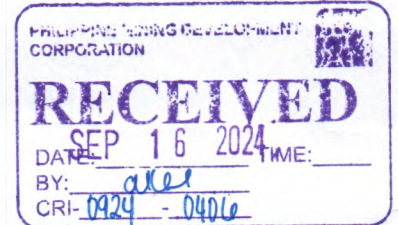


04 September 2024

**HON. ALBERTO B. SIPACO, JR.**  
 Chairperson and Officer-in-Charge President  
 And Chief Executive Officer (OIC PCEO)  
**PHILIPPINE MINING DEVELOPMENT  
 CORPORATION (PMDC)**  
 West Tower, Tektite Towers  
 Exchange Road, Ortigas Road  
 Pasig City



**RE : VALIDATION RESULT OF THE 2023  
PERFORMANCE SCORECARD OF PMDC**

Dear Chairperson and OIC PCEO Sipaco, Jr.,

This is to formally transmit the validation result of PMDC's 2023 Performance Scorecard. Based on the Governance Commission's validation of the GOCC's documentary submissions, PMDC obtained an overall score of **75.98% (Annex A)**. The same is to be posted on PMDC's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.<sup>1</sup>

**FOR PMDC'S INFORMATION AND GUIDANCE.**

Very truly yours,

**ATTY. MARIUS P. CORPUS**  
 Chairperson



**ATTY. BRIAN KEITH F. HOSAKA**  
 Commissioner

**ATTY. GERALDINE MARIE B.  
 BERBERABE-MARTINEZ**  
 Commissioner

cc: Resident COA Auditor – PMDC

<sup>1</sup> CODE OF CORPORATE GOVERNANCE FOR GOCCs dated 28 November 2012.



