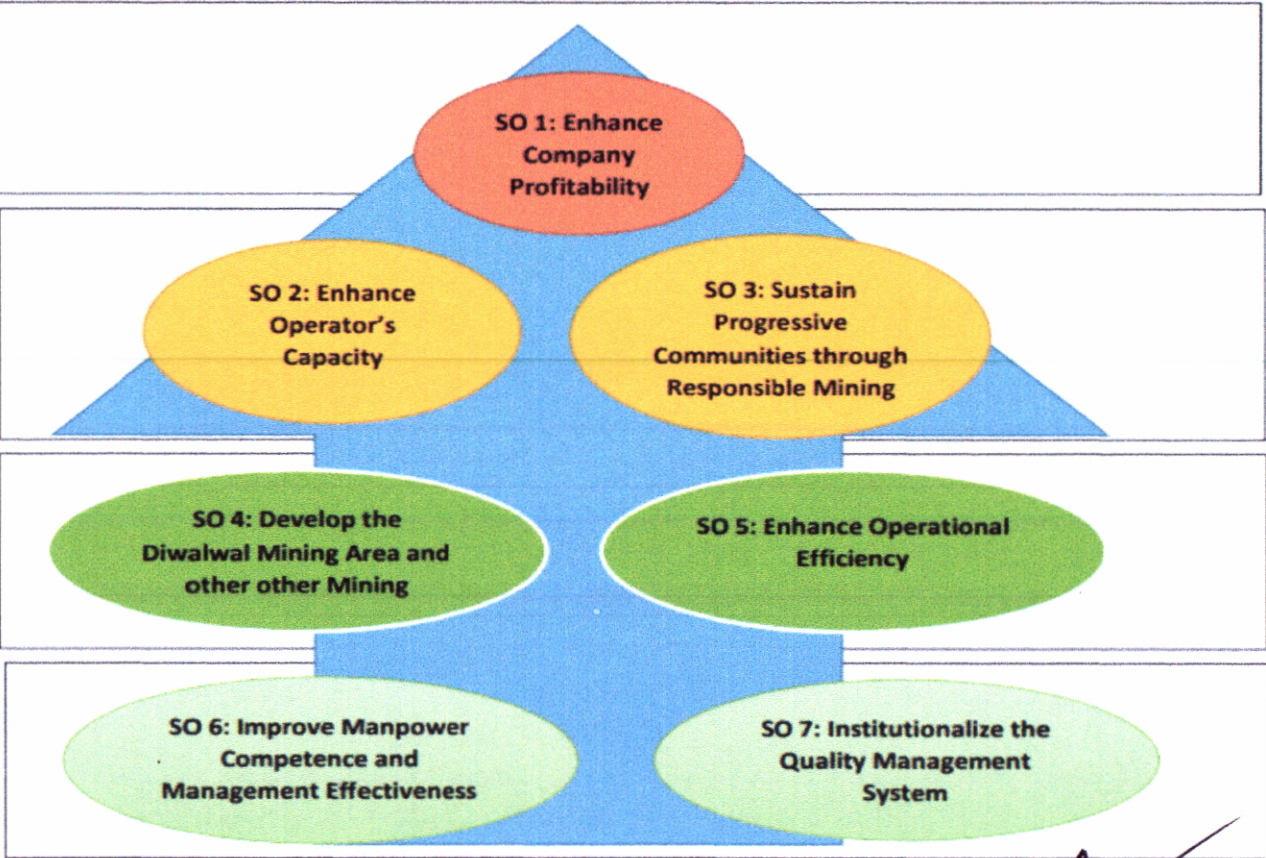
**PMDC STRATEGY MAP
2023-2028**

MISSION

We serve as the government's mining arm to generate revenue and develop progressive communities through responsible mining.

CORE VALUES

Patriotism,
Integrity,
Excellence and
Spirituality



Financial Stewardship

Stakeholders

Process Excellence

Learning and Growth

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PHILIPPINE MINING DEVELOPMENT CORPORATION (PMDC)

Component					Baseline		Target		
Objective/Measure	Formula	Wt.	Rating System	2020	2021	2022	2023		
SO 1	Enhanced Company Profitability								
FINANCE	SM 1	EBITDA	Earnings Less Operating Expenses (excluding interest, tax, depreciation, and amortization)	10.00%	Actual over Target	-	₱ 77.17 Million	₱ 9.93 Million	₱ 28.84 Million
	SM 2	Budget Utilization Rate (BUR)	$\frac{\text{Actual Disbursement}}{\text{Total Approved Budget for CO and MOOE}}$	5.00%	Actual over Target	N/A	N/A	90%	90%
	Subtotal			15.00%					
SO 2	Enhanced Operators' Capacity								
STAKEHOLDERS	SM 3	Percentage of Planned / Required Mining Activities Completed Per Project	$\frac{\Sigma \text{ Actual Number of Completed Mining Activities per Project}}{\Sigma \text{ Planned / Required Mining Activities Completed per Project}}$	10.00%	Actual over Target	100% (12/12)	100% (16/16)	100% (22/22)	100% ¹ (19/19)

¹ Appendix A.


