



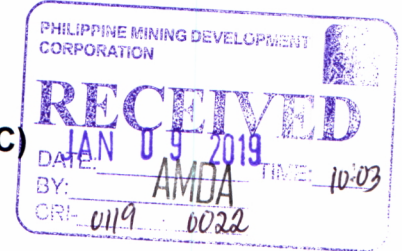
03 January 2019

ATTY. ALBERTO B. SIPACO

Chairman

PHILIPPINE MINING DEVELOPMENT CORPORATION (PMDC)

2904 B West Tower, Philippine Stock Exchange Center
 Ortigas Center, Pasig City



RE : TRANSMITTAL OF 2019 PERFORMANCE SCORECARD

Dear Chairman Sipaco,

This is to formally transmit the Charter Statement and Strategy Map (**Annex A**) and 2019 Performance Scorecard of PMDC (**Annex B**). The same is to be posted in PMDC's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹

The PMDC-proposed Charter Statement, Strategy Map and Performance Scorecard submitted on 28 November 2018² were **MODIFIED** based on the discussions made during the technical panel meeting (TPM) held on 29 November 2018, and evaluation of revised documents submitted through its e-mail dated 07 December 2018.

We take this opportunity to **REMIND** PMDC that Item 5 of GCG Memorandum Circular No. 2017-02³ mandates GOCCs to submit Quarterly Monitoring Reports and upload the same in the GOCC's website within thirty (30) calendar days from the close of each quarter.

FOR YOUR COMPLIANCE.

Very truly yours,

SAMUEL G. DAGPIN JR.

Chairman

MICHAEL P. CLORIBEL

Commissioner

MARITES C. DORAL

Commissioner

¹ CODE OF CORPORATE GOVERNANCE FOR GOCCs, dated 28 November 2012.

² Officially received by the Governance Commission on 29 November 2018.

³ INTERIM PES FOR THE GOCC SECTOR, dated 30 June 2017.



VISION

By 2022, PMDC is a lucrative mining firm generating bigger revenues for the State, embracing first-rate norms in responsible mining, espousing policies that protect the environment, and helping transform communities into healthy, progressive and ecologically-sound settlements.

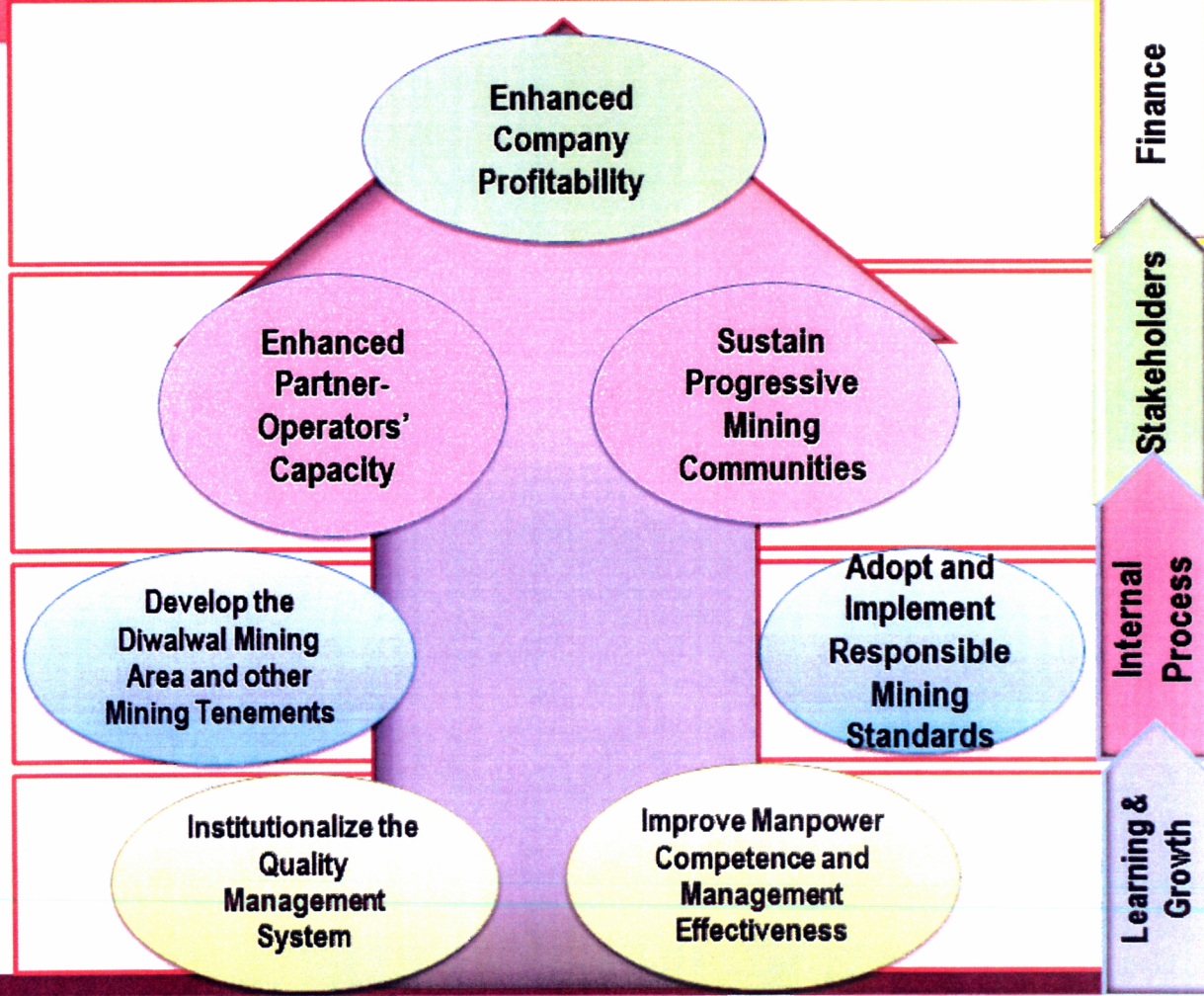
PMDC Strategy Map
2017-2022

MISSION

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

CORE VALUES

- Patriotism
- Integrity
- Excellence
- Spirituality



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 ÷ \sum Ore shipment	5%	Actual over Target	100%	100%	100%	100%

		Component			Baseline		Targets		
Objective/Measure		Formula	Wt.	Rating System	2016	2017	2018	2019	
STAKEHOLDERS	SO 3	Sustained Progressive Mining Communities							
	SM 4	Percentage of actual CSR beneficiaries	$\frac{\sum \text{Actual number of CSR beneficiaries}}{\sum \text{Target CSR beneficiaries}}$	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	$\frac{\text{No. of respondents with a rating of at least satisfactory}}{\text{Total number of respondents}}$	5%	(Actual/Target) If less than 80%= 0%	80.90%	81%	90%*	90%*
	Sub-total			30%					
INTERNAL PROCESS	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	$\frac{\sum \text{Activities Implemented}}{\text{Planned Activities as per Board-Approved Action Plan}}$	10%	Actual over Target	N/A	N/A	100%	100%

* 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
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%					