**PHILIPPINE MINING DEVELOPMENT CORPORATION (PMDC)**  
Validated 2023 Performance Scorecard

Objective/Measure		Component			PMDC Submission		GCG Validation		Supporting Documents	Remarks																																								
		Formula	Wt.	Rating System	Target	Actual	Rating	Actual			Rating																																							
<b>SO 1</b>	<b>Enhanced Company Profitability</b>																																																	
FINANCE	SM 1	EBITDA	Earnings Less Operating Expenses (excluding interest, tax, depreciation, and amortization)	10%	Actual over Target	₱28.84 Million	₱(9.8) Million	-	₱(13.47) Million	0%	<ul style="list-style-type: none"> <li>PMDC Report on EBITDA – Unaudited</li> <li>COA Audited Statement of Comprehensive Income</li> </ul>	<p>The detailed breakdown is as follows:</p> <table border="1"> <thead> <tr> <th>PARTICULARS</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td><b>Total Income</b></td> <td><b>94,669,796</b></td> </tr> <tr> <td>Service and Business Income</td> <td>84,942,536</td> </tr> <tr> <td>Other Non-Operating Income</td> <td>350,913</td> </tr> <tr> <td>Gains on FOREX</td> <td>9,376,347</td> </tr> <tr> <td><b>Total Expenses</b></td> <td><b>111,446,715</b></td> </tr> <tr> <td>Personnel Services</td> <td>67,931,060</td> </tr> <tr> <td>MOOE</td> <td>25,529,839</td> </tr> <tr> <td>Financial Expenses</td> <td>17,898,292</td> </tr> <tr> <td>Non-Cash Expenses</td> <td>87,524</td> </tr> <tr> <td><b>Net Income/(Loss) before Tax</b></td> <td><b>(16,776,919)</b></td> </tr> <tr> <td>Income Tax Expense</td> <td>917,404</td> </tr> <tr> <td><b>Net Income/(Loss) after Tax</b></td> <td><b>(17,694,323)</b></td> </tr> <tr> <td><b>Add back/Deduct:</b></td> <td></td> </tr> <tr> <td>Interest Expense</td> <td>-</td> </tr> <tr> <td>Income Tax</td> <td>917,404</td> </tr> <tr> <td>Depreciation</td> <td>3,168,009</td> </tr> <tr> <td>Amortization</td> <td>134,713</td> </tr> <tr> <td><b>EBITDA</b></td> <td><b>(13,474,197)</b></td> </tr> </tbody> </table>	PARTICULARS	2023	<b>Total Income</b>	<b>94,669,796</b>	Service and Business Income	84,942,536	Other Non-Operating Income	350,913	Gains on FOREX	9,376,347	<b>Total Expenses</b>	<b>111,446,715</b>	Personnel Services	67,931,060	MOOE	25,529,839	Financial Expenses	17,898,292	Non-Cash Expenses	87,524	<b>Net Income/(Loss) before Tax</b>	<b>(16,776,919)</b>	Income Tax Expense	917,404	<b>Net Income/(Loss) after Tax</b>	<b>(17,694,323)</b>	<b>Add back/Deduct:</b>		Interest Expense	-	Income Tax	917,404	Depreciation	3,168,009	Amortization	134,713	<b>EBITDA</b>	<b>(13,474,197)</b>
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SM 2	Budget Utilization Rate (BUR)	Actual Disbursement over Total Approved Budget for CO and MOOE	5%	Actual over Target	90%	68%	-	67.62%	3.76%	<ul style="list-style-type: none"> <li>PMDC Budget Utilization Report - 4th Quarter</li> <li>Budget Utilization Report</li> <li>Secretary's Certificates re: Supplemental Budgets</li> </ul>	<p>The detailed breakdown is as follows:</p> <table border="1"> <thead> <tr> <th>ITEMS</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td><b>Actual Disbursements:</b></td> <td></td> </tr> <tr> <td>Maintenance and Other Operating Expense</td> <td>25,532,128</td> </tr> <tr> <td>Capital Outlay</td> <td>3,040,399</td> </tr> <tr> <td><b>Total Disbursements</b></td> <td><b>28,572,527</b></td> </tr> <tr> <td><b>Approved Corporate Operating Budget (COB)</b></td> <td><b>42,252,352</b></td> </tr> <tr> <td><b>BUR</b></td> <td><b>67.62%</b></td> </tr> </tbody> </table>	ITEMS	AMOUNT	<b>Actual Disbursements:</b>		Maintenance and Other Operating Expense	25,532,128	Capital Outlay	3,040,399	<b>Total Disbursements</b>	<b>28,572,527</b>	<b>Approved Corporate Operating Budget (COB)</b>	<b>42,252,352</b>	<b>BUR</b>	<b>67.62%</b>																									
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		<b>Subtotal</b>	<b>15%</b>				-		<b>3.76%</b>																																									