“Upholding a Transparent and Responsive GOCC Sector for the Filipino People”



Objective/Measure		Component			Baseline		Target		
		Formula	Wt.	Rating System	2020	2021	2022	2023	
STAKEHOLDERS	SM 4	Percentage of Ore Shipment by Operators Accepted by Buyers	$\frac{\Sigma \text{ Ore Shipment Accepted by Buyers}}{\Sigma \text{ Ore shipment}}$	5.00%	Actual over Target	-	100%	100%	100%
	SO 3 Sustain Progressive Communities through Responsible Mining								
	SM 5	Percentage of Actual CSR Beneficiaries	$\frac{\Sigma \text{ Actual number of CSR beneficiaries}}{\Sigma \text{ Target CSR beneficiaries}}$	10.00%	Actual over Target	100% (8,238)	100% (7,390)	100% (6,100)	100% (6,200)
	SM 6	Percentage of Satisfied Customers	$\frac{\text{No. of Satisfied Respondents}}{\text{Total Number of Respondents}}$	5.00%	Actual over Target If less than 80% = 0%	93.16%	91.92%	90%	90%
			Subtotal	30.00%					

At

Objective/Measure		Component			Baseline			Target	
		Formula	Wt.	Rating System	2020	2021	2022	2023	
SO 4 Develop the Diwalwal Mining Area and other Mining Tenements									
SM 7	Percentage of Planned Activities Completed Relative to the Board-Approved Diwalwal Action Plan	Σ Activities Implemented Planned Activities as per Board-Approved Action Plan	10.00%	Actual over Target	66.67%	100%	100%	100% ²	
SM 8	Percentage of Planned Activities completed for the Exploration of Dinagat Parcel 2A as agreed with the Financial Service Provider (FSP)	Σ Activities Implemented Completed Total Activities Targeted	10.00%	Actual over Target	N/A	-	100%	100% ³	
SM 9	Number of Mining Tenements Offered to Mining Operators	Absolute Number	10.00%	Actual over Target	2	8 (Mining Properties)	7	9	

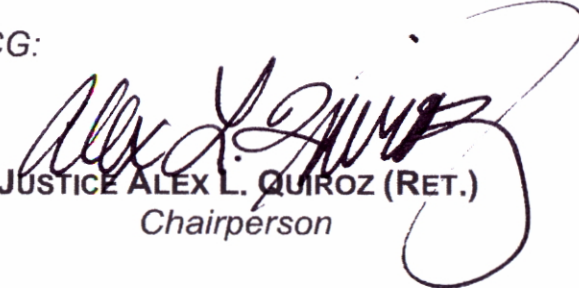
² Appendix B.

³ Appendix C.

		Component			Baseline		Target		
Objective/Measure		Formula	Wt.	Rating System	2020	2021	2022	2023	
INTERNAL PROCESS	SO 5 Enhance Operational Efficiency								
	SM 10	Percentage of PMDC Mining Projects that are 100% Compliant with All Regulatory and Statutory Requirements and Standards of Responsible Mining	$\frac{\sum \text{Actual Number of PMDC Mining Projects Fully Compliant with All Regulatory and Statutory Requirements and Standards of Responsible Mining}}{\sum \text{PMDC Mining Projects Committed}}$	5.00%	Actual over Target	0%	25% (1 of 4)	100% (3 Production, 1 Exploration)	100% (3 Production, 1 Exploration)
	SM 11	Establishment of Facilities to Protect the Environment in the DMRA	Actual Accomplishment	10.00%	Actual over Target	Completion of the Matangad Water Source Pipe-Laying Project	<ol style="list-style-type: none"> Decantation Tower Construction of Project Works (Gabion) Project Latrine Waterline Connection 	<ol style="list-style-type: none"> Material Recovery Facility Construction of Gate and Perimeter Fence at Interim Dam Improvement in Tailings Launder System 	<ol style="list-style-type: none"> Nursery Plantation Additional Water Intake (Matangad Water System)
Subtotal			45.00%						