Objective/Measure		Component			PMDC Submission		GCG Validation		Supporting Documents	Remarks	
		Formula	Wt.	Rating System	Target	Actual	Rating	Actual			Rating
STAKEHOLDERS	SO 2	Enhanced Operator's Capacity									
	SM 3	Percentage of Planned / Required Mining Activities Completed Per Project	$\frac{\Sigma \text{ Actual Number of Completed Mining Activities per Project}}{\Sigma \text{ Planned / Required Mining Activities per Project}}$	10%	Actual over Target	100% (19/19)	100%	-	38.89% (7 out of 18 mining activities)	3.89%	<ul style="list-style-type: none"> <li><b>Pinamungahan</b> <ul style="list-style-type: none"> <li>- Approval of AEPEP &amp; SDMP</li> <li>- 2023 Annual Environmental Protection and Enhancement Program (AEPEP No. 103-2023-11)</li> <li>- 2023 Annual Social Development and Management Program (ASDMP No. 2023-13-VII)</li> </ul> </li> <li><b>San Fernando</b> <ul style="list-style-type: none"> <li>- LT re Progress Report (1st-4th Q) from Mabuhay Filcement</li> </ul> </li> <li><b>Dinagat Parcel 1:</b> <ul style="list-style-type: none"> <li>- 2023 Annual Environmental Protection and Enhancement Program (AEPEP No. 2023-RXIII-26)</li> <li>- Mineral Ore Export Permits (MV Jin Gang)</li> <li>- Ore Transport Permit (MV Jin Gang)</li> </ul> </li> <li><b>Dinagat Parcel 2B:</b> <ul style="list-style-type: none"> <li>- 2023 Annual Environmental Protection and Enhancement Program (AEPEP No. 2023-RXIII-12)</li> </ul> </li> </ul> <p>PMDC completed a total of 7 out of 18 mining activities. The target activity <i>Ore Transport Permit and Mineral Ore Export Permit</i> requirement under the Dinagat Parcel 2B Nickel Chromite is excluded from the target activities due to temporary stoppage of mining operations. Supporting documents for the other mining activities were not submitted by PMDC.</p>
	SM 4	Percentage of Ore Shipment by Operators Accepted by Buyers	$\frac{\Sigma \text{ Ore Shipment Accepted by Buyers}}{\Sigma \text{ Ore shipment}}$	5%	Actual over Target	100%	100% (3 shipments)	-	100% (3 shipments)	5%	<p>Dinagat Parcel 1 (MV Jin Giang, MV Bao Chuan, MV Trans Autumn):</p> <ul style="list-style-type: none"> <li>• Draft Survey Reports</li> <li>• Mineral Ore Export Permits</li> <li>• Ore Transport Permit</li> </ul> <p>A total of three (3) shipments from Dinagat Parcel 1 were made in 2023.</p>

		Component				PMDC Submission		GCG Validation		Supporting Documents	Remarks															
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating																		
<b>SO 3 Sustain Progressive Communities through Responsible Mining</b>																										
<b>STAKEHOLDERS</b>	SM 5	Percentage of Actual CSR Beneficiaries	$\frac{\Sigma \text{ Actual number of CSR beneficiaries over } \Sigma \text{ Target CSR beneficiaries}}{\Sigma \text{ Target CSR beneficiaries}}$	10%	Actual over Target	100% (6,200 beneficiaries)	100% (8,552 beneficiaries)	-	100% (8,467 beneficiaries)	10%	<ul style="list-style-type: none"> <li>Percentage of Actual CSR Beneficiaries 2023</li> <li>CSR Annual Accomplishment Report CY 2024</li> <li>List of Beneficiaries</li> <li>Attendance Sheets with Photo Documentation</li> </ul>	Breakdown of validated beneficiaries is as follows: <table border="1"> <thead> <tr> <th>CSR ACTIVITY</th> <th>NO. OF BENEFICIARIES</th> </tr> </thead> <tbody> <tr> <td>Health</td> <td>3,027</td> </tr> <tr> <td>Education</td> <td>3,397</td> </tr> <tr> <td>Environment</td> <td>1,314</td> </tr> <tr> <td>Rural Infrastructure</td> <td>-</td> </tr> <tr> <td>Opportunities to Earn</td> <td>729</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>8,467</b></td> </tr> </tbody> </table>	CSR ACTIVITY	NO. OF BENEFICIARIES	Health	3,027	Education	3,397	Environment	1,314	Rural Infrastructure	-	Opportunities to Earn	729	<b>TOTAL</b>	<b>8,467</b>
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SM 6	Percentage of Satisfied Customers	No. of Satisfied Respondents over Total Number of Respondents	5%	Actual over Target (If less than 80% = 0%)	90%	PMDC shall submit the CSM report to ARTA not later than April 15 which in turn will be validated by ARTA.	-	100%	5%	<ul style="list-style-type: none"> <li>PMDC CSM Report 2023</li> <li>ARTA Harmonized Client Satisfaction Measurement Results of GOCCs dated 31 May 2024.</li> </ul>	The result is based on the responses of clients availing external services only.  The CSM score refers to the percentage of respondents who rated 'Agree' and 'Strongly Agree' for <i>Service Quality Dimension 0: "I am satisfied with the service that I availed"</i> .															
<b>Subtotal</b>		<b>30%</b>					-		<b>23.89%</b>																	
<b>SO 4 Develop the Diwalwal Mining Area and other Mining Tenements</b>																										
<b>INTERNAL PROCESS</b>	SM 7	Percentage of Planned Activities Completed Relative to the Board-Approved Diwalwal Action Plan	$\frac{\Sigma \text{ Activities Implemented over Planned Activities as per Board-Approved Action Plan}}{\Sigma \text{ Planned Activities}}$	10%	Actual over Target	100%	100%	-	100%	10%	<ul style="list-style-type: none"> <li><b>Item 1-a:</b> LT to PEZA re update on the status of the PMDC Certificate Pre-Condition Application w/ NCIP</li> <li><b>Item 1-b:</b> Provided Justification</li> <li><b>Item 2:</b> Reports on 729ha Area 2023 with photo documentation for months January - October 2023 only</li> </ul>	Upon evaluation of the submitted supporting documents, PMDC completed 2 planned activities for CY 2023. The remaining 3 activities were recommended to be excluded as these activities did not materialize in 2023 due to dependencies from other participating party.														



Objective/Measure	Component				PMDC Submission		GCG Validation		Supporting Documents	Remarks	
	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
<b>SO 5</b>	<b>Enhance Operational Efficiency</b>										
INTERNAL PROCESS  SM 10	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 over Σ PMDC Mining Projects Committed	5%	Actual over Target	100% (3 -production; 1 -Exploration)	100%	-	Dinagat Parcel 1 – 55%; Dinagat Parcel 2B – 12.5%; Pinamungahan – 86.6% ; San Fernando – 0%	0%	<ul style="list-style-type: none"> <li>Dinagat Parcel 1 and 2B:                             <ul style="list-style-type: none"> <li>- Certification – BS EN ISO 14001:2015</li> <li>- Ore Transport Permit</li> <li>- Mineral Export Permits</li> <li>- Certificate of Approval AEPEP</li> <li>- Revised Annual SDMP Plan CY 2023</li> <li>- Annual Safety and Health Program</li> <li>- Quarterly EPEP Accomplishment Reports</li> </ul> </li> </ul>	PMDC was not able to submit supporting documents for all regulatory and statutory requirements.
										<ul style="list-style-type: none"> <li>Pinamungahan:                             <ul style="list-style-type: none"> <li>- Annual EPEP Plan CY 2023</li> <li>- Annual SDMP CY 2023</li> <li>- Certificate of Approval SHP</li> <li>- Quarterly EPEP Reports</li> <li>- Mining Forest Program</li> <li>- Reports on Production, Sales, and Inventory of Non-Metallic Minerals and Employment Data</li> <li>- Quarterly Energy Reports</li> <li>- Mine Waste and Tailings Report</li> <li>- Monthly General Accident Reports</li> </ul> </li> <li>San Fernando                             <ul style="list-style-type: none"> <li>- Transmittal Letters re: Quarterly Progress Reports and Request for the Issuance of Order of Payment for the Payment of Occupation Fee</li> </ul> </li> </ul>	