		Component			Baseline		Target		
		Objective/Measure	Formula	Wt.	Rating System	2020	2021	2022	2023
LEARNING AND GROWTH	SO 6	Improve Manpower Competence and Management Effectiveness							
	SM 12	Percentage of Employees with Required Competencies Met	Number of Employees with Required <u>Competencies Met</u> Total Number of Employees	5.00%	All or Nothing	35.19%	47.17%	Increase from 2021 Competency Level	Increase from 2022 Competency Level
	SO 7	Institutionalize the Quality Management System							
	SM 13	Compliance to Quality Standards	Actual Accomplishment	5.00%	All or Nothing	2 nd Surveillance Audit Passed	Stage 2 Certification Remote Audit	1 st Surveillance Audit Passed	2 nd Surveillance Audit Passed
		Subtotal		10.00%					
		TOTAL		100.00%					

For GCG:


JUSTICE ALEX L. QUIROZ (RET.)
Chairperson

For PMDC:


ATTY. ALBERTO B. SIPACO, JR.
Chairperson

PMDC CHART OF ACTIVITIES FOR CY 2023

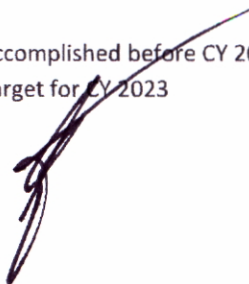
Stages of Mining		PMDC Mining Projects			
		Pinamungahan Limestone	San Fernando Limestone	Dinagat Parcel 1 Nickel Chromite	Dinagat Parcel 2B Nickel Chromite
1.	Exploration Stage				
1.1	Application for Free Prior Informed Consent				
1.5	Filing of the DMPF				
	Submission of the Mandatory Requirements to the concerned MGB RO - Follow up with the Partner/Operator on the status of the evaluation of the MGB.				
	Evaluation of the SDMP by the concerned MGB RO - Follow up with the Partner/Operator and MGB regarding the status of the SDMP Approval. - Certification should be acquired if its approved already				
	Evaluation of EPEP and FMRDP by the CLRFSC - Follow up with the MGB and Partner/Operator the status of the evaluation of the EPEP and FMRDP. - Participation of PMDC with the evaluation if there is any scheduled set				
	Evaluation of the Feasibility Study by MGB Technical Working Group - Follow up with the MGB and Partner/Operator the status of the evaluation of the EPEP and FMRDP. - Participation of PMDC with the evaluation if there is any scheduled set				
	Approval of the SDMP - If approved already, coordinate with Partner/Operator on the Copy of the Certification				
	Approval of the Feasibility Study - If approved already, coordinate with Partner/Operator on the Copy of the Notice for Approval				
	Approval of the EPEP and FMRDP - If approved already, coordinate with Partner/Operator on the Copy of the Notice for Approval				
	Issuance of the Approval of the DMPF - If approved already, coordinate with Partner/Operator on the Copy of the Notice of the Issuance of the Order by the DENR/MGB approving the DMPF				

2.	Development Stage				
	Works undertaken to explore and prepare an ore body or a mineral deposit for mining, including the construction of necessary infrastructure and related facilities. (Monitoring and coordination with Partner/Operator on status of development - Quarterly Reports Submission)				
3.	Production Stage (actual extraction of mineral deposits)				
3.1	Application for Amendment of Environmental Compliance Certificate if necessary				
	Technical Scoping				
	Submission of the Environmental Performance Report and Management Plan				
	Review of the EPRMP				
	Submission of the Additional Information				
	Drafting of the Amended ECC				
	Issuance of the Amended ECC - Liaise and coordinate with the PMDC Partner/Operator and the EMB regarding the status of the Issuance of the Amended ECC				
3.2	Processing of Requirements for the filing of DMPF covering the whole Mining Project Area if necessary				
	Sworn Declaration of Mining Project Feasibility	n/a			
	Secretary's Certificate attesting to a Board Resolution as to the authority of the person who is filing the Declaration	n/a			
	Mining Feasibility Study Report	n/a			
	Three (3) – Year Work Program	n/a			
	Environmental Compliance Certificate (Amended)	n/a			
	Environmental Protection and Enhancement Program	n/a			
	Social Development and Management Program	n/a			
	Complete and Final Exploration Report	n/a			
	Proof of Compliance with the terms and conditions of the JOA	n/a			
	Mine Safety and Health Program	n/a			
	Final Mine Rehabilitation and Decommissioning Program	n/a			
3.3	Filing of the DMPF covering the whole project area if necessary				
	Submission of the Mandatory Requirements to the concerned MGB RO	n/a			
	Evaluation of the SDMP by the concerned MGB RO	n/a			
	Evaluation of EPEP and FMRDP by the CLRFSC	n/a			
	Evaluation of the Feasibility Study by MGB Technical Working Group	n/a			
	Approval of the SDMP	n/a			

	Approval of the Feasibility Study - Follow up with the Partner/Operator the status of the approval; if technical conference is set, participation of PMDC personnel is necessary	n/a				
	Approval of the EPEP and FMRDP - Follow up with the Partner/Operator the status of the approval; if technical conference is set, participation of PMDC personnel is necessary	n/a				
	Issuance of the Order Approving the DMPF - If approved already, coordinate with the Partner/Operator on the copy of the Notice of Issuance of an Order approving the DMPF	n/a				
3.4	Evaluation and Approval of Annual EPEP and SDMP by the MRFC chaired by MGB RO No. XIII					
	a. Presentation of the Annual EPEP and SDMP to the MRFC b. Evaluation of the MRFC c. Approval of the Annual EPEP and SDMP - Coordination with Partner/Operator and acquire the Certificate of Approval of Annual EPEP or CMP and SDMP					
3.5	Multi-Partite Monitoring Team (MMT) Inspection and MRFC Evaluation (Quarterly, if there is any)					
	- Coordination with Partner/Operator of the status of the project area and any findings and recommendations of the MMT if there is any inspection or evaluation undertaken.					
3.6	Application Ore Transport Permit and Mineral Ore Export Permit (OTP and MOEP) and Issuance of the Same (*if there were shipment)					
	a. Submission of Requirements for OTP and MOEP b. Evaluation of the MGB RO endorsed to the MGB Central Office c. Evaluation and Issuance of the MGB Central Office - Ensure that all shipments are documented with an OTP and MOEP.	n/a				

LEGEND

- Accomplished before CY 2022
- Target for CY 2023




**PHILIPPINE MINING DEVELOPMENT CORPORATION
DMRA ACTION PLAN**

Priority Plans and Programs	Target	Year 2023						REMARKS/NOTES					
	Actual	Jan-Feb	Mar-Apr	May-June	July-Aug	Sep-Oct	Nov-Dec						
DMRA Gold Project													
1. Business Development													
<i>1.1 Diwalwal Special Economic Zone and Jewelry Park</i>													
a. FPIC Process													
<i>a. 1 Submission of documents/reports related to the Free, Prior and Informed Consent process to PEZA</i>	T	■	■	■	■	■	■	■	■	■	■	■	■
	A												
b. Payment for the ecozone registration agreement	T						■	■	■	■	■	■	■
	A												
c. Marketing and Promotions													
<i>c. Initial Promotion and Marketing for diversified locators by actively engaging PEZA, BOI and other external stakeholders and partners</i>	T	■	■	■	■	■	■	■	■	■	■	■	■
	A												
<i>1.2 National Advocacy</i>													
a. Capacity Building and Training Program on Responsible Mining and Sustainable Development Implementation	T	■	■	■	■	■	■	■	■	■	■	■	■
	A												
2. Exploration Work Program (2022-2024)													
Monitoring and Evaluation of the Exploration Work Program Committed for CY 2023 including but not limited to underground mapping, face sampling, drilling, data analysis, etc.	T	■	■	■	■	■							
	A												

SM 8: Percentage of Planned Activities Completed for the Exploration of Dinagat Parcel 2A as agreed with the Financial Service Provider (FSP)

No.	Plans/Programs/Activity	Validating Document/s	Remarks
1	Conduct of at least fifty (50) exploratory/confirmatory drill holes	Technical Report stating accomplishment of the said activity	
2	Conduct of Information, Education, and Communication (IEC) campaign, public scoping, and public hearing for the implementation of Environmental Impact Assessment (EIA)	Attendance, Minutes of the Meeting, and other document proof of the said activity	
3	Zero Major Accident	Monthly General Accident Reports	
4	On-time submission of monthly, quarterly, and annual accomplishment reports to MGB CARAGA	PMDC Letter submitting the said reports, duly received by MGB	
5	100% attendance to MGB CARAGA meetings	Attendance, Minutes of the Meeting, and other document proof of the said activity	
6	On-time payment of annual occupation fees to LGUs	Proof of payment of the said fees	