Objective/Measure		Component			PMDC Submission		GCG Validation		Supporting Documents	Remarks	
		Formula	Wt.	Rating System	Target	Actual	Rating	Actual			Rating
INTERNAL PROCESS	SM 11	Establishment of Facilities to Protect the Environment in the DMRA	Actual Accomplishment	10%	Actual over Target	Establishment of Facilities – 1. Nursery plantation- 100% 2. Additional water intake (Matangad Water System)- Justification for non-implementation	-	Establishment of Facilities –	10%	<ul style="list-style-type: none"> <li>• <b>Nursery Plantation:</b> <ul style="list-style-type: none"> <li>- PMDC Nursery Accomplishment Report – Work Accomplished</li> <li>- Summary of Total Manpower Cost</li> <li>- Photo Documentation w/ details</li> <li>- Certificate of Acceptance</li> <li>- Certificate of Completion</li> </ul> </li> <li>• <b>Additional Water Intake:</b> <ul style="list-style-type: none"> <li>- Justification of Non-Implementation of Additional Water Intake in DMRA</li> </ul> </li> <li>• <b>Additional Projects 1, 2, 3, &amp; 4</b> <ul style="list-style-type: none"> <li>- Certificates of Acceptance</li> <li>- Certificates of Completion</li> <li>- Resolution on the Supplemental Budget for the Additional Projects</li> </ul> </li> </ul>	<p>The Nursery Plantation was completed on 29 December 2023.</p> <p>PMDC failed to complete the establishment of the <i>Additional Water Intake (Matangad Waster System)</i> and substitute projects were prioritized to mitigate further damage caused by the typhoons, heavy rainfalls and strong earthquakes that struck the DMRA in the first quarter of 2023. The GCG finds the following substitute facilities acceptable:</p> <ol style="list-style-type: none"> <li>1. Construction of Mine Tailings Containment Barrier;</li> <li>2. Slope Protection for Launder Network; and</li> <li>3. Earth Embankment</li> </ol> <p>Moving forward, PMDC is encouraged to incorporate climate change risk assessment in its planning to ensure that the proposed projects, particularly those pertaining to the establishment of facilities, are implemented as planned.</p>
						1. Nursery Plantation 2. Additional Water Intake (Matangad Water System) Additional Projects (100% completed): 1. Installation of Solar Lightings in 3 Latrines 2. Construction of Mine Tailings Containment Barrier 3. Slope Protection for Launder Network 4. Earth Embankment		Establishment of Facilities – 1. Nursery plantation-100% 2. Construction of Mine Tailings Containment Barrier 3. Slope Protection for Launder Network 4. Earth Embankment			
			<b>Subtotal</b>	<b>45%</b>			-		<b>38.33%</b>		

	Component				PMDC Submission		GCG Validation		Supporting Documents	Remarks		
	Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual			Rating	
LEARNING AND GROWTH	<b>SO 6 Improve Manpower Competence and Management Effectiveness</b>											
	SM 12	Percentage of Employees with Required Competencies Met	Number of Employees with Required Competencies Met over Total Number of Employees	5%	All or Nothing	Increase from 2022 Competency Level	Achieved 66.04% Competency Rating (35 employees with required competencies met). An increase of 1.89% from 2022.	-	65.38% (increase of 1.23% from 2022)	5%	<ul style="list-style-type: none"> <li>Summary of Table of the Assessment including employees' competency level and employment status</li> <li>Position and Person Profiling for Leadership Competencies CY 2023</li> <li>Individual Rating Sheets</li> </ul>	<p>34 out 52 employees (65.38%) met the required competencies for their position.</p> <p>This translates to 1.23% increase from PMDC's 2022 competency level of 64.15%.</p>
	<b>SO 7 Institutionalize the Quality Management System</b>											
	SM 13	Compliance to Quality Standards	Actual Accomplishment	5%	All or Nothing	2 <sup>nd</sup> Surveillance Audit	2 <sup>nd</sup> Surveillance Audit passed	-	ISO Certification	5%	<ul style="list-style-type: none"> <li>ISO Certification</li> <li>Surveillance Audit Report by TUV Rheinland Philippines, Inc.</li> </ul>	<p>PMDC successfully passed the 2<sup>nd</sup> Surveillance Audit conducted by TUV Rheinland Philippines, Inc. on 21 December 2023.</p> <p>Scope of Certification is "Project Management and Support Services for Mining Operation and Activities".</p>
			<b>Subtotal</b>	<b>10%</b>				-		<b>10%</b>		
			<b>TOTAL</b>	<b>100%</b>				-		<b>75.98%</b